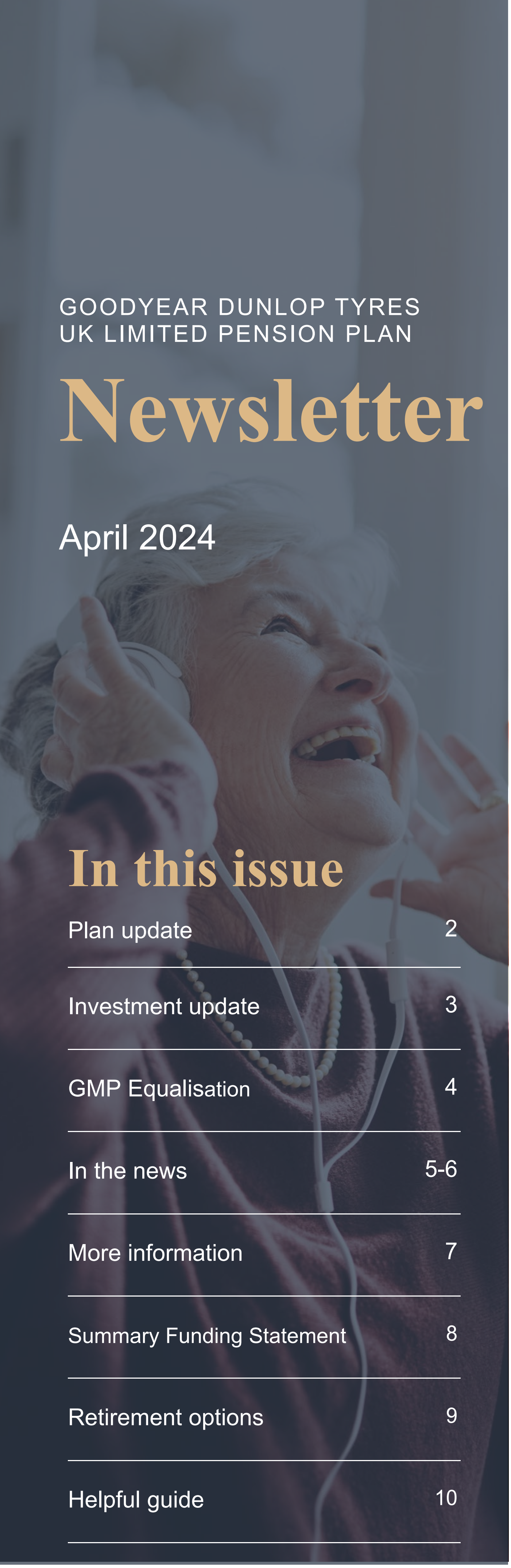


GOODYEAR DUNLOP TYRES
UK LIMITED PENSION PLAN

Newsletter

April 2024

In this issue

Welcome to this latest issue of your Plan newsletter, in which we update you on Plan developments and wider pensions news.

At the time of writing, the broader economy remains volatile and unpredictable. As always, with the support of our professional advisers, we keep a close eye on national and international financial matters that may impact the Plan and will be proactive in making any changes we consider necessary.

In the 2023 newsletter, we reported on the funding position as at 5 April 2022. The Plan has recently completed its three-yearly formal actuarial valuation as at 5 April 2023, which demonstrates the continued healthy financial position of the Plan. More detail can be found in the Summary Funding Statement on page 8.

We have included the usual summary of the year's accounts on page 2, as well as an investment update on page 3. There are also further details on your retirement options and helpful matters at the back of newsletter.

In other pensions news, we provide updates on:

- the Retirement Living Standards
- the Pensions Dashboards Programme
- changes to the pension tax allowances
- protecting yourself against pension scams

There has been a recent change to the Trustee Board with Gary Price retiring as a Trustee in December 2023. Petra Locke has been appointed to replace Gary. We would like to thank Gary for his many years of service to the Board and for his time, dedication and commitment to the Plan and its members.

Finally, some of you may have received various communications in 2023, and into 2024, in relation to the Plan's GMP equalisation project. An update on the progression of the project has been provided on page 4. Alternatively, more extensive material is also available on the Plan website, which you can access here: **https://pensioninformation.aon.com/goodyeardunlop**

As always, please do get in contact if you have a query about the Plan or your benefits. The contact details are on page 7.

Michael McNulty
Chair of the Trustee

Plan update

The membership

At 5 April 2023 there were 8,620 members in the Plan compared with 8,823 members at 5 April 2022.

2,542	**Deferred members** No longer building up benefits but have benefits in the Plan for when they retire.
6,078	**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.

There has been a reduction in both the Plan's assets and liabilities over the year to April 2023. This reduction in values is largely due to changes in financial market conditions which are currently very volatile. The funding position over this period of market volatility has remained stable, which is positive, meaning the Plan continues to be in a healthy financial position. More detail on the Plan's funding position can be found on page 8.

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

The value of the assets supporting the Plan at 5 April 2023	£898.0m
The value of the Plan's liabilities at 5 April 2023	£830.5m
The total value of benefits paid to members during the year	£53.5m

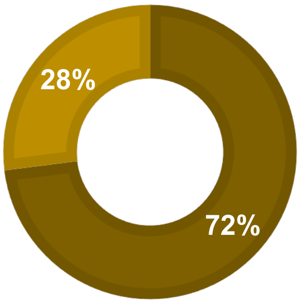
Investment update

As Trustees, 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

The chart adjacent shows how the Plan's investments were allocated at 5 April 2023, across asset types.

- Return-seeking bonds 28%
- Liability Driven Investment (LDI) 72%



**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 here since the AVCs are assets of the individual members rather than the collective assets of the Plan*

Performance

The Plan's investments are measured versus agreed benchmarks. Each benchmark is an agreed indicator of how the fund is expected to perform bearing in mind economic and market expectations.

Over the year period to 31 March 2023, the Plan's investments slightly underperformed the benchmark by 1.4%. However over the three year period to 31 March 2023, the Plan broadly matched the benchmark with only slight negative performance of 0.2%.

It is important to remember that it is normal for the Plan's investments to fluctuate over time. Pension schemes invest over long periods, but asset values can rise and fall significantly in the short term due to market volatility.

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

This investment strategy has allowed the Plan to cope with the extreme volatility seen in the financial markets over the last 18 months. This has largely protected the Plan's assets from risks relating to inflation and interest rates, and as such the Plan's funding position has remained stable.

The Trustee, alongside its investment adviser, will continue to monitor the Plan's investment strategy and the performance of respective funds to maintain this stable position.

For further details on our investment approach, read our Statement of Investment Principles (SIP) at **https://pensioninformation.aon.com/goodyeardunlop**

GMP Equalisation

2023 Update

As Trustee, we are legally required to address a historical inequality in the Plan. In practice, this means adjusting pensions to make up for unequal Guaranteed Minimum Pension (GMP).

Recently we wrote out to some impacted pensioner and dependant members individually about a pension review exercise known as 'GMP equalisation'. This exercise is not unique to our Plan and the majority of UK pension schemes have also considered how this impacts them. Below is a brief summary of the steps taken in 2023.

The key point is that you don't need to worry – there won't be any reduction to anyone's Plan pension. Some members may get a small increase to their pension but other members will not see any change.

This complex exercise is a legal requirement following a High Court ruling a few years ago, which affects members of pension schemes across the UK. As part of this work, we proposed to simplify member's pensions, and as such consulted with impacted members in 2023.

PIE offer

As part of the above exercise, we also offered eligible members a one-off choice over how their pension changes and offer you a pension increase exchange ('PIE') offer. As part of this offer, the Company paid for financial advice from Origen, a firm of regulated financial advisers.
Eligible members will have already received relevant correspondence related to this and the deadline for taking this option has now passed.

GMP Only offer

For members not eligible for the PIE offer but who are impacted by the historic inequality relating to GMP, you will have received a communication outlining how you have been affected individually.

Please note that changes to pensions as a result of the above steps took effect from March 2024.

What is GMP?

At one time the Plan was 'contracted out' of part of the Additional State Pension.

Broadly speaking, this means the Plan promised you a pension that is at least equal to the Additional State Pension you would have built up had the schemes not been contracted out. Between 1978 and 1997, this part of pension is known as GMP.'

2024 Plans

There remains some unaddressed pensioners and dependants who we will be contacting in 2024 regarding their benefits as a result of this project.

Some of these members, if eligible, will receive details on the PIE offer as those in the 2023 phase of the project did. Again, access to paid-for financial advice from Origen will be provided to support you in considering your offer. Please look out for future correspondence on this if you are one of the impacted members.

Deferred members

We have recently issued a separate communication to any deferred members in scope of the GMP pension review exercise. Again we proposed to simplify member's pensions as part of this project, meaning we were required to consult with impacted members. Details of this project are included in recent communications.

As deferred members pensions are not yet in payment; they will not receive a PIE offer.

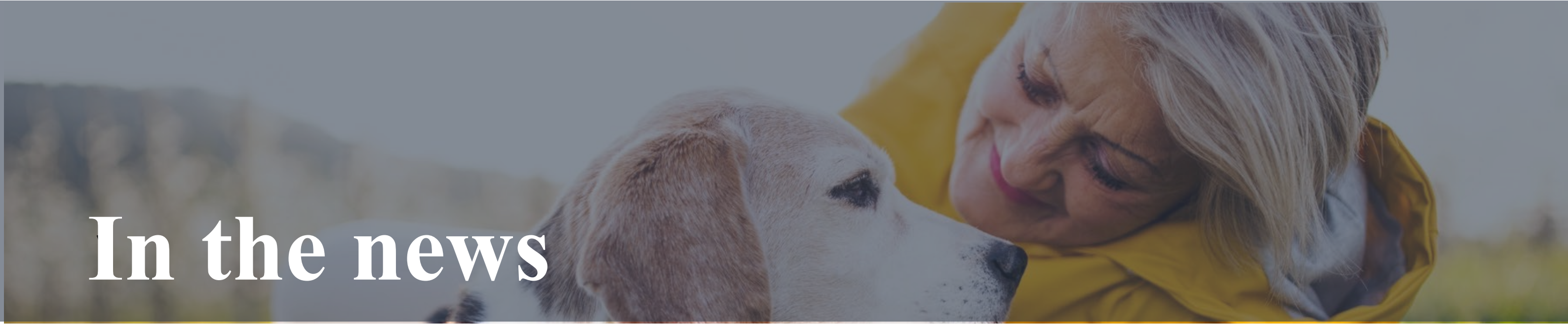
In all cases, your retirement pension, and the overall expected value of your pension will not reduce. There may however be a change to your pension benefits at date of leaving.

Plan website

To support the above project as well as to improve member engagement generally, last year we launched a new Plan website. This can be found using the following address:
https://pensioninformation.aon.com/goodyeardunlop

The website includes key Plan documents, such as this newsletter and previous years. It also includes a helpful set of Frequently Asked Questions (FAQs) to support you.

The Trustee encourages you to regularly visit the website as this will be continually developed and updated.



In the news

Retirement Living Standards

The Retirement Living Standards provide a guide to how much you might need each year in retirement based on the standard of living you're aiming for – broadly, a 'minimum', 'moderate' or 'comfortable' lifestyle.

The Pensions and Lifetime Savings Association (PLSA) has recently updated the Standards' figures to reflect higher inflation and the current cost-of-living crisis.

- The cost of a 'minimum' lifestyle has increased by 18% for a single person and by 19% for a couple.
- The 'moderate' level has increased by 12% and 11% respectively.
- The cost of a 'comfortable' lifestyle in retirement has increased by 11% and 10% respectively.

The higher increase in the cost of retirement for those looking to achieve a 'minimum' lifestyle is due to the higher proportion of their budget going towards the things that have risen the most in price: food and energy.

You can find more details on the types of lifestyles, along with an indication of what amount of income is now likely to be needed to meet them, on the PLSA website. Go to **www.retirementlivingstandards.org.uk**

Which Standard are you heading for?
If you're unsure which Standard your retirement benefits might provide you with:

- review the level of your Plan benefits,
- review the level of any other pension savings you have,
- factor in your State Pension entitlement (go to **www.gov.uk/check-state-pension**),
- allow for any other sources of income you may have, such as ISAs or property rental, and
- work out your approximate total yearly retirement income and deduct income tax.

Pensions Dashboard Update

In previous issues, we have reported on the Government's Pensions Dashboard Programme – an industry-wide project to develop a 'dashboard' portal which anyone could use to keep track of all their pension savings on one secure online site.

Due to the size and complexity of the task – which will involve all UK pension schemes linking to the system – the Government has extended the project's timetable.

Previously, the intention was to onboard groups of schemes in stages, with the largest first.

There is now a single deadline for all schemes to connect: 31 October 2026 (a year later than planned). Individual schemes will still be given guideline connection dates to aim for in the meantime and we expect to update you on this in the next

For more information on pensions dashboards, visit **www.pensionsdashboardprogramme.org.uk**.

In the news

Changes to the pension tax allowances

The Chancellor's 2023 Spring Budget included some sweeping changes to the pension tax allowances.

In summary:

- The Lifetime Allowance is being removed in two stages:
  - From April 2023, the 'Lifetime Allowance tax charge' on any benefits above the Allowance will stop. Instead, you would pay tax on your normal highest rate on the 'extra' benefits.
  - From April 2024, the Lifetime Allowance is due to be abolished, although new allowances for lump sums were introduced – the Finance Act 2024 provided the legal framework for this change with further changes made through regulations.
- The Annual Allowance increased from £40,000 to £60,000 with effect from 6 April 2023.
- The tapered Annual Allowance now starts to apply to those earning £260,000 per year (up from £240,000 per year), while the minimum tapered Annual Allowance has increased from £4,000 to £10,000.
- The Money Purchase Annual Allowance has also increased, from £4,000 to £10,000 with effect from 6 April 2023.

If you're uncertain about how these changes may affect your retirement plans, consider taking impartial financial advice (see page 7).

The Lifetime Allowance is a limit on the total amount of pension benefits you can build up over your lifetime (excluding the State pension) without triggering an extra tax charge.

The Annual Allowance is a limit on the amount of pension benefits you can build up in a tax year without triggering a tax charge. A tapered Annual Allowance applies for high earners.

The Money Purchase Annual Allowance works in a similar way to the standard Annual Allowance but only applies if you access Defined Contribution (DC) pension savings and continue to build up pension benefits.

How to protect yourself from pension scams

Recent events – from the worldwide impact of the pandemic, to issues closer to home, such as the cost-of-living crisis – have all had an effect on how people handle money matters. Many people are having to pay closer attention to their saving and budgeting. More and more financial transactions take place online.

Sadly, these developments all create situations where scammers can thrive, whether trying to take advantage of the vulnerable, or attempting to get hold of savers' personal and financial information.

Beware any approach – by email, post or phone (it is actually illegal to cold-call you about your pension) – that asks you to supply details you would normally keep secure, or tries to steer you towards a quick financial decision.

You can find lots of useful information to help you spot and avoid scams on:

- **The MoneyHelper website:** **www.moneyhelper.org.uk/en/money-troubles/scams/how-to-spot-a-pension-scam**
- The **'ScamSmart'** area of the Financial Conduct Authority website: **www.fca.org.uk/scamsmart**

More information

Plan website

To find out more about the Plan, go to:
https://pensioninformation.aon.com/goodyeardunlop

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 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.

MoneyHelper at www.moneyhelper.org.uk
MoneyHelper is a free, impartial guidance service, backed by the Government. It brings together the support that was previously available through the Money Advice Service, the Pensions Advisory Service and Pension Wise.

Contact point

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

Email: goodyeardunlop.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

Trustee Board

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
Malcolm Goodall	Terry Cox
John Borgogno	
Petra Locke	

Reminder to keep us up to date

Change your name or address

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

Expression of Wish form

Please also update your Expression of Wish 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 Wish 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. You can find an adviser in your area by searching MoneyHelper's online directory.

Go to www.moneyhelper.org.uk and choose *Pensions and retirement > Taking your pension > Find a retirement adviser.*

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 to the left.

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

Administrator	Aon
Actuary	David Eteen, FIA, Aon
Auditor	Edwards Chartered Accountants
Investment Adviser	Aon
Legal Adviser	Eversheds Sutherland
Plan Secretary	Aon

Summary Funding Statement

The latest position

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

Date	5 April 2023	5 April 2020
The funding level	108%	107%
The funding target	£830.5 million	£1,299.2 million
The value of the Plan's assets	£898.0 million	£1,390.5 million
The overall position	Surplus of £67.5 million	Surplus of £91.3 million

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.

Over the three year period since the previous valuation, the value of the Plan's assets has reduced largely due negative investment return in a volatile market as well as benefits paid out. However this is not cause for concern given that the funding target has also reduced over that period. This is primarily due to the increase in yields available on Government and corporate bonds which decreases the amount of money that needs to be put aside now to pay benefits at a later date. Overall the Plan's funding level has improved by 1%.

As the Plan is in surplus, the Company is not required to pay any deficit contributions. The next financial check will be based on the Scheme's position at 5 April 2024, with the next formal valuation at 5 April 2026. We will report back on the financial position in future newsletters.

If the Plan came to an end

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

- The 'ongoing' basis (above), 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 2023, the Plan's full solvency funding level was 99% with a shortfall of £6.0 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.

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

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.

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 you have to take independent financial advice.

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. Page 7 includes information on how to find a suitable adviser.

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.

Helpful guide

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 scammers posing as genuine firms tempting individuals with cash in return 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.

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 7 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 7 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.