

An elderly couple is walking along a path in a park. The man is on the left, wearing a dark cap, glasses, a patterned scarf, and a brown coat. The woman is on the right, wearing a black hat, a plaid scarf, a red coat, and holding a bouquet of autumn leaves. They are both smiling and looking towards each other. The background shows trees with yellow and orange autumn foliage.

Goodyear Dunlop Tyres UK Limited Pension Plan (the ‘Plan’) Newsletter

February 2025

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

The Trustee of the Plan is pleased to share this annual newsletter with you as a member of the Plan. Pensions have not been far from the headlines once again, and we touch on some of these topical matters in this edition. Overall, the Plan remains in robust financial health and we provide more information on this within the Summary Funding Statement on page 8.

Plan developments

We have included the usual summary of the year’s accounts on page 2, as well as an investment update on page 3.

We have also provided an update on other Plan developments on page 4 covering the in-progress Member-nominated Trustee Director (MNTD) selection exercise, the Plan’s GMP equalisation project and digital enhancements with our Plan Administrator, Aon.

There are further details on your retirement options as well as other helpful matters at the back of the newsletter. Alternatively, additional material is also available on the Plan website, which you can access here:
<https://pensioninformation.aon.com/goodyeardunlop>

Trustee Board changes

In June 2024, Malcolm Goodall retired as a Trustee and has since been replaced by Dalriada Trustees Limited (represented by Shehzad Ahmad). Dave Roper and Terry Cox will also be stepping down from their roles as MNTDs in March 2025.

We would like to thank Dave, Malcolm, and Terry for their service to the Board and for their time, dedication, and commitment to the Plan and its members.

Wider pensions news

Our round up of general pensions news starts on page 5. We report on the following:

- The Autumn Budget
- Pension tax allowances
- Protecting yourself against pension scams
- Minimum retirement age
- Pensions Dashboards

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



In numbers

The membership

At 5 April 2024 there were 8,404 members in the Plan compared with 8,620 members at 5 April 2023.

2,352	Deferred members No longer building up benefits but have benefits in the Plan for when they retire.
6,052	Pensioner members Receiving benefits from the Plan (includes the dependants of members who have passed)



The accounts

Here we show headline figures from the Plan’s Annual Report and Accounts.

As with last year, there has been a reduction in both the Plan’s assets and liabilities over the year to April 2024. This reduction in values is largely due to changes in financial market conditions which remain very volatile. The funding position 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 2024	£795.4m
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The value of the Plan’s liabilities at 5 April 2024	£752.3m
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The total value of benefits paid to members during the year	£46.3m
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Investment update

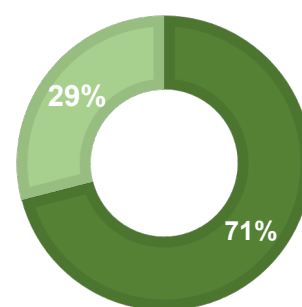
As Trustee, it is our responsibility to decide on the overall investment strategy and to make changes as and when appropriate. We work closely with our investment advisers, and we keep a close eye on how the funds are performing.

Asset allocation

The chart adjacent shows how the Plan's investments were allocated at 5 April 2024, across asset types.

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

AVCs are Additional Voluntary Contributions which previously 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 2024, the Plan broadly matched the benchmark with only slight negative performance of 0.2%. Over the three year period to 31 March 2024, the Plan's investments have slightly underperformed the benchmark by 0.6%.

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 recent extreme volatility seen in the financial markets. 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) and Engagement Policy Implementation Statement at <https://pensioninformation.aon.com/goodyeardunlop>. The website above also holds our **Climate disclosures report** for year ended 5 April 2024. This report outlines the actions that the Trustee has taken to understand the potential impact climate change could have on the Plan.

Plan update

Member-nominated Trustee Director (MNTD) Exercise

Both Member-nominated Trustee Directors, Dave Roper and Terry Cox, will soon reach the end of their respective terms of office in March 2025. We are currently running an exercise to appoint two new Trustee Directors to take on the roles in their place.

Separate communications have been issued to all eligible members who can apply for these roles, and we will update the membership on the results in a further Plan-wide communication later this year.

All the relevant documents are available in digital form on the Plan website:

<https://pensioninformation.aon.com/goodyeardunlop>

GMP equalisation update

In our previous edition, we provided a comprehensive update on the Plan's Guaranteed Minimum Pension (GMP) equalisation project. As a reminder, the Trustee Board (much like several other UK pension schemes) is legally required to address an historical inequality.

In practice, this has meant adjusting pensions to make up for unequal GMPs. Corrections to pensions took place for the majority of pensioners and dependant members in March 2023.

We have recently written out to some other impacted pensioner and dependant members on addressing this inequality, with some eligible members being offered a pension increase exchange (PIE) offer at the same time. Note the deadline for taking the PIE offer has now passed and any corrections to pensions for these members will be implemented in March 2025.

Seperately, we have also communicated with deferred members in scope of the exercise. As deferred members' pensions are not yet in payment, they will not receive a PIE offer. In all deferred cases, the overall expected value of your pension will not reduce, but there may be a change to how your pension benefits at date of leaving are calculated.



Taking the retirement process digital

The Plan administrator, Aon, has developed a new digital solution, which is being rolled out to our Plan. It will give you the option for your retirement journey to be fully digital and will make the retirement process much easier for you.

- **Speed:** no more wait times associated with the postal system.
- **Clarity and simplicity:** the online portal will walk you through the decisions you need to take and ask you to provide only the details relevant to your chosen retirement option.
- **Security:** two-factor authentication will be in place.

We will keep you updated as we make progress in launching this exciting new digital system.

Important!

Using the digital retirement process will be optional – if you prefer to follow the traditional paper-based method, you will be able to do so. The choice will be yours.

In the news



Autumn Budget

The new Labour Government announced its first Budget in late October. From a pensions perspective, the highlight was that the Government is consulting on changes that might bring some items of pension savings into inheritance tax, but not until 6 April 2027. We will keep you updated on any developments.

Your pension tax allowances

The UK Government has made some changes in recent years to the tax allowances that apply to pension benefits, which are set out below. Please note that these allowances apply to the **total of all your pension arrangements, not just those relating to the Plan.**

Annual Allowance

This is the maximum amount that can be contributed to your pension arrangements each year tax free. The standard annual allowance for most people is £60,000. However, higher earners (someone with a total UK taxable income over £200,000 a year) may have a lower Annual Allowance.

You may have a Money Purchase Annual Allowance if you have benefits within a separate Defined Contribution pension scheme and use these to provide certain benefits. Examples include taking some of your savings as cash or moving them into a drawdown arrangement and using them to provide you with an income. The Money Purchase Annual Allowance is £10,000.

Lifetime Allowance

The Lifetime Allowance used to limit the total amount of pension savings you could take when you retire without having to pay extra tax. The Lifetime Allowance was abolished from 6 April 2024.

Lump Sum Allowance

This is the maximum amount of tax-free cash you can take from your pension arrangements when you retire. The allowance is £268,275.

Lump Sum and Death Benefit Allowance

This covers both the maximum amount of tax-free cash you can receive when you retire and your beneficiaries can receive following your death. It also covers any serious ill-health lump sums paid. This allowance is £1,073,100.

There are more details on the pension tax allowances on the Government's website. Go to <https://www.gov.uk/money/business-tax-pension-scheme-administration-tax-on-pensions>

You are responsible for monitoring your tax position. If you are unsure of your tax position, please speak to an independent financial adviser (see page 7).



In the news

Stay alert to the threat of pension fraud

As Trustee, we continue to be vigilant around the dangers of cyber security and fraud as a risk to the Plan.

On an individual basis, recent research suggests that one in seven UK adults have been the victim of an attempted pension scam in the past year.

There are common signs to look out for. If you receive any of the below warning signs, it could well be a scam:

- Unsolicited contact about your pension.
- Undue pressure to make a quick decision.
- Promises of guaranteed investment returns.
- Information about apparent loopholes to access your pension savings early.

To learn more about how to protect yourself go to www.moneyhelper.org.uk and choose **Money troubles > Scams > How to spot a pension scam** (you may need to click 'View all' first).

The Financial Conduct Authority (FCA) also provides guidance on how to spot potential scams. Visit the ScamSmart area of their website: www.fca.org.uk/scamsmart

The National Cyber Security Centre has a Cyber Aware website that contains up-to-date advice on how to stay secure online. For more information, including a free personalised action plan to improve your cyber security, visit their website at www.ncsc.gov.uk/cyberaware

Other Newsbites

Minimum retirement age to increase

The youngest age most people can start to receive their pension benefits will go up from April 2028 – from age 55 to age 57.

The aim of this change is to keep the minimum retirement age at around 10 years below the State Pension Age, which is due to rise gradually from 66 to 67 between 2026 and 2028.

If you have a protected pension age in relation to your benefits from the Plan, a separate communication is enclosed alongside this newsletter.

Pensions Dashboards update

The Pensions Dashboards Programme is developing an online framework to enable savers to keep track of all their pension savings in one place. All UK based schemes must connect by 31 October 2026.

Once the framework is in place, the expectation is that multiple providers will connect to it. This will potentially give consumers a choice of where to go to monitor their savings. Providers are likely to include government-backed services such as MoneyHelper, pension providers and banks.

We will keep you updated on the Plan's progress.

To learn more about the project, go to www.pensionsdashboardsprogramme.org.uk

More information

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

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

Planning 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.

MoneyHelper at www.moneyhelper.org.uk

MoneyHelper is a free, impartial guidance service, backed by the Government.

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
John Borgogno	Terry Cox
Petra Locke	
Dalriada Trustees Limited (Represented by Shehzad Ahmad)	

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.

Below is a summary of the professional advisers and providers that support the Trustee in governing the Plan.

Administrator	Aon
Actuary	David Eteen, FIA, Aon
Auditor	RSM UK Audit LLP
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 valuation at 5 April 2023.

	Update	Valuation
Date	5 April 2024	5 April 2023
The funding level	106%	108%
The funding target	£752.3 million	£830.5 million
The value of the Plan's assets	£795.4 million	£898.0 million
The overall position	Surplus of £43.1 million	Surplus of £67.5 million

Since the last formal valuation at 5 April 2023, the funding level has decreased slightly by 2%. This is primarily due to the volatile financial markets as noted earlier in the newsletter, which have led to the assets falling in value by more than the decrease in liabilities. The Plan's investment strategy is designed to protect against the impact of extreme market volatility. This has ensured that the Plan remains in robust financial health.

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.

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 Plan's position at 5 April 2025, 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
- 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.

For more information about pension scams:

- Go to www.thepensionsregulator.gov.uk/en/pension-scams
- 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.