

2022 Newsletter

Welcome to your latest Plan newsletter, keeping you up to date with Plan developments and wider pensions news.

Life is slowly returning to normal in the UK as society learns to live with the COVID-19 virus and the vaccination programme. Indeed, the UK economy was boosted as the retail and leisure sectors re-opened. However, recent events, including soaring gas prices and new COVID variants, remind us that the economy remains fragile.

As ever, our role as Trustee remains the same – to monitor the Plan's development and to make any changes we feel are necessary to protect the Plan and all members' best interests.

Inside, you can read how the Plan's financial position is developing in our latest summary funding statement. We report on the Plan's funding position as at 5 April 2021, the headline being that there has been a slight increase in the funding level since the last valuation as at 5 April 2020.

We also include a summary of the year's accounts and an update on the Plan's investments.

Enclosed is a copy of the Plan's privacy notice which was recently updated. This details how the Trustee processes your data in order to administer the Plan.

Away from the Plan, we look at the timetable for launching the industry's Pensions Dashboard, we include a warning of the threat of online fraud, and we report on the increasing importance of Environmental, Social and Governance (ESG) factors for investments.

At the end of the newsletter there is also some helpful information on your options at retirement as well as some FAQ. Within the helpful guide, we also provide an important update on the increased risk of pension scams including actions that the industry and the Trustee is doing to help protect members.

As always, please do get in contact if you have a query about the Plan or your benefits, or if there is a topic you would like us to feature in our next issue. The contact details are on page 6.

Michael McNulty

Chairman of the Trustee

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In numbers

The membership



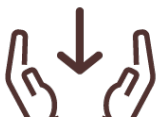
At 5 April 2021 there were 9,027 members in the Plan compared with 9,253 members at the same date last year. This does not include members who are paid by an annuity.

2,937	Deferred members - no longer building up benefits but have benefits in the Plan for when they retire.
6,090	Pensioner members - receiving benefits from the Plan (and including the dependants of members who have passed away).

The accounts

Here we show headline figures from the Plan's Annual Report and Accounts. You will note that the assets have decreased by more than the total value of benefits paid out. This is due to various factors but primarily because of slight negative investment return over the year. More detail on the movement of the value of the assets and liabilities can be found in the summary funding statement on page 7.

If you would like more detail, please request a copy of the full report using the contact details on page 7.

The value of the assets supporting the Plan at 5 April 2021	£1,321.4m	
The decrease in the value of the assets over the reporting year	£69.1m	
The total value of benefits paid to members during the year	£52.2m	

Investment update

As Trustee, it is our responsibility to decide on the overall investment strategy, and to make changes as and when appropriate. We work closely with our investment advisers and we keep a close eye on how the funds are performing.

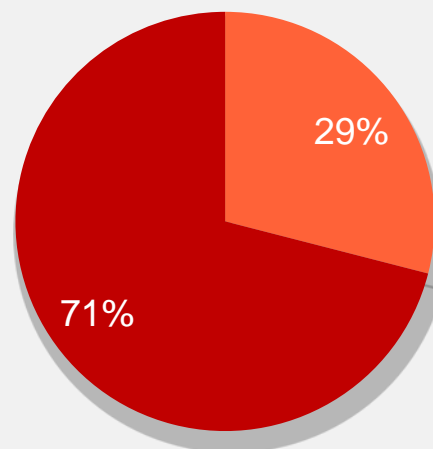
Asset allocation

At 5 April 2021, the Plan held assets of £1,321.4m compared with £1,390.5m at the same date last year (not including AVCs*).

The chart adjacent shows how the Plan's investments were allocated as at 5 April 2021, across asset types.

- Return-seeking bonds 29%
- Liability Driven Investment (LDI) 71%

*AVCs are Additional Voluntary Contributions which allowed members to increase their benefits in the Plan by paying in more individual contributions. AVCs have not been included in the above chart since the AVCs are assets of the individual members rather than the collective assets of the Plan.



Performance

The table below shows how the Plan's investments have performed compared with their agreed benchmarks. Each benchmark is an agreed indicator of how the fund is expected to perform bearing in mind economic and market expectations.

	Over one year to 31 March 2021		Over three years to 31 March 2021 (% per year)	
	Performance	Benchmark	Performance	Benchmark
Plan investments	-0.9%	-3.5%	4%	3.7%

You can see that despite performance being negative in absolute terms over one year to 31 March 2021, the Plan investments exceeded its target by 2.6% which is a positive result. Similarly, over a three-year period we saw positive returns with Plan investments exceeding their target returns by 0.3%.

Investment strategy

When setting the investment strategy, The Trustee needs to strike the right balance between (i) the expected investment return on Plan assets and (ii) the level of uncertainty around those expected investment returns. To achieve the right balance between (i) and (ii), the Trustee decide to invest in some of the more complex types of assets available that balance growth in value over the long-term whilst mitigating risk.

We will continue to monitor performance and make any changes we feel are necessary.

Beware of cyber crime

Online fraud, or cyber-crime, is an ongoing threat in today's device-led world. The Pension Regulator's new single code of practice aims to tackle this with more emphasis, making it more of a priority for the trustees of pension schemes.

As Trustee, we are committed to maintaining the highest level of security of the Plan's online systems and your personal data and will continue to work closely with our expert advisers to identify any areas for improvement.

We encourage you to be vigilant to help protect yourself from cyber-crime. Things to look out for include:

Authority. Beware of emails claiming to be from someone official such as your bank or doctor. Criminals often pretend to be someone in a position of trust to gain your confidence and then trick you into doing what they want.

Similarly, a common scam is for fraudsters to set up a website that pretends to be a legitimate business – for example a firm that is regulated by the Financial Conduct Authority or FCA.

Urgency. Beware of urgent time periods (such as 'within 24 hours' or 'immediately').

Emotion. Beware of messages that make you panic or fearful of missing out on something. False claims of support or enticing you into wanting to find out more are common methods.

Topical. Criminals often exploit current news to make their scam seem more relevant to you. Sadly, the COVID-19 pandemic gave criminals a new opportunity to tempt people into mistakes.

Remember!

If an email, website or social media post looks suspicious, stop what you're doing and give yourself time to check whether it is what it claims to be. If a financial adviser or firm is genuine, they will be authorised by the FCA and their details will be on the FCA's register. You can check the register online at <https://register.fca.org.uk>. Or you can ask the FCA to check for you – call **0800 111 6768**.

Do

Read the National Cyber Security Centre guidance at www.ncsc.gov.uk/guidance/suspicious-email-actions for further information on how to stay safe.

Visit the FCA's Scam Smart website at www.fca.org.uk/scamsmart.

Don't

Click on links, or share your bank details or personal information, following unsolicited requests.

New single code of practice

During 2021, the Pensions Regulator undertook a public consultation about combining its existing (multiple) codes of practice into one single, shorter code. The Regulator received more than 10,000 individual answers during the consultation.

The new single code is expected to come into force during 2022, with an increased focus on governance and, in particular, risk assessment and cyber risk. This will mean greater overall protection for your benefits.

FCA and TPR guidance on advice and support

The Financial Conduct Authority (FCA) has published new guidance on what is expected from financial advisers delivering advice on transfers out of Defined Benefit schemes. The guidance focuses on the processes that should be put into place to ensure firms deliver suitable advice for members interested in transferring out.

The guidance also includes a new version of the joint FCA and Pensions Regulator (TPR) publication '*Guide for employers and trustees on providing support with financial matters without needing to be subject to FCA regulation*'.

The key points are:

- Trustees/employers can continue to provide information to help members understand their options for accessing their retirement benefits.
- Trustees/employers can continue to appoint and provide access to a preferred, FCA-regulated IFA.
- Factual numerical information about what members can do with a Defined Benefit transfer value can be provided but illustrative figures, using assumptions about the future, should not be provided.

Pensions Dashboards

A few years ago, the Government called on the pension industry to develop and launch an online Pensions Dashboard. The aim is to enable everyone to have quick and easy access to information on all their pension savings in one place. To achieve this, the Money and Pensions Service established a Pensions Dashboards Programme (PDP) team. The timeline for developing Pensions Dashboards is as follows.

From 2021

'Develop and test' phase – building, integration and testing of the digital architecture.

From 2022

Voluntary onboarding – connection of volunteer pension schemes to the service, using real data.

From 2023

Staged onboarding – pension schemes will be required by law to connect to the service. The PDP recently called for input on how this should be implemented. They are recommending three waves:

Wave 1: largest schemes (1,000+ members). This would run for up to two years from April 2023, split into three cohorts:

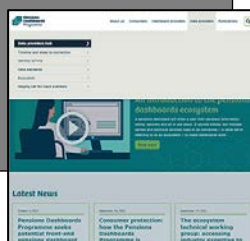
- Master trusts and FCA-regulated providers of personal pensions,
- Defined contribution schemes used for Automatic Enrolment, and
- All remaining occupational schemes with 1,000+ members (in order of size) with the largest defined benefit schemes to onboard in 2023.

Wave 2: medium schemes (100 to 999 members). This wave would be staggered by size and could go beyond the two-year timeline proposed for Wave 1. It would be unlikely to start before 2024.

Wave 3: small and micro schemes (fewer than 100 members). Staging of these would be deferred until after waves 1 and 2, so possibly after 2025.

The Government has said that the Pensions Dashboard will also be made available to the public around 2023, by which point the PDP believes there will be sufficient findable pensions to make dashboards useful to consumers.

To find out more about the PDP go to www.pensionsdashboardsprogramme.org.uk.



Responsible investing

You may have heard about responsible investing in the news recently as it's getting more attention across the pension industry. Responsible investing aims to incorporate environmental, social and governance (ESG) factors into investment decisions, which can help to create long-term sustainable returns.

- **Environmental:** the impact companies and their assets have on the environment.
- **Social:** how companies treat their employees, customers and the community.
- **Governance:** how companies and their assets are governed.

As Trustee of the Plan, we assess ESG factors when agreeing how to invest the Plan's assets. Our appointed investment managers also incorporate ESG factors into their day-to-day processes.

Trustees must also comply with new duties to consider and assess climate-related risks and opportunities. We are starting to consider these requirements for the Plan and once they apply, we will issue a report setting out how we have done this and provide you with access.

In the meantime, you can access the Plan's Statement of Investment Principles as well as the Trustee's Engagement Policy Implementation Statement at:

<https://pensioninformation.aon.com/goodyear dunlop>

Minimum retirement age set to increase

As noted in the previous Plan newsletter, the Government has confirmed that the minimum retirement age will rise from 55 to 57 in April 2028, to broadly coincide with the rise in the State Pension Age to 67.

Pension savers considering taking early retirement in 2028 or later may need to take this into account – in particular, those that will turn 55 just after the change takes effect and those who reach age 55 shortly before then but have not accessed all their benefits.

Where the Plan currently gives members a right to take benefits before age 57, this will be retained for members.

We will keep you updated when the legislation for this is finalised.

More information

To find out more about the Plan, please use the contact details below.

There are lots of useful websites that can help you understand your options and support you with your retirement planning.

Get to know your pension at www.yourpension.gov.uk.

The site has a tool that can quickly generate you a retirement checklist to help you assess where you are with your planning. It also has useful links to a pension calculator, a State Pension calculator and more.

Picture your future at

<http://www.retirementlivingstandards.org.uk> The retirement living standards show you what life in retirement looks like at three different levels, and what a range of common goods and services would cost for each level.

www.maps.org.uk

The Money & Pensions Service brings together three main guidance bodies, the Money Advice Service, the Pensions Advisory Service and Pension Wise.

The combined service is relaunching as **MoneyHelper** this summer. To find out more, go to www.maps.org.uk/moneyhelper/

Contact point

Please use any of the methods below to get in touch with the Administration team.

Email: goodyear dunlop.pensions@aon.com

Phone: 0330 123 9083
(lines are open Monday to Friday, 9am to 5pm)

Write to: Goodyear Dunlop Tyres UK Limited Pension Plan
Aon
PO Box 196
Huddersfield
HD8 1EG

Behind the scenes

As Trustee, we maintain up-to-date knowledge of pensions, investments and finance. We also attend training courses as and when necessary, for example, when pensions legislation changes. We meet regularly throughout the year to discuss how the Plan is progressing.

The Board is made up of Company-appointed Trustees and Member-nominated Trustees.

Company-appointed	Member-nominated
Michael McNulty	Dave Roper
Gary Price	Terry Cox
John Borgogno	
Malcolm Goodall	

Reminder to keep us up to date

Please let us know if you change your name or address so we can continue to contact you about the Plan and your benefits.

Please also update your Expression of Wishes form if you need to. This tells us who you would like to receive any benefits that become payable in the event of your death. As the Trustee, we have the final say over who receives the benefits. We will consider your Expression of Wishes form, so if you have never filled one in, or you have not done so recently, particularly if your circumstances have changed, please complete a form and send it to us.

Please use the contact details on this page to request a blank form.

Taking advice

If you would like advice about your retirement plans, we recommend you speak with an independent financial adviser (IFA). You can find an adviser in your area by searching the Money Advice Service directory at <https://directory.moneyadvice.service.org.uk/en>.

Before you appoint anyone, you should check that the adviser is suitably qualified and authorised. You can do this online at <https://register.fca.org.uk> or by phoning the Financial Conduct Authority helpline, **0800 111 6768**.

Remember: if you would like more information about the Plan, you can request a copy of the Trustee's Annual Report & Accounts. Contact the administration team using the details shown on this page.

We also appoint professionals to support us on areas of particular expertise.

Administrator	Aon
Actuary	David Eteen, FIA, Aon
Auditor	Edwards Chartered Accounts
Investment Adviser	Aon
Legal Adviser	Eversheds Sutherland

Summary Funding Statement

This section summarises the results of the funding update at 5 April 2021. It also looks at the most recent previous results. These financial health checks are vital for monitoring the Plan's progress. We hope the information helps you to understand how the Plan is developing.

The latest position

The table below shows how the funding position has changed since the valuation at 5 April 2020 and the 2019 funding update.

	Update	Valuation
Date	5 April 2021	5 April 2020
The funding level	108%	107%
The funding target	£1,225.6 million	£1,299.2 million
The value of the Plan's assets	£1,321.4 million	£1,390.5 million
The overall position	Surplus of £95.8 million	Surplus of £91.3 million

The latest update shows that the funding level has improve since the valuation at 5 April 2020.

The next financial check will be based on the Plan's position at 5 April 2022. We will report on the results once they are complete.

It is important to remember that it is normal for pension scheme funding levels to fluctuate over time. Although the Plan funding level is currently above target, should the funding ever fall below the target level, then the Plan will continue to pay benefits in full as long as it continues

Reasons for the change

You will see from the above table that the surplus has grown slightly despite assets reducing over the year. The asset reduction is primarily due to benefit payments out and a small negative investment return over the year.

The growth in the surplus is because whilst the assets fell, the liabilities fell by a larger amount. This was due to an increase in yields available on Government bonds which has led to a reduction in liabilities.

Summary Funding Statement

Financial support

As the Plan is in surplus, the Company is not required to pay any deficit removal contributions, however the Company continues to provide financial support by paying most administration and running expenses which during the plan year ending 5 April 2020 amounted to £1.1m.

The next formal valuation will look at the Plan's position at 5 April 2023. This will include evaluating whether any deficit removal contributions will be required from the Company

The Pensions Regulator

The Pensions Regulator is the UK watchdog of workplace pension schemes. It has the authority to change the way occupational pension schemes are run though it has not needed to use its powers in this way for our Plan. You can find out more about the Regulator online at

www.thepensionsregulator.gov.uk.

If the Plan came to an end

The Plan's funding level is worked out in two ways.

- The 'ongoing' basis, which assumes that the Plan will continue into the future.
- The 'full solvency' basis, which shows the funding position if the Plan started to 'wind up' at the date of the valuation. If this happened, all members' benefits would have to be secured without delay by buying insurance policies. This would be more expensive than paying benefits gradually over time, so the full solvency position is generally lower than the ongoing position, even for fully funded pension schemes.

At 5 April 2020, the Plan's full solvency funding level was 97% with a shortfall of £42.6 million.

Please note that we are legally required to report the full solvency position as part of this funding statement. The Company has no current plans to end the Plan.

We must also tell you if there have been any payments to the Company out of Plan funds in the last 12 months. There have not been any such payments.



Retirement options

What are your options at retirement?

When you retire there are a number of options available to you apart from the standard option of taking a pension for life. We will be in touch close to your retirement date but it's never too early to start thinking about your options. The decisions you make at retirement affect the amount of income you receive for the rest of your life and so you may want to discuss with your loved ones and consider getting advice.

We will be in touch close to your retirement date but it's never too early to start thinking about your options. The decisions you make at retirement affect the amount of income you receive for the rest of your life and so you may want to discuss with your loved ones and consider getting independent financial advice.

Swapping some of your pension for tax free cash at retirement

The Plan allows you to swap some of your pension for a tax-free cash lump sum at retirement. You can swap up to one quarter of the value of your pension for a tax-free cash lump sum at retirement. The larger the tax-free cash lump sum you take, the smaller your annual residual pension income will be. You can choose to take no cash at all, meaning that you'll get the maximum monthly pension from the Plan.

Transferring your benefit to another pension scheme

Before we start paying your pension you have the option of transferring the full value of your pension benefit to another pension provider. You might decide that the options available to you in the Plan don't suit your needs and transferring may give you more flexibility.

Following changes to pensions legislation in 2015, if you are retiring from a defined contribution scheme then you have access to flexibilities over how to take your pension at retirement. This may involve purchasing an annuity or you could take smaller cash lump sums throughout your lifetime. Transferring out of the Plan into an eligible defined contribution arrangement will give you access to these flexibilities.

We are able to provide you with a Cash Equivalent Transfer Value quote which is what your pension would be worth if you were to transfer your pension to another arrangement. It is important that you consider all options available to you before proceeding with a transfer.

Please note that transferring your benefits out of the Plan is a big decision and you should seek independent financial advice before taking up this option. If your Cash Equivalent Transfer Value is greater than £30,000

Taking all your pension as a lump sum

If you only have a small amount of service in the Plan then you may be entitled to receive your entire pension as a cash lump sum. The value of your pension must be less than £30,000 in order for you to qualify. We will highlight this to you if you are eligible when you are approaching retirement.

Tax on your pension

Please be aware of any tax issues which may affect your pension at retirement. Just like normal income, you may have to pay tax on any pension income.

Early / Late retirement

You may also have the option to take early or late retirement. If you would like to explore this option, please contact the administration team.

Advice

This is an important decision and you should seek independent financial advice to discuss which option is appropriate for you, based on your personal circumstances.

Decisions at retirement can be complex. The article on page 4 includes a useful update on recent changes to guidance surrounding advice and support. Page 7 includes information on how to find a suitable adviser. You will have to pay for this advice.

Defined Contribution (DC)

This is where you and/or your employer pay into a pension fund and the eventual benefits you will receive depends on, for example, what investment returns your savings receive prior to retirement.

If you made Additional Voluntary Contributions (AVCs) whilst an active member of the Plan, these are on a DC basis.

You may also be a member of the Goodyear Dunlop DC Scheme.

Common questions

Where can I find out information on my pension amount when I retire?

Please contact our Administration team using the details on page 6 to request a quotation. A few months before you retire, we will write to you to confirm your final pension amounts.

Who will receive my pension benefits after I die?

You can nominate someone to receive your benefits after you die. Please contact our Administration team using the details on page 6 to request a blank Expression of Wishes form. If you are already receiving a pension and wish to change your death benefit nominee, please call our Administration team on 0330 123 9083.

How do I inform you of a death?

Please call our Administration team as soon as you are able. We understand that these moments can be difficult but any payments we make after a member has died will need to be reclaimed by us.

There's been a change in my personal circumstances. How do I let you know?

If any of your details, such as address or marital status, change then please contact our Administration team.

What to expect before retirement

A few months before you retire, we will contact you with a final statement and information on your options.

Decisions you make at retirement are very important and you should seek independent financial advice.

What to expect after retirement

We pay pensions on the 1st or 15th day of each month depending on which section of the Plan you are in. When this falls at a weekend or bank holiday we bring payments forward to the working day before.

Your pension may increase each year. Standard increases are applied in April or May each year and we will inform you of these increases.

Pension Scams

I've heard a lot in the press about pension scams. How can I tell if someone is trying to scam me?

Pension scams are around now more than ever, with companies tempting individuals with cash in exchange for moving their pensions.

Please be wary of any cold calls or mailings which may appear legitimate asking you to move your pension. Also watch out for people at your door offering free pension reviews. Once you move your pension it will be too late so please check all details carefully.

We advise that you use an independent financial adviser if you want to move your pension. Any cold calls, mailings or messages you receive may appear legitimate but please be wary of someone who approaches you with an offer that sounds too good to be true.

What support is available on scams?

The Pensions Regulator recently launched a campaign calling on the industry to pledge to combat pension fraud. The pledge involves several commitments including:

- regularly warning members about pension scams, and
- taking appropriate due diligence measures when members request a transfer out.

You can read more about the pledge at www.thepensionsregulator.gov.uk/en/pension-scams/pledge-to-combat-pension-scams

As Trustee, we are committed to giving you the information you need to be aware of the warning signs. We also take every precaution and make all necessary checks before processing a request to transfer out.

This includes adhering to new regulations regarding suspicious transfers which the Pensions Regulator published late last year following the Pension Schemes Act 2021. The Plan administrator has updated their transfer processes accordingly and will notify the Trustee of any suspicious transfers under the new regulations. More information can be found at: <https://www.thepensionsregulator.gov.uk/en/media-hub/press-releases/2021-press-releases/new-regulations-empower-trustees-to-halt-suspicious-transfers>

For more information about pension scams:

- Go to www.thepensionsregulator.gov.uk/en/pension-scams and download the pension scams booklet.
- Go to www.fca.org.uk/scamsmart for tips and online resources to help you protect yourself.