

Goodyear Dunlop Tyres UK Limited Pension Plan

2026 Member Newsletter

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Welcome and overview

Welcome to this latest issue of your Goodyear Dunlop Tyres UK Limited Pension Plan (“the Plan”) newsletter, keeping you up to date with Plan developments and wider pensions news.

Pensions remain topical particularly considering the global financial challenges at present. It is more important than ever that we manage all members’ Plan retirement benefits with the utmost care. You can be sure that we take our role as a Trustee seriously and as a privilege – managing the Plan’s finances in the interests of all our members.

Funding update

Inside, we report on the Plan’s latest financial position in our Summary Funding Statement (page 10). This is based on the Plan’s three-yearly formal valuation as at 5 April 2023, and subsequent annual updates at 5 April 2024 and 5 April 2025. The headline is that the Plan is in a healthy position financially, with a surplus of assets at the current time.

Plan developments

We have included the usual summary of the year’s accounts on page 3, as well as an investment update on page 4 which includes information on some recent changes to the Plan’s investments.:-

We have also included an update on other Plan developments on page 5, covering the completion of the Guaranteed Minimum Pension (GMP) equalisation project as well exciting developments to the Plan website.

Wider pensions news

In our round-up of general pensions news on pages 6 and 7, we look at forthcoming changes to inheritance tax that are expected to affect pensions, the latest news on Pensions Dashboards, and how to stay safe from pension fraud. We also look at the updated retirement living standards which highlights the issue of financial security in retirement.

Trustee Board changes

Following the Member Nominated Trustee selection exercise earlier in the year, the Trustee Board have been delighted to welcome Jim Brooks and Michael Wynn to the Board. There was keen interest in the vacancies, and the Trustee would like to express its thanks to the many applicants for their interest and time in the exercise. The Trustee would also like to again thank the outgoing Trustee Directors, Dave Roper and Terry Cox, for their many years of dedicated service to the Board.

If you have any questions about the Plan or your benefits, or you have a topic you want to see covered in our next newsletter, please do get in contact. The relevant contact details are on page 8.

Michael McNulty

Chair of the Trustee



In numbers

Deferred Members

2,167 

No longer building up benefits but have benefits in the Plan for when they retire.

Pensioner Members

6,059 

Receiving benefits from the Plan (and including the dependants of members who have passed away).

Funding Position

105%

5 April 2025

The funding position of the Plan on an ‘ongoing’ basis – more information can be found on the Summary Funding Statement on page 10.

On this page we show headline figures from the Plan’s Annual Report and Accounts as at 5 April 2025.

There has been a reduction in both the Plan’s assets and liabilities over the year to April 2025. This reduction in values is largely due to changes in financial market conditions which remain volatile but is also expected as more members retire and pensions are being paid. The funding position has remained relatively stable, meaning the Plan continues to be in a healthy financial position. More detail on the Plan’s funding position can be found on page 10.

If you would like more detail, please request a copy of the full accounts using the contact details on page 8.



The value of the assets supporting the Plan at 5 April 2025	£729.2m
The value of the Plan’s liabilities at 5 April 2025	£694.8m
The total value of benefits paid to members during the year	£46.1m

Investment update

A snapshot of 2025

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.

For further details on our investment approach, read our Statement of Investment Principles (SIP) and Engagement Policy Implementation Statement at:

<https://pensioninformation.aon.com/goodyear-dunlop/documents.aspx>

The website above also holds our **Climate disclosures report** for year ended 5 April 2025. This report outlines the actions that the Trustee has taken to understand the potential impact climate change could have on the Plan.

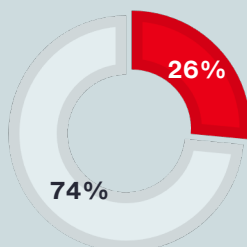
Plan assets

£729.2M

5 April 2025

vs £795.4M at 5 April 2024

Asset Allocation



- Return-seeking bonds 26%
- Liability Driven Investment (LDI) 74%

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 2025, the Plan broadly matched the benchmark with slight overperformance of 0.1%. Over the three year period to 31 March 2025, 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.

Investment Strategy

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.

Recently, the Trustee decided to change how the Plan's assets are invested. The goal was to reduce the level of uncertainty around the expected investment returns, whilst reducing expected investment return slightly and lowering the cost of the management of the assets. The Liability Driven Investment (LDI) assets are still being used, as they help match the Plan's assets with the Plan's liabilities. However, the investment in Return-seeking bonds has been sold and replaced with what are called "synthetic bonds." Synthetic bonds let the Plan invest in bonds in a way that is more cost-effective and flexible. This change took place over Q4 2025.



Plan developments

Plan website update

In 2023, we launched the Plan's website which can be found at:

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

The current website includes key Plan documents, including this newsletter and prior years. It also includes a set of Frequently Asked Questions and other helpful links.

Recognising many member's desire to communicate electronically, we have also worked with the administrator, Aon, to allow the option for your retirement process to be fully digital. This has now also been extended to cover transfer cases.

To continue to enhance our digital offering, we are currently working with the administrator to develop the Plan website. Expect to hear more on this over the course of 2026, but the headline enhancements are as follows:

- Individual member accounts to view your current pension benefits
- Modelling of retirement benefits (deferred members)
- Accessing payslips (pensioner members)
- View personal details and keep them up to date
- Electronically contact the administration team

We will be in contact to provide you with set-up instructions later in the year. We encourage you to register and utilise the benefits of the new website when the time comes.

GMP equalisation update – Project complete

In previous newsletters, we have provided updates 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. Required corrections to pensions have taken place as follows:

- March 2024 – most pensioners and dependant members in scope
- March 2025 – smaller subset of pensioners and dependant members in scope
- December 2025 – all remaining pensioners and dependant members in scope, including members who have retired since the project started

Separately, we have also communicated with deferred members in scope of the exercise, with impacted members receiving individual statements. In all deferred cases, the overall value of individual member's pensions did not reduce, however the pension correction now made may have changed how pension benefits at date of leaving are calculated.

The completion of this project is a significant milestone for the Plan. Thank you for your cooperation throughout.

In the news

Is your financial future on track?

Recent research highlights the issue of financial security in retirement:

- Over half of people are not optimistic about being prepared for retirement (Source: State Street Global Advisers)
- Almost 10% of retired people over 55 are back in work or looking for work due to financial pressures, a lack of pension provision, or a desire for social connection. (Source: Standard Life)

The Retirement Living Standards help you to picture what type of lifestyle you might have in retirement based on what you might need to spend. Example: for a two-person household, you might need to spend **£43,900 a year** (net) to achieve a **moderate** living standard in retirement. Please note these are illustrative figures, and your own personal circumstances may differ.

- Minimum – covers all your needs, with some left over for fun
- Moderate – more financial security and flexibility
- Comfortable – more financial freedom and some luxuries

The underlying research is regularly updated to ensure that the standards reflect changing spending habits. The latest updates are a rise in the cost of the moderate and comfortable standards largely due to inflation across many spending categories, and a reduction in the minimum standard mainly because of lower energy costs.

For more information, visit

www.retirementlivingstandards.org.uk



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 57.

If you have a protected pension age in relation to your benefits from the Plan, a separate communication was shared with last year's newsletter. If in doubt, please get in touch with the administration team using the contact details on page 8.

This adjustment aims to keep the minimum retirement age around 10 years below the State Pension Age, which is set to rise gradually from 66 to 67 between 2026 and 2028.

Consolidating small pension pots

The Government is working with the pensions industry to enable the automatic consolidation of small, inactive defined contribution pension pots (of less than £1,000 each) into a single arrangement. Whilst this does not impact the Plan, this could be a welcome change if you have lots of small pensions across multiple schemes. The change is expected to take place by 2030.

Action!

To check which living standard you might be on track for, review all your pension savings, including your State Pension, and factor in any other sources of future retirement income. Remember to consider what tax band you will be in as the living standards consider your spending and not your income.

In the news (continued)

Stay alert – Beware of Fraud

Criminals are constantly trying to develop new ways to tempt you into giving or providing access to your personal information. As far as pension savings are concerned, you are at most risk if you're aged 50 to 69.

In 2024, over £17.5 million was lost to pension fraud while the average loss per person was more than £33,000. (Source: Action Fraud)

One current scam tactic is to impersonate a trusted organisation such as a bank or leading retailer. **Never disclose any personal information or financial details from any unexpected contact – be it over the phone or by email.**

It's equally important that you use strong passwords for all your personal accounts. And never click on a link in an unexpected email, text message or social media post.

Read more about the warning signs and how you can protect yourself:

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

If you suspect fraud, report it to Report Fraud:

www.reportfraud.police.uk/

We will never contact you to ask you to urgently provide personal details in relation to the Plan. If in doubt, please contact via one of the methods on the following page.



January 2025

 **PSAG**
Pension Scams Action Group
United action against pension scams

Steps to stay scam safe

Scammers appear professional and it's becoming increasingly harder to spot the difference between something that's credible and something that's fraudulent. The Pension Scams Action Group has put together a checklist to go through if you're ever approached about your pension.

Your pension is your future – keep it safe



Pensions Dashboards

As a reminder, Pensions Dashboards is the online framework that will enable savers to keep track of all their pensions online in one place, including the State Pension. If you remember: all UK pension schemes must connect to the system by 31 October 2026.

- Since April 2025, over 40 million pension records have been connected. This includes the Plan.
- The date for going live to the public is yet to be confirmed but there will be at least six months' notice. You can expect to see lots of media coverage during this time.
- MoneyHelper's dashboard will be the first to be publicly available. In time, we expect a range of organisations to provide access, from pension providers to banks.
- As a Trustee Board, we have made all the necessary preparations to ensure members will be connected to the Pensions Dashboards system when it goes live.

In the meantime, you can get the latest news at www.pensionsdashboardsprogramme.org.uk



Pensions and inheritance tax

In last year's Autumn Budget, the Government announced plans to bring some pension-related payments into a person's estate for inheritance tax purposes **from 6 April 2027**.

Most unused pension funds and death benefits will be brought into scope of inheritance tax from 6 April 2027 if the legislation is passed unchanged.

However, certain pension-related payments are expected to remain excluded:

- Lump sums only payable if a member dies in service,
- Pension benefits paid to a dependent as a regular Scheme pension, and
- Payments to a surviving spouse, civil partner or registered charity.

Further details will be provided when they become known and finalised.

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

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.

Taking advice

If you would like advice about your retirement plans, we recommend you speak with an independent financial adviser.

You can find support with choosing an FCA regulated financial adviser online at

www.moneyhelper.org.uk/en/getting-help-and-advice/financial-advisers/choosing-a-financial-adviser

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 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, please complete a form and send it to us. Please use the contact details on this page to request a blank form.

Trustee and its Advisers

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:

Michael McNulty	Company-appointed
John Borgogno	Company-appointed
Petra Locke	Company-appointed
Dalriada Trustees Limited (represented by S Ahmad)	Company-appointed
Jim Brooks	Member-nominated
Michael Wynn	Member-nominated

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

Administrator	Aon
Actuary	Aon
Auditor	RSM UK Audit LLP
Investment Adviser	Aon
Legal Adviser	Eversheds Sutherland
Plan Secretary	Aon



More information (continued)

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 income you receive for the rest of your life and so you may want to discuss with your loved ones and obtain advice.

Swapping some of your pension for tax free cash at retirement

The Plan allows you to swap up to 25% 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 remaining 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.

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.

Early / Late retirement

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

What can I expect before I retire?

In the lead up to your normal retirement date, which is your 65th birthday, Aon will contact you with a retirement quotation and information on options available.

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

What can I expect after I retire?

Once you retire, we will pay your pension in monthly instalments. We pay pensions on the 1st or 15th day of each month depending on which section of the Plan you are in.

If you elect to take tax-free cash, this is paid on or after your retirement date in a one-off payment.

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

Transfers

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.

The administration is 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 benefit 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 Fund is a big decision and you should seek independent financial advice before taking up this option. If your transfer value is greater than £30,000 you have to take independent financial advice – page 8 contains some details on how to find an 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.

Please note you can use the DC funds from your AVC pot or Goodyear Stakeholder plan as part of your tax-free cash lump sum at retirement from the Plan. Please contact the administration team if you want to enquire about this option.

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

Death

Who will receive my pension benefits after I die?

You can nominate someone to receive any benefits that may be due after you die. Please contact our Administration team using the details to request a blank Expression of Wish form.

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.

Summary Funding Statement

The latest position

The table below shows how the funding position has changed since the valuation at 5 April 2023 and the annual funding updates at 5 April 2024 and 5 April 2025.

	Update	Update	Valuation
Date	5 April 2025	5 April 2024	5 April 2023
The funding level	105%	106%	108%
The funding target	£694.8 million	£752.3 million	£830.5 million
The value of the Plan's assets	£729.2 million	£795.4 million	£898.0 million
The overall position	Surplus of £34.4 million	Surplus of £43.1 million	Surplus of £67.5 million

At the last annual update at 5 April 2025, the funding level had decreased slightly by 1%. 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 slightly 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 the Plan is in surplus, the Company is not required to pay any deficit contributions. The next financial check will be the 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.