

Howden Joinery Pension Plan ('the Plan') Booklet Addendum - Dated 1 April 2021

This is an addendum to issue 13 of the booklet for members who joined before September 2006 ('the booklet').

The current edition of the booklet is dated February 2019. Some of the content needs to be updated following the closure of the Core Plan to future accrual (build up of benefits) on 31 March 2021 ('the closure'). This addendum sets out the changes to the booklet from 1 April 2021 and should be read in conjunction with the booklet.

Important notes

1. The booklet is a general guide to the benefits available from the Plan. It does not replace the formal Trust Deed and Rules. If there is any discrepancy between the information being provided in the booklet (or the booklet as amended by this addendum) and the Trust Deed and Rules, the Trust Deed and Rules will prevail.
2. The Trustee and the Company cannot give tax or financial advice. Therefore, it is recommended that you take appropriate independent financial advice before making any decisions on how you take your benefits at retirement.

Future Contributions

Referenced throughout the booklet

Members cannot make any further contributions to the Core Plan following the closure.

The Company will not make any further contributions to the Core Plan other than any deficit funding contributions that the Company and the Trustee agree are required to meet the legal funding requirements.

Therefore, all references throughout the booklet to future contributions by members or by the Company no longer apply. This also includes references such as:

- Contributing to the Core Plan
- Building up benefits in the Core Plan
- Paying into the Core Plan
- Earning benefits
- Your contribution / monthly contribution
- Salary Exchange
- Contributing to Top-up accounts
- Building up benefits in the Top-Up account
- Paying into Top-up accounts

What do we mean?

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New definition: In-service deferred pensioners

All employees who were active members of the Plan on 31 March 2021 became in-service deferred pensioners on 1 April 2021. Members will remain in this category if they continue to be employed by the Company, keep their accrued benefits in the Plan, and have not started to take retirement benefits from the Plan.

Active members

Active membership of the Plan ceased on 31 March 2021. There is a new membership category for eligible employees who were active members of the Plan on 31 March 2021 (see the new definition of in-service deferred pensioner above).

Pensionable Service

Pensionable Service is the length of time in complete years and months that a member contributed to the Plan.

Top-Up Accounts

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Members will not be able to make any further contributions to their Top-Up Account after 31 March 2021. Members' Top-Up Accounts will remain invested and the value will continue to change in line with investment returns.

Transferring benefits into the Plan

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Members can no longer transfer benefits from another pension arrangement into their Top-Up Account.

Retirement

How is my pension is worked out?

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At retirement, a member's benefits will be based on three parts:

- 1) The pension earned up to September 2006, plus
- 2) The pension earned from the Core Plan between September 2006 and 31 March 2021, plus
- 3) The value of the member's Top-Up Account.

Membership of the Core Plan from September 2006

For each year of membership of the Core Plan, members earned a pension of 1/90th of Pensionable Pay for each year of Pensionable Service from September 2006 to 31 March 2021. Your actual pension is increased in line with an index linked to inflation (but capped at 3% per annum) between the year it was earned and retirement.

Top-Up account (*Page 10*) & Cash lump sum (*Page 11*)

If an in-service deferred pensioner remains in service until the date that they take benefits from the Plan, they will be allowed to use up to 100% of their Top-Up Account, subject to tax limits, to fund their tax-free retirement lump sum available from the Plan.

Death Benefits

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Death benefits for active members

Active membership of the Plan ceased on 31 March 2021. In-service deferred pensioners should refer to the summary below.

Death before normal retirement date for in-service deferred pensioners

Lump sum

If an in-service deferred pensioner of the Plan dies before their Normal Retirement Date they will receive the following benefits (subject to any maximum benefits that may apply):

- 5 times the value of their Core Plan Pension earned during the period 1 September 2006 to 31 March 2021;
- a refund of the member contributions paid to the Plan; plus
- for a member with a Top-Up account, the value of their Top-Up account

Spouse's pension

On the death before Normal Retirement Date of an in-service deferred pensioner who was an active member before 1 September 2006, a spouse's pension would be payable based on the pension built up before 1 September 2006. How this is calculated depends on your individual Plan membership.

Children's pension

If an in-service deferred pensioner who was an active member before 1 September 2006 dies leaving eligible children, there is a pension payable (shared equally between them if more than one) equal to 1/6 of the pension built-up before 1 September 2006 (excluding any benefits payable by virtue of any AVCs, transfers or augmentation) calculated as if a member's date of death were their Normal Retirement Date. There is no child's pension for benefits built up after that date.

Children's pensions will normally be paid until the youngest child stops full time education but will not be paid in any event past age 26.

Ill health benefits

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Ill health benefits for Active members

Active membership of the Plan ceased on 31 March 2021. In-service deferred pensioners should refer to the summary below.

Ill health benefits for in-service deferred pensioners

In-service deferred pensioners who meet the ill-health eligibility condition, broadly that ill health means the member is permanently unable to follow any occupation) can (with Principal Employer consent) retire on the grounds of ill-health and will receive an ill-health pension.

The amount of ill health pension will be the member's Plan pension accrued up to 31 March 2021 plus any revaluation due between that date and the date the pension starts. There will be no reduction for early payment.

Members will be required to provide evidence of ill-health to retire on grounds of ill-health with no reduction for early payment. The Trustee uses an independent medical assessor to review evidence.

A member in receipt of an ill health pension may also be required to give subsequent evidence of ill-health to continue to receive the pension with no reduction for early payment.

Leaving the Plan

Page 13

All members of the Plan are now either deferred members, in-service deferred pensioners, or pensioners.

Benefits for deferred members and in-service deferred pensioners will remain in the Plan until a member retires or decides to transfer the value of their benefits to another pension arrangement.

Other information

Pages 16 and 17

Data Protection Act 2018

The EU's Data Protection Regulation and related UK law (together "Data Protection Legislation") regulates how information relating to individuals, including the obtaining, holding, use or disclosure of such information is processed. A copy of our privacy notice explaining what personal data we may collect and how we may use it can be viewed on our website www.howdenjoinerypensions.co.uk

MoneyHelper

If you've got a pension question, MoneyHelper is available to listen and give impartial, trusted guidance. Based around you, backed by the government and free to use. You can contact MoneyHelper at:

Tel: 0800 011 3797

Website: <https://www.moneyhelper.org.uk/>

The Pensions Ombudsman

If you have a complaint or dispute concerning your workplace or personal pension arrangements, you should contact the Pensions Ombudsman at:

10 South Colonnade,
Canary Wharf London,
E14 4PU

Tel: 0800 917 4487

Email: CentralSupportMailbox@pensions-ombudsman.org.uk

Website: www.pensions-ombudsman.org.uk

You can also submit a complaint form online: www.pensions-ombudsman.org.uk/making-complaint