Nationwide
Building Society

Nationwide Pension Fund

Additional Contributions

...a tax efficient way to boost your pension savings.

What are the benefits of making Additional Contributions?

Boost your retirement income

The main objective is to increase the pension benefits available to you at retirement. This can be an increase to your pension income and/or an increase to the cash lump sum available when you retire.

Generous enhancement

Nationwide will enhance your Additional Contributions by 6%. For example, if you contribute an extra £100 per month, £106 per month will be invested into your pension.

Save on tax and National Insurance (NI)

Additional Contributions are paid out of your salary before any tax and NI is applied. This means you'll make lower tax and NI payments.

A flexible way to save

You can start, stop or change the amount of Additional Contributions you make whenever you like.

How do I make Additional Contributions?

Additional Contributions can be made all year round through MyReward.

Important reminder: Additional contributions to NPF options can only be paid until 31 March 2021 when the NPF closes to future accrual.

3 Options

As a Nationwide Pension Fund member, you have three options. You can choose to make Additional Contributions through:

1. Pension Credits
2. Investment Funds
3. Nationwide Group Personal Pension

Option 1

Pensions Credits

Pension Credits are a low-risk way to build up your pension. They allow you to buy additional pension over the course of a year which will increase in line with the Retail Prices Index in the same way as your main CARE pension is increased.

Pension Credits are an extension to your main CARE pension benefit, and provide the same level of connected benefits such as the dependant's pension.

Option 2

Investment Funds

Through the Investment Funds option, you won't know how much extra pension you're buying with your Additional Contributions until you start to take your pension.

This additional pension will not include a dependant's pension payable in the event of your death. The Investment Funds currently available are with Fidelity and you can either choose your own or select the default lifestyle strategy.

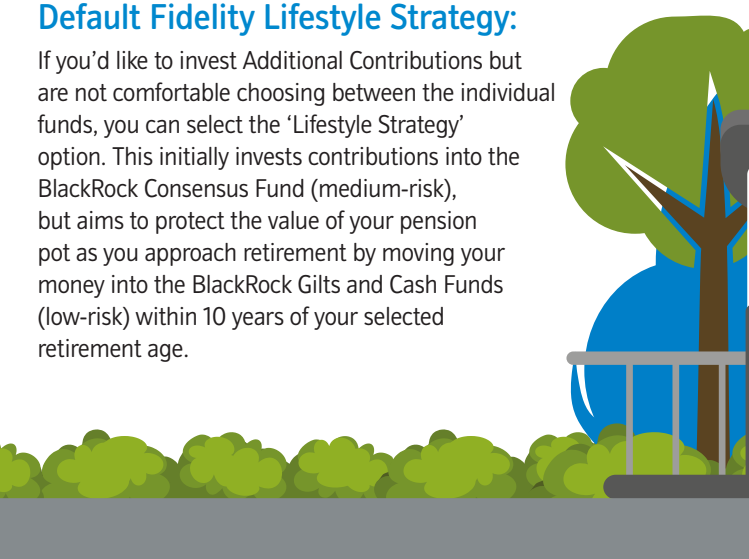
Choose your own fund:

Additional Contributions are invested in one or more of the six available funds managed by BlackRock through the Fidelity platform. Each fund has a certain level of risk associated to it - either low, medium or high.

Depending on the level of risk you are willing to accept, this option offers the potential to grow your Additional Contributions. However, higher risk may also incur losses, particularly over the short-term, so you should think about your circumstances and your appetite for risk.

Default Fidelity Lifestyle Strategy:

If you'd like to invest Additional Contributions but are not comfortable choosing between the individual funds, you can select the 'Lifestyle Strategy' option. This initially invests contributions into the BlackRock Consensus Fund (medium-risk), but aims to protect the value of your pension pot as you approach retirement by moving your money into the BlackRock Gilts and Cash Funds (low-risk) within 10 years of your selected retirement age.



Option 3

Nationwide Group Personal Pension

Your Additional Contributions are held in a policy in your name with Aviva and remain separate from your Nationwide Pension Fund benefits.

Your contributions are invested into an investment fund of your choice, or the default investment option which has been carefully chosen by Nationwide. Each of the funds carry a degree of risk and the value of your policy can go down as well as up. The contributions and investment returns are used to provide your pension benefits at retirement.

From the age of 55 you have options on how you can take your money – 25% of it being tax free and the rest at your standard tax rate. You can choose to:

- take it as a cash lump sum
- put it into an annuity with any external provider and receive a regular income from it - this could include a dependant's pension
- withdraw from it as and when you wish
- or a combination of all the above.

Further information

You can find more information about making Additional Contributions on the Employee Pensions intranet pages. This includes access to detailed information about the Fidelity investment options.

Contact us

The Nationwide Pension Fund is run on a day to day basis by the Employee Pensions team. If you have any questions after reading this leaflet then **we're here to help you**.

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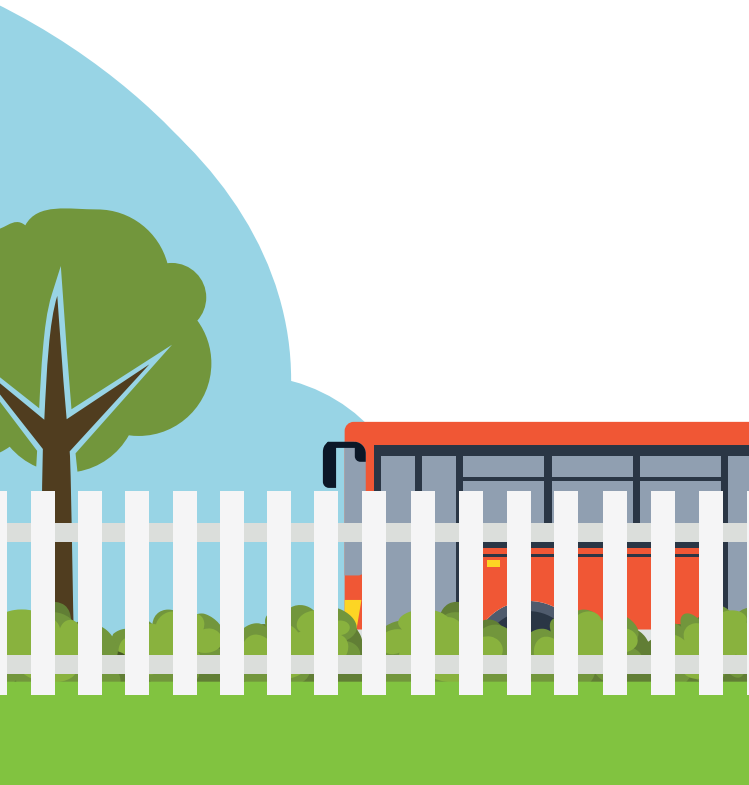

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