

Nationwide Pension Fund

Annual Review
31 March 2024



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Privacy Policy reminder

The Privacy Policy refers to the privacy of your information as a member of the Fund, including when using the Nationwide Pension Fund website. You can read our Privacy Policy anytime on the Fund Website at nationwidepensionfund.co.uk/privacy-policy

Message from the Chair



Welcome to the 2024 edition of the Annual Review for Nationwide Pension Fund (the Fund).

We're excited to show you our new-look newsletter, which has been redesigned to help you learn more about the Fund and your pension.

We recently announced that the Fund's Administrator is now called Gallagher, after it acquired Buck. Gallagher's takeover will improve the administration of the Fund by introducing additional resources and support to the Fund's administration team. Gallagher also has additional safeguards in place to protect your personal details, such as strict member security checks to stop imposters gaining access to your details. There are no changes to your benefits as a result of this acquisition, and the administration services provided to members of the Fund will also remain the same.

Our Trustee Board has recently welcomed two new Employer Nominated Trustee Directors, Sarah Willmott and Simon Evans. You can see more about the Trustee Board and Committees on our website at nationwidepensionfund.co.uk/how-the-fund-is-managed. We would like to thank our two outgoing Employer Nominated Trustee Directors, Laura Faulkner and Heather Tipple, whose terms ended in September 2024. They made a significant contribution to the running of the Fund over their years on the Trustee Board and in Committees.

This year's funding update shows that, as at 31 March 2024, on a Technical Provisions basis, the Nationwide Section of the Fund had a surplus of £530 million, with a funding level of 113%, and the Cheshire & Derbyshire (C&D) Section had a surplus of £16 million with a funding level of 108%. Valuations take place every three years, but in the years between them, we carry out formal funding updates as a financial health check on the Fund and to reflect on the Trustee's commitment to protecting and enhancing the value of the funding position. Several factors can affect the funding position, such as investment performance, interest rates, and inflation levels. We've included more details on **pages 10 and 11**.

We have also included an update on the Trustee's Climate Risk report. You can read more about this on **page 8**.

We hope you enjoy this year's edition of the Annual Review. We value your feedback, so if there is anything you would like to see in future newsletters, please get in touch using the contact details on **page 14**.

Catherine Redmond (representing BESTrustees Limited)
Chair of the Trustee Board





Your pension

Member Portal update

Later this year, you'll have access to our new self-service functionalities on the Member Portal, that will allow you to easily manage your retirement journey.

Log into your online Member Portal

If you haven't already, you can register for the Member Portal to view your latest Annual Benefit Statement, update your Expression of Wish, and update your personal details online at any time without contacting the NPF team at Gallagher. If you are a Pensioner member, you can also view your pension payment details, payslips and update your bank information for receiving your benefits.

To register, simply go to nationwidepensionfund.co.uk and select the Member Portal icon on the homepage, or scan the QR code below.

To register, you will need your:

- National Insurance number
- Date of birth
- Unique ID*

*If you don't know your unique ID, please contact Gallagher, the Fund administrator, using the contact details on **page 14**.

Update your
Expression of Wish.

View your latest
Annual Benefit
Statement.

View your pension
payment details
and payslips.

Update your
personal details.



The Portal is easy to use, safe, and secure.
nationwidepensionfund.co.uk

Sign up to email communications

As part of our effort to become more environmentally friendly, we encourage you to opt in to receive pension updates by email directly to your devices.



It's a safe and efficient way to keep up with news and announcements about your pension.

You can check and update your details online to start receiving email communications by using the Member Portal. Check out our video at nationwidepensionfund.co.uk/video-hub that explains how to do this. You can also add a back-up email address in case you no longer have access to your original one.



Your pension (continued)

Look after the loved ones you leave behind

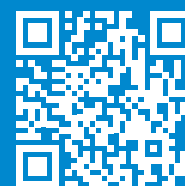
It's important to keep the Trustee informed of who you would like to nominate to receive any death benefits from the Fund, to avoid any delays at a difficult time. The easiest way to do this is to regularly check and update your Expression of Wish details on the Member Portal.

View your latest Benefit Statement

If you're a deferred member of the Fund, your 2024 Annual Benefit Statement is now ready for you to view on the Member Portal, unless you're within 12 months of your Normal Retirement Date. Your Statement shows the pension you've built up and how much income you're on track to get when you retire.



It's quick and easy to update your Expression of Wish form and view your Annual Benefit Statement. Simply go to the Member Portal at nationwidepensionfund.co.uk, or scan the QR code.



We also have a video at nationwidepensionfund.co.uk/video-hub that explains how to do this.

GMP update

A Guaranteed Minimum Pension (GMP) is the minimum amount of pension the Trustee must provide for a member who had built up pension before April 1997.

Members who were building up pension between 17 May 1990 and 6 April 1997 may have benefits affected by a High Court 2018 ruling, and as a result may be subject to a small increase. No member's benefits will be reduced.

The Trustee is continuing to work with its advisers in managing this exercise and delivering all the required activities. Pensioners will be contacted individually if their pension benefits are to be increased as a result of this work. Calculations for deferred members will be undertaken at the point of retirement. You don't need to take any action.

If you have any questions about GMP, please contact Gallagher using the contact details on **page 14**.



Pensions in the news

Lifetime Allowance update

Until April 2023, the Lifetime Allowance (LTA) led to a tax charge if the value of your benefits exceeded £1,073,100. **The LTA was removed altogether from 6 April 2024.**

The LTA has now been replaced by two new allowances, the Lump Sum Allowance and the Lump Sum and Death Benefits Allowance.

The Lump Sum Allowance

This is the maximum tax-free lump sum you can receive from all your pension savings when you retire. It is set at £268,275, which is 25% of the previous LTA.

The Lump Sum and Death Benefits Allowance

This is the maximum tax-free payment that can be made following someone's death. It is set at £1,073,100, which is equal to the previous LTA.



If you think you have benefits impacted by the LTA changes, you can find out more information on our website at nationwidepensionfund.co.uk/limits-and-taxation

Normal Minimum Pension Age increase

The Government will be increasing the Normal Minimum Pension Age (NMPA) from age 55 to age 57 from **6 April 2028**. The NMPA is the earliest age that you can start taking your benefits from the Fund (apart from on the grounds of ill-health).

If you're currently under 55 and are planning to take your benefits early, you might need to factor this change into your plans.





Pensions in the news (continued)

Keep your pension safe from scams

Your pension is a valuable benefit, and it can be a tempting target for thieves, known as scammers. We have a dedicated page on the Fund website with details of how you can protect yourself and report attempts by scammers at nationwidepensionfund.co.uk/pension-scams

Here are some of the signs to watch out for, after all, **you** are the best line of defence.

Signs of a scam

Being contacted out of the blue.

Being pressured to make a decision urgently.

Being asked for personal information.*

Offers which seem too good to be true.

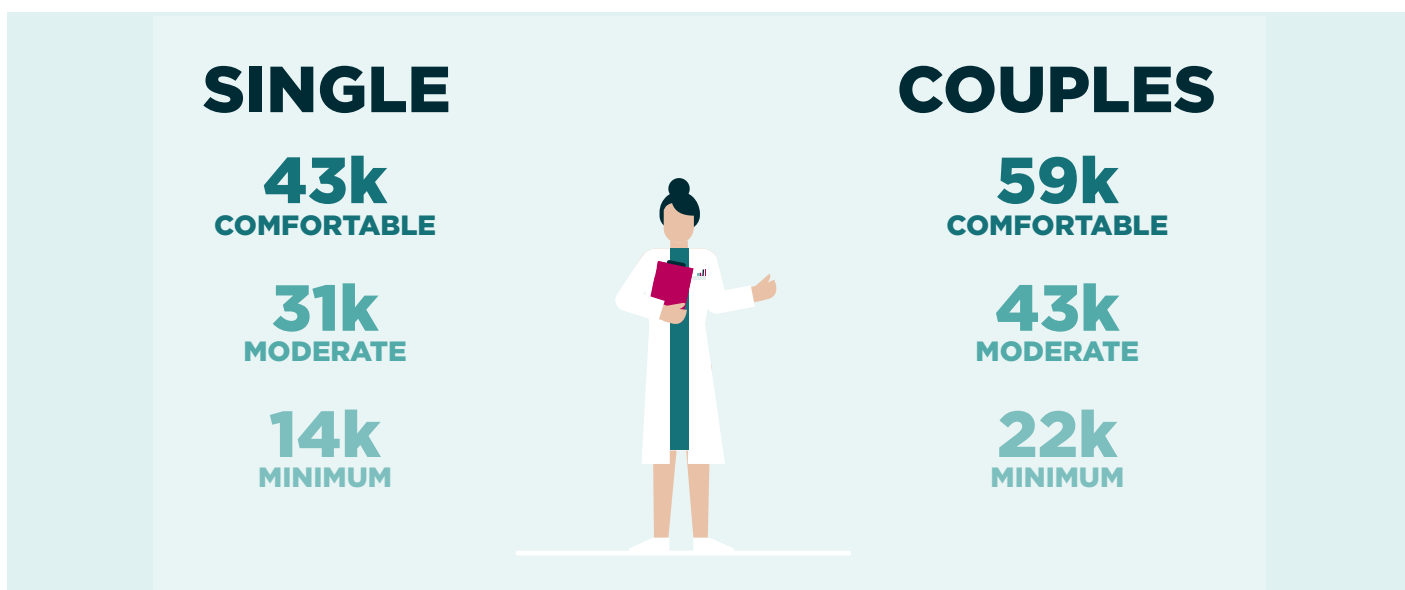
* such as your address, date of birth, National Insurance number, or bank details.


If you suspect you've encountered a scam, report it to Action Fraud at actionfraud.police.uk or by calling **0300 123 2040**. You can also forward suspicious emails to report@phishing.gov.uk or suspicious texts to **7726**.

Retirement Living Standards

Do you know how much you'll need to live on when you retire?

Research by the Pension and Lifetime Savings Association (PLSA) shows that over three-quarters of savers have no idea how much income they'll need when they retire. The PLSA therefore developed a set of Retirement Living Standards to help you imagine your lifestyle in retirement and find out what you have to start saving to achieve it.



 You can read more about the PLSA's Retirement Living Standards at retirementlivingstandards.org.uk or to check whether you're on track for the lifestyle you want, [log in to the Member Portal](#) – there, you can view your Annual Benefit Statement and, later in the year, manage your retirement journey through Retire Online.



The Fund's investments

The Fund's investments aim to meet the cost of providing benefits for its members, and it is the responsibility of the Trustee to invest the Fund's assets in members' best interests.

Following the previous year's significant market volatility, financial markets were calmer in the year to 31 March 2024. Nevertheless, regional conflicts continued, high inflation persisted, and central bank interest rate expectations increased, leading to increases in bond yields. This caused both the Fund's Matching Assets (whose value is expected to move in line with the Fund's liabilities) and its liabilities to fall in value.

The Fund's investment strategy

To be self-sufficient and manage the assets of the Fund in a prudent way with the aim of meeting that objective by 2031.

To invest carefully, into diverse portfolios and at appropriate risk, so that members can be provided with the benefits promised to them.

To balance both risk and return through the right mix of investments, with some that protect the funding position, and others that are designed to eliminate the shortfall over time.

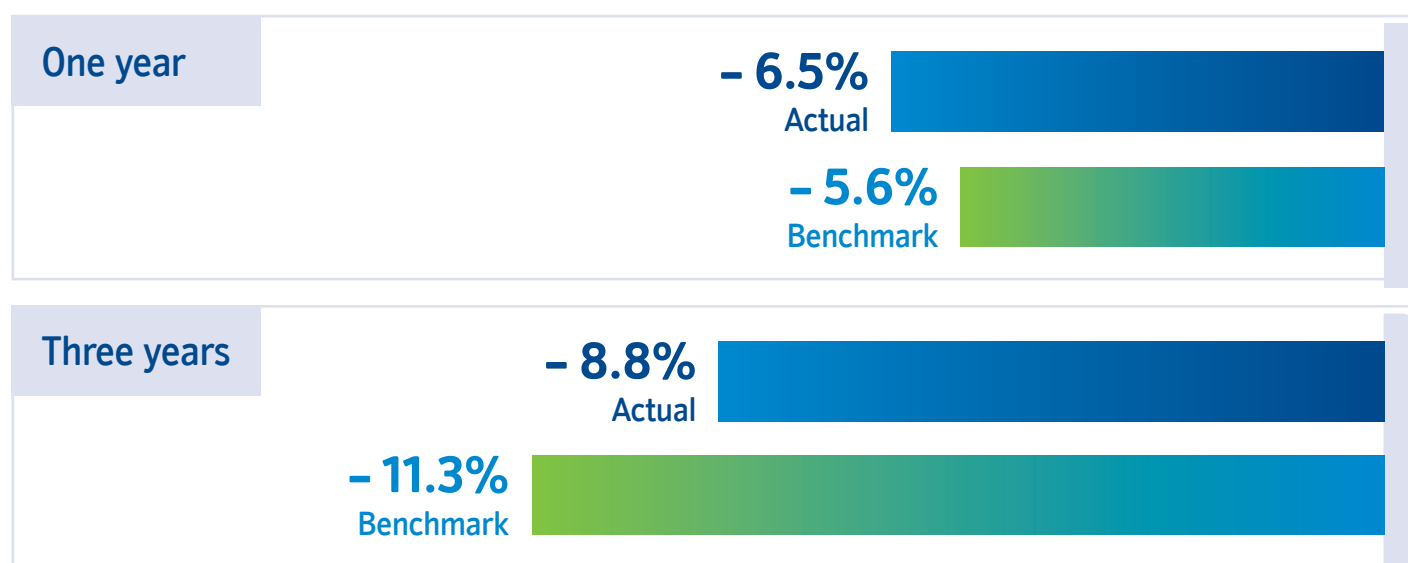
£4,757.9m

The Fund's combined assets as at 31 March 2024.

£5,254.3m

The Fund's combined assets as at 31 March 2023.

The Nationwide Section's investment returns, compared against the benchmark over one year and three years to 31 March 2024 was as follows:



You can read more about the Fund's investments and performance in the Annual Report & Accounts at nationwidepensionfund.co.uk/library



The Fund's investments (continued)

Responsible investing

The Trustee acts in the best interests of the Fund and its members by achieving the best possible investment returns (to help its money to grow).

To meet this commitment, and to protect and enhance the value of these investments, the Trustee has a responsible investing strategy. This means it balances getting positive investment returns while considering Environmental, Social and Governance (ESG) factors.

The Trustee believes that taking ESG factors into account when investing can have a positive impact on investment returns and lead to better informed decisions about our investments.

You can find more information about our approach to responsible investing in our Responsible Investing Policy document at nationwidepensionfund.co.uk/library

ESG factors

Environmental

Climate change policies

Renewable energy

Waste and pollution



Social

Workplace safety

Data protection and privacy

Human rights

Labour standards



Governance

Board diversity

Anti-corruption policies

Corporate behaviour

Shareholder rights



Our Climate Risk Report

The Trustee believes that climate change is one of the most significant global challenges of this century. Markets may not be adequately pricing in the risks associated with climate change, and companies which are exposed to such risks may be less equipped to find other means to replace the potential revenue loss from a transition to a low-carbon economy.

Given the Trustee's concerns, climate risks and opportunities continue to be discussed and considered at every level of the Fund.

You can find our latest Climate Risk Report at nationwidepensionfund.co.uk/library

Snapshot accounts



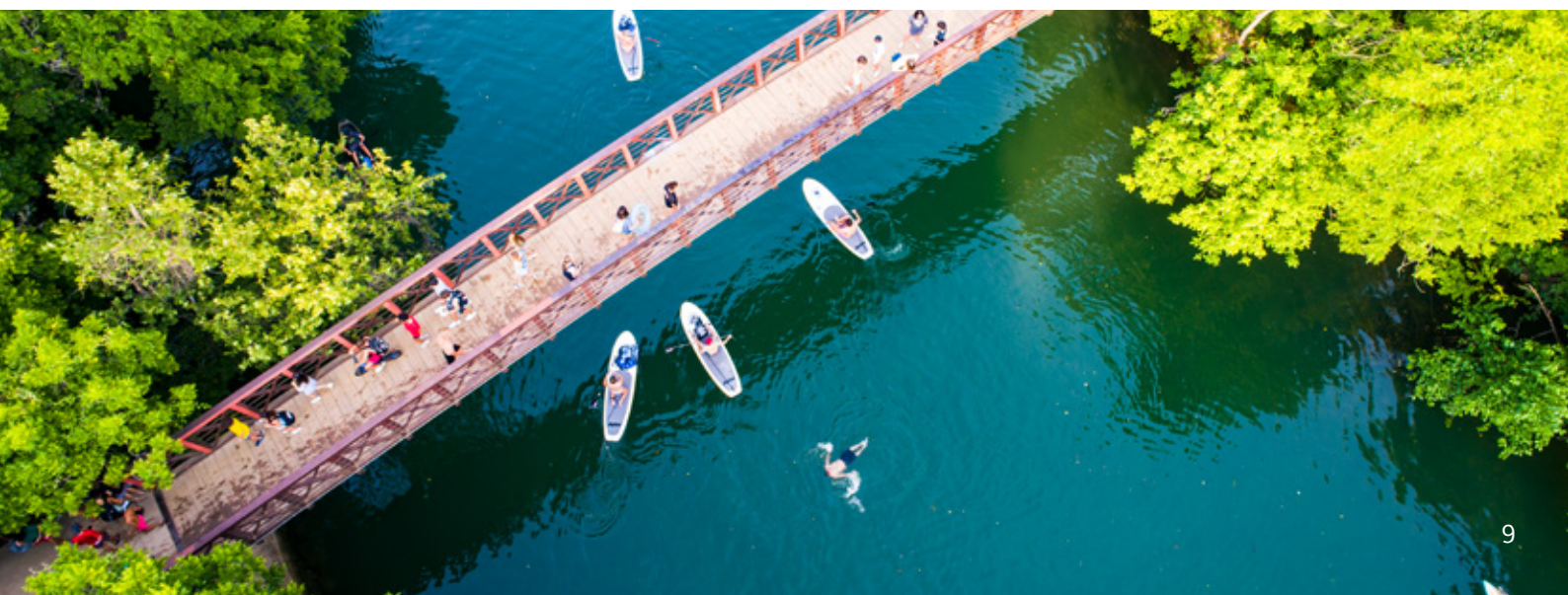
Here's a snapshot of the Fund's accounts over the year to 31 March 2024.



* You can find a detailed breakdown of the Fund's income and expenditure in the Report & Accounts to 31 March 2024 at nationwidepensionfund.co.uk/library

Here's an overview of the Fund's membership figures as at 31 March 2024.

	2024	2023
Nationwide Section	Deferreds 16,764 Pensioners 10,619	Deferreds 17,620 Pensioners 9,923
C&D Section	Deferreds 527 Pensioners 730	Deferreds 577 Pensioners 692
	28,640 members	28,812 members





The financials

Every three years, the Fund's Actuary (a qualified and independent professional) carries out a full actuarial valuation to assess the financial security of the Fund.

In the years between actuarial valuations, the Actuary produces an approximate update of the funding position. This is called an annual actuarial report.



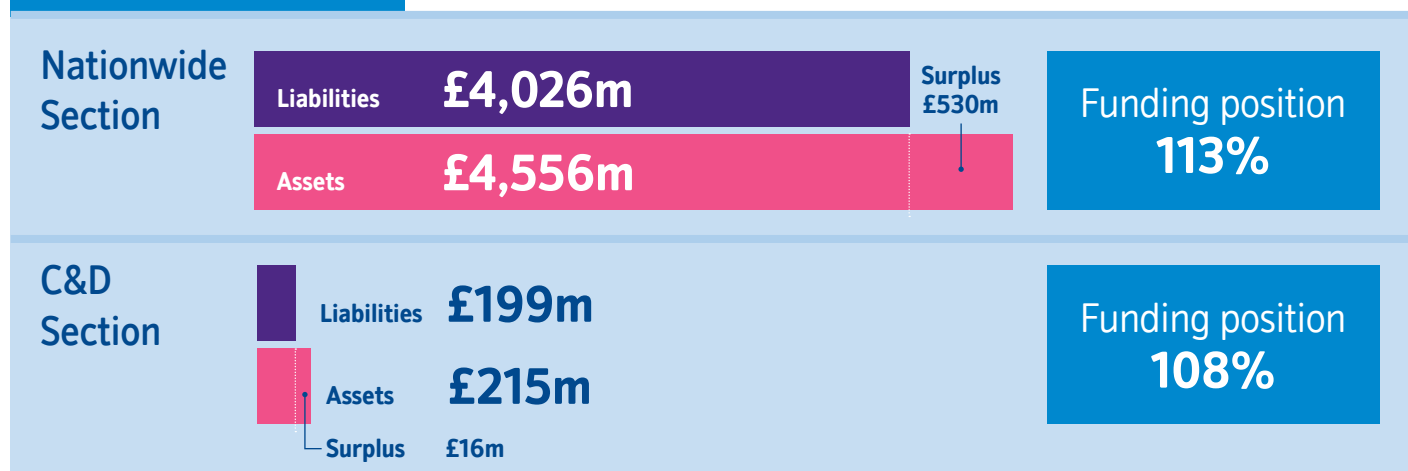
What is an actuarial valuation?

An actuarial valuation is a 'financial health check' for the Fund. It compares the money the Fund has ('assets') against the expected cost of providing all current and future benefits to its members ('liabilities'), this provides a 'funding level'. If the liabilities are higher than the assets, the Fund has a shortfall. If the assets are higher than the liabilities, the Fund has a surplus.

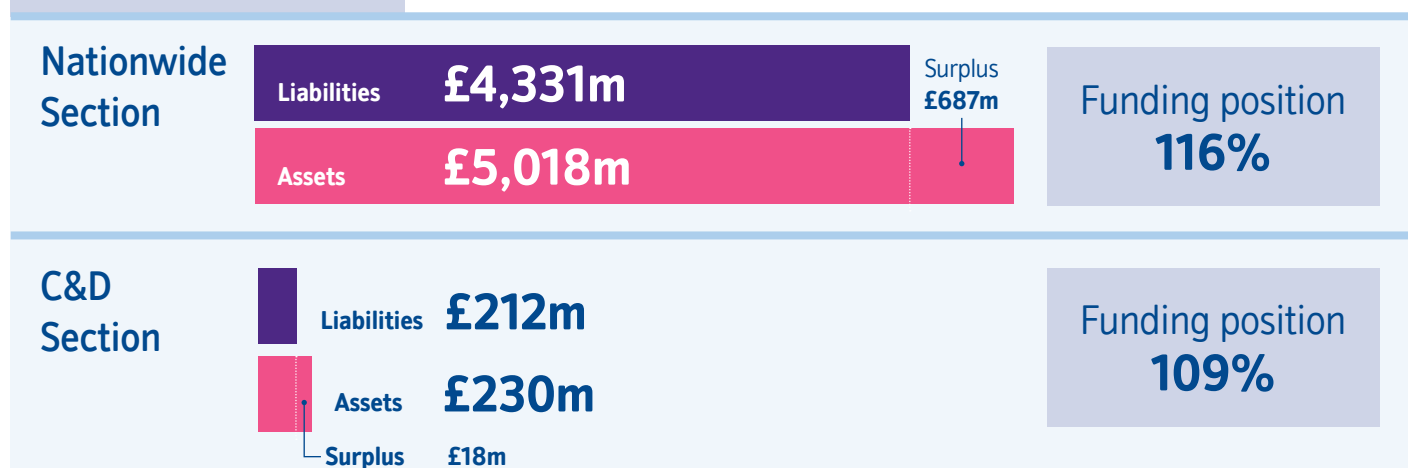
Funding position

The results of the latest annual actuarial report as at 31 March 2024 are detailed in the table below. They show that the funding level has decreased across both sections. The worsening of the funding position and decrease in the surplus has been primarily driven by asset returns being lower than assumed as a result of increases to bond yields and reductions to certain alternative matching assets.

As at 31 March 2024



As at 31 March 2023





The financials (continued)

Summary Funding Statement (SFS)

The purpose of the SFS is to provide you with information about the Fund's funding position. Everything required under the SFS can be found in this annual review. You can find further information about the Fund in the full Report and Accounts to 31 March 2024 at nationwidepensionfund.co.uk/library

Contributions agreed following the 31 March 2022 valuation

In March 2021, the Nationwide Building Society (the Society) agreed to provide a Contingent Asset to the Nationwide Section of the Fund to provide increased security for members' benefits, in certain circumstances. In light of the additional security provided by the Contingent Asset, following the 31 March 2022 valuation, the Trustee agreed that no further deficit contributions were due. This position will be reviewed at each future valuation.

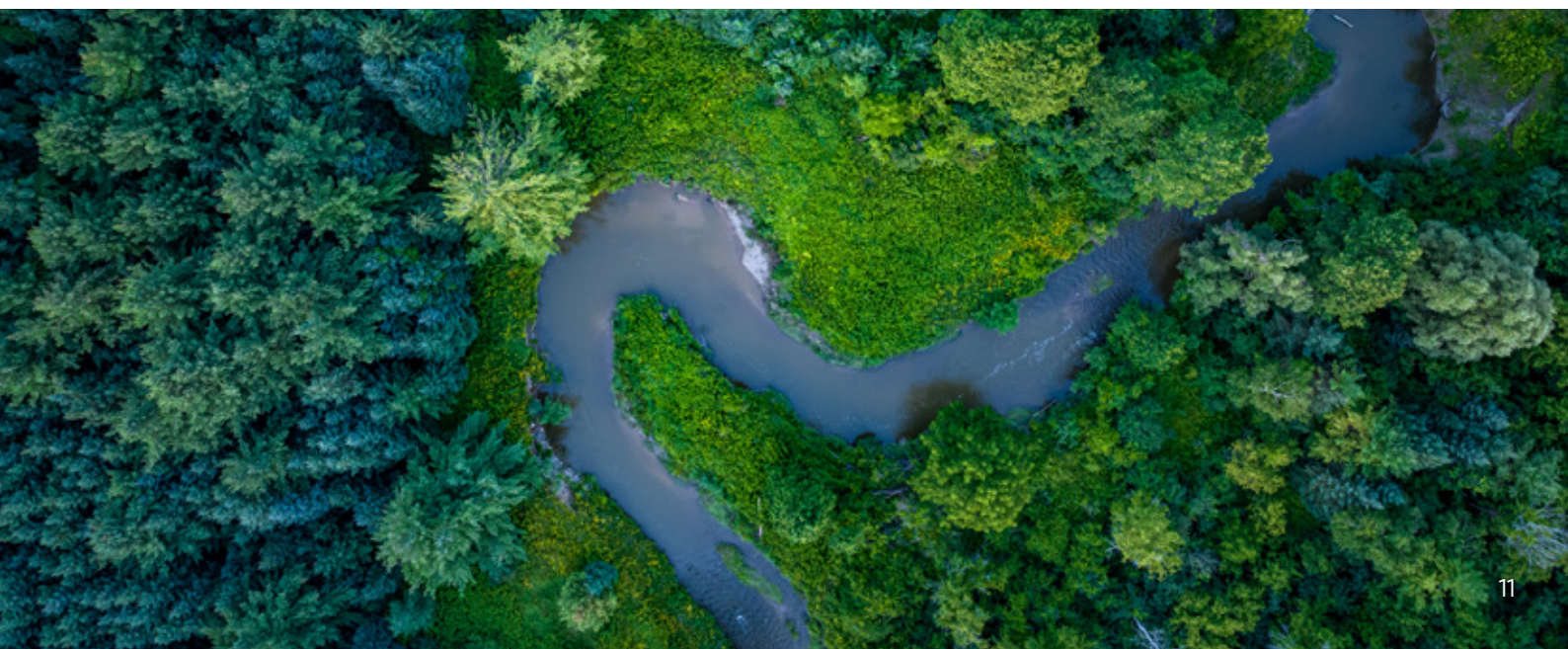
The Fund's wind-up position

By law, we have to let you know what the funding position would be if the Fund were to wind up (close), and members' benefits had to be secured with an insurance company. If the Fund had wound up on 31 March 2022 (the date of the last formal valuation), the Nationwide Section assets of £6,515m would have covered around 71% of the estimated cost of securing the Section's benefits with an insurance company. The C&D Section assets of £318m would have covered around 95%.

The Society has no intention to wind up the Fund, and the Trustee has no reason to expect the Society to become insolvent.

In the unlikely event that the Fund is wound up and the Fund's assets were insufficient to meet any shortfall, additional security may be provided through the Pension Protection Fund (PPF). You can find more information about the PPF at ppf.co.uk

Please note that we must include this information because we're required to by law. We do not currently intend to wind up the Fund. We're also required by law to confirm to you that the Fund hasn't been modified by the Regulator and no directions, nor a schedule of contributions, have been imposed on the Fund by the Regulator.



Pensioner group news



Latest events

The Swindon Group let us know they have day trips planned to Battersea Power Station, a Turkey and Tinsel break in Paignton for 2024, and a river trip in June 2025. Get in touch using the details below to find out more about their monthly coffee mornings at the Conservative Club (Swindon SN1 4BA).

The Northampton Group continue to hold regular lunches in their local area, as well as planning events and can be contacted at the details below.

The Covent Garden group aim to meet up in London to keep in touch.

Members of the Facebook Group share memories and news.

Contact details

Somerset, Devon and Dorset

Diana King

“Nationwide Building Society Staff Past & Present” on Facebook

Swindon

Dave Coe:

01793 813396

davidcoe41@outlook.com

Northampton

William Partis:

01327 878818

bill_partis@hotmail.com

Covent Garden

Liam DeRoe:

07960 447624

liamderoe@hotmail.com

Pensioner groups and any Facebook groups are not run by the Society or the Fund.

We share their details to give members the opportunity to reconnect with past colleagues.

Please contact us if you'd like us to share or update contact details for a group or send us news from your group meetings.

You can get in touch with the NPF team at Gallagher using the contact details on **page 14**.



Support and resources



If you're looking for support with money or debt, or want help or guidance about retirement and the benefits you'll receive, you can get free, confidential and impartial help from these providers:

MoneyHelper

Use MoneyHelper for guidance on all things money, including debt, housing, and your pension. There is also information about choosing a financial adviser and avoiding all types of financial scams.

You can talk to someone online for pensions guidance using MoneyHelper's Live Chat function, or fill in a pensions guidance enquiry form.

You can contact MoneyHelper at moneyhelper.org.uk/en/contact-us/pensions-guidance or by calling **0800 011 3797**

State Pension

Check how much State Pension you might be entitled to at gov.uk/check-state-pension

See when you can start receiving your State Pension at gov.uk/state-pension-age

Find out how to get your State Pension at gov.uk/get-state-pension or by calling **0800 731 7898**

Age UK

Age UK is the nation's leading charity for older people that can provide you with help, information, and advice on financial matters as well as care and lifestyle support.

You can find out more about the help Age UK can provide on their website at ageuk.org.uk or by calling **0800 055 6112**

Financial Conduct Authority (FCA)

The FCA regulates financial services firms and financial markets in the UK. Use the FCA's website to find out more about pension scams and how to avoid them. You can also find out what to do if you think you're being targeted by scammers at fca.org.uk/scamsmart



Get in touch



Website

You can find more resources and guidance on the Nationwide Pension Fund Website at nationwidepensionfund.co.uk



Alternatively, if you have any questions or need some more guidance, please contact the NPF team at Gallagher, using the details below.

Write



Nationwide Pension Fund,
Gallagher (Bristol)
PO Box 319
Mitcheldean
GL14 9BF

Phone



0330 123 9677
(9am to 5pm, Monday to Friday)

Email



You can email the NPF team at Gallagher directly by using the contact form at nationwidepensionfund.co.uk/contacts





nationwidepensionfund.co.uk

Nationwide
Pension Fund