

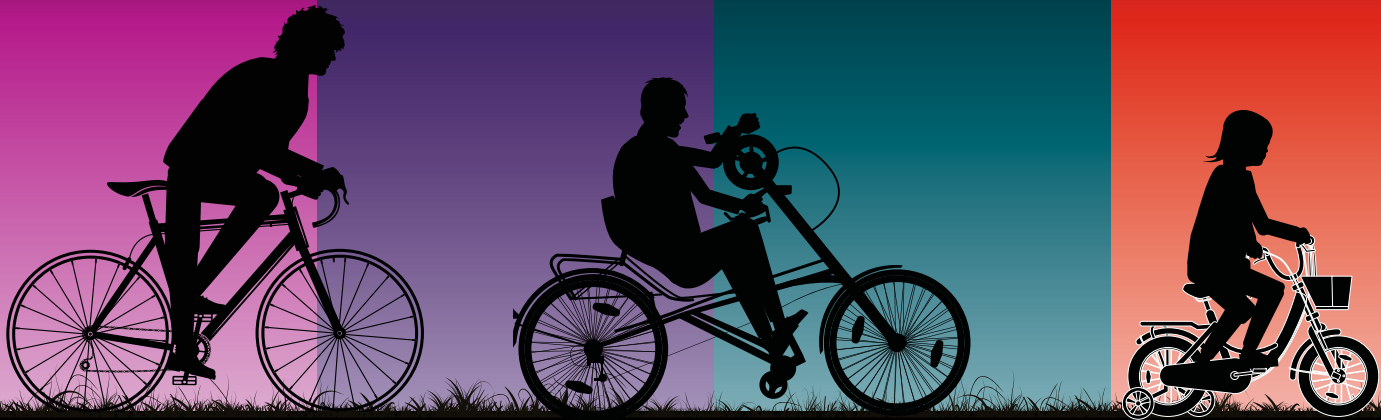
# Pension Overview

DECEMBER 2021

For members of the Defined Contribution (DC)  
Section of the Prudential Staff Pension Scheme



**PRUDENTIAL**  
Staff Pension Scheme



[www.prudentialstaffps.co.uk](http://www.prudentialstaffps.co.uk)

Defined Contribution Section

*Your journey*

## In this issue

- 1 Chairman's welcome
- 3 About the Scheme
- 4 Spotlight on our finances
- 5 A new look for our Scheme
- 7 ESG — what is it and how does it affect my Personal Account?
- 8 Retirement Living Standards
- 9 Pension scams — don't become their next victim!
- 10 Keeping your data safe
- 11 Register for 'My account'
- 13 Useful information

## Chairman's welcome



**I'm pleased to welcome you to this year's edition of 'Pension Overview'.**

If you're reading the paper-based version, you will see that this is now presented in a more condensed format.

This change reflects our desire to reduce the amount of paper we use in our communications. A more detailed version is still available online. To access this, go to our Scheme website and click or tap on the 'Digital Overview' button.

As a Trustee Board we've continued to operate effectively, using virtual meetings and other digital means to communicate with each other. This has proved to be so successful that I'm in no doubt that video calls will play a prominent part in how the Trustee Board meet going forward.

I would like to share some news about the Trustee Directors themselves. We undertook a Member Nominated Director (MND) selection process this year. This involved the Pensioner members of the DB Section, as the term of office for John Paino, our Pensioner MND, was due to end in July 2021.

I can confirm John was selected to serve a further four-year term. We will be holding a further MND selection process in early 2022 as Stephen Cunningham's term of office is due to end. This time the process will involve the Active members of both the DB and DC Sections. Gillian Starkie, one of our Company Appointed Trustee Directors, resigned from the Trustee Board earlier this year. The Company has subsequently appointed Darren Tish who joined the Trustee Board on 25 November.

I'd like to thank all the Trustee Directors, including Gillian, for the time and effort they put into managing our Scheme. I'd also like to thank the Pensions Team, our Scheme advisers and our Administrators for their continued hard work and support.

I hope you find this year's edition of 'Pension Overview' useful and informative. I'd encourage you to also take a look at our website, and most importantly ensure you've registered to access your 'My account' online. You can find more details on how to register on page 11.



Keith Bedell-Pearce  
Chairman of the Trustee of the  
Prudential Staff Pension Scheme

“ Through this newsletter you will see reference to 'Digital Overview'. This is the online version of this newsletter which includes more detail and bonus articles. You can access 'Digital Overview' via our Scheme website [www.prudentialstaffps.co.uk](http://www.prudentialstaffps.co.uk) ”



# About the Scheme

## THE TRUSTEE BOARD

The Board of Prudential Staff Pensions Limited (the Trustee) is made up of ten Trustee Directors, six of whom are appointed by the Company and four who are nominated by the members.

The current Trustee Board members are:

### Company Appointed Trustee Directors

Keith Bedell-Pearce CBE (Chairman)

David Green

Simon Iversen

Andrew Swan

Darren Tish

Jo Waldron

Darren Tish joined the Trustee Board in November 2021. He was appointed by the Company to replace Gillian Starkie, who resigned from the Board on 30 September 2021.

### Member Nominated Trustee Directors

Wolfgang Bauer (To serve until 30 April 2023)

Stephen Cunningham (To serve until 17 April 2022)

John Paino (To serve until 16 July 2025)

William Rutherford (To serve until 11 April 2024)

The Trustee delegates some of its day-to-day responsibilities for managing the Scheme to various Committees. Each Committee is made up of a subset of Trustee Directors. It is also supported by several professional advisers. More information can be found in 'Digital Overview' on the Scheme website.

# Spotlight on our finances

Each year the Trustee produces the Scheme's Annual Report and Financial Statements, which are audited by KPMG. You can view or download the latest version from the 'Document library' on our website.

## DC SECTION HIGHLIGHTS AT 5 APRIL 2021

**£584.1m**



Value of the DC Section assets

**9,270**



Members in the DC Section

**£48.9m**



Contributions received during the year\*

**£21.4m**



Benefits paid to members during the year#

**£148.4m**



Investment returns during the year

\* This includes contributions paid by members, the Company and transfers into the DC Section from other arrangements.

# This includes benefits paid to members, transfers to other arrangements and administration expenses.

Over the year to 5 April 2021 the total value of the DC Section assets increased by £175.2m to £584.1m. The membership of the DC Section also increased by 626 to 9,270 members.

On 5 April 2021 the total assets for the Scheme (the DC Section and the DB Section combined) amounted to £7,791.1m (a reduction of £331.8m since 5 April 2020). Similarly, the total Scheme membership reduced from 41,859 (5 April 2020) to 41,786 (5 April 2021).

### PERFORMANCE OF THE DC SECTION'S INVESTMENT FUNDS

Each month we publish a 'Market Commentary' produced by Hymans Robertson, our DC Section Investment Consultant. You will find this along with the latest fund factsheets (produced by our investment platform provider) on the fund factsheets page of our website.



To view Digital Overview visit [www.prudentialstaffps.co.uk](http://www.prudentialstaffps.co.uk)

## A new look for our Scheme

Following the demerger in 2019, we've been working with both the Company and our Communication Adviser on a full rebrand for our Scheme to tie in with M&G plc branding. This includes adopting the M&G plc brand colours and using the Company's logo on the DC Section website.

Starting in January 2022, you'll see our new brand reflected in the communications we issue. We're starting with our Scheme website and the associated documents held in its 'Document library'. We've taken the opportunity to review how our Scheme website is structured and have also made changes to the navigation as well.

'My account', the secure online portal provided by our DC Section Administrator, has also been updated. If you're still to register on the new version of the secure online portal, we strongly encourage you to do so. You can find more details of how to do this on page 11.



“ Starting in January 2022, you'll see our new brand reflected in the communications we issue. ”



# ESG — what is it and how does it affect my Personal Account?

ESG is an investment framework, with specific focus on three areas:



## Environmental

Environmental impact is perhaps the most obvious and talked about factor. It covers fossil fuels, single-use plastic, palm oil plantations and the many other activities that threaten our climate and ecosystems.



## Social

Social responsibility addresses considerations such as the opioid crisis, gambling addiction, gender discrimination and human rights abuses.



## Governance

Governance standards consider the systems in place to manage cyber security, accuracy of reported accounts, gender diversity on boards, executive pay, and many other indicators of how well a company is being run.

## HOW DOES IT AFFECT MY PERSONAL ACCOUNT?

The Trustee is incorporating ESG principles into its process for evaluating the appropriateness and effectiveness of the fund managers it has appointed. ESG principles are also considered as part of the process for selecting new managers.

You can read more about how the Trustee makes investment decisions in our 'Statement of Investment Principles'. The latest version is available to view or download in the 'Document Library' on the Scheme website.



## Retirement Living Standards

Have you ever considered how much you will need as an income in retirement? The Pensions and Lifetime Savings Association (PLSA) published the Retirement Living Standards to help people answer this very question.

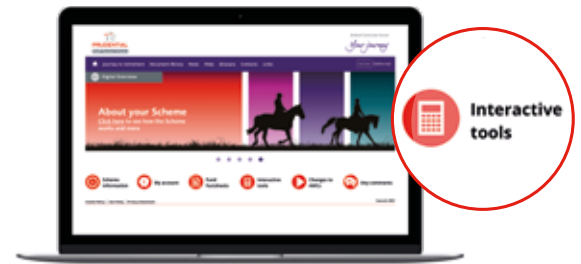
There are three levels:

1. **Minimum** (covers all your needs, with some left over for fun) — **£10,900** per year for a single person and **£16,700** for a couple which would cover a holiday in the UK, eating out once a month and some affordable leisure activities twice a week.
2. **Moderate** (more financial security and flexibility) — **£20,800** per year for a single person and **£30,600** for a couple which would provide, in addition to the minimum lifestyle, a two-week holiday in Europe and eating out a few times a month.
3. **Comfortable** (more financial freedom and some luxuries) — **£33,600** per year for a single person and **£49,700** for a couple which would achieve both the minimum and moderate lifestyles, plus extra luxuries such as spa days, theatre trips and those important holidays.

On the Scheme website you will find an interactive modeller. With this you can:

- Explore the three different Retirement Living Standards set by the PLSA;
- Increase or decrease the assumption for one or more of the six expense categories to create your own personal Living Standard; and
- Input the values of your current retirement savings to assess whether you have enough to fulfil your retirement aspirations.

To access the modeller, click or tap on the 'Interactive tools' button, which you will find at the bottom of each page on the Scheme website.



## Pension scams — don't become their next victim!

Pension scams are still on the rise, it's more important than ever to be aware of scammers trying to con you.

To help you spot the signs and protect yourself from a scam, the Financial Conduct Authority (FCA) and The Pensions Regulator suggest following four simple steps.



### Step 1 — Reject unexpected offers

If you're contacted out of the blue about a pension opportunity, chances are it's a scam. Pension cold calling is illegal, and you should be very wary. An offer of a free pension review, from a firm you've not dealt with before, is possibly a scam.

### Step 2 — Don't be rushed or pressured

Take your time to make all the checks you need — even if this means turning down what seems to be an 'amazing deal'.

### Step 3 — Get impartial information or advice

You should seriously consider seeking financial advice before changing your pension arrangements.

#### Step 4 — Check who you are dealing with

Search 'ScamSmart' on the internet and you'll find the page on the FCA website to help you avoid investment and pension scams. This interactive page will take you through, step by step, on how to check an investment or pension opportunity.

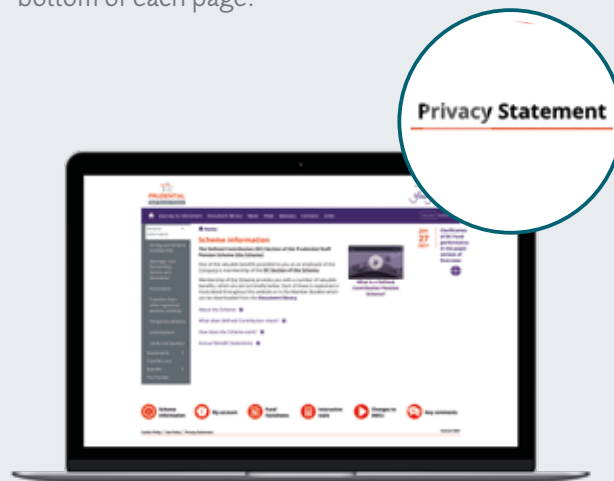
You can also call the FCA Consumer Helpline on **0800 111 6768** for more help and support.

If you believe you may have been contacted about a scam you should call Action Fraud on **0300 123 2040**.

If you don't use an FCA-authorized firm, you won't be covered by the Financial Ombudsman Service, or the Financial Services Compensation Scheme, if things go wrong.

## Keeping your data safe

Keeping the data we hold about you and your fellow members safe is a responsibility we take very seriously. We regularly review and update our data security policies to ensure that they are as effective as possible. You can view or download our current Privacy Statement from the Scheme website. You will find a link at the bottom of each page.



## Register for 'My account'

'My account' gives you secure online access to your personal pension account. Once registered you can:



View your personal details



See details of unit purchases or sales



Manage your investments



View your current fund value as well as your latest **Benefit Statement**

“ If you've not done so already, we would encourage you to register today. Once registered we can keep you up to date with important information about the Scheme and your benefits within it. ”

You can also update your communication preferences. If you've not done so already, we would encourage you to register today. Once registered we can keep you up to date with important information about the Scheme and your benefits within it.

Registering is easy. Simply visit the Scheme website and click or tap on the 'My account' button at the bottom of each page. Then follow the on-screen instructions. You will need to have the following information to hand when you register:

- Your National Insurance number;
- A current email address (please use a personal and not a work-related email address if you have one);
- Your mobile phone number (this is optional; but we would encourage you to provide one); and
- Our Scheme number which is **M001**.



### THE IMPORTANCE OF YOUR EXPRESSION OF WISH

It's really important that you have completed, and then regularly update, your Expression of Wish. It'll help the Trustee to decide who should receive any benefits payable from the Scheme if you die. What's more, certain potential recipients, for example partners, can only be considered to receive these benefits if you have nominated them using an Expression of Wish.

The quickest and easiest way to update your Expression of Wish is online, via 'My account'. Alternatively, you can download an Expression of Wish Form to complete from the 'Document Library' on our Scheme website.



## Useful information

If you have any questions about any of the topics discussed in this edition of Pension Overview, or the Scheme in general, please visit the Scheme website at [www.prudentialstaffps.co.uk](http://www.prudentialstaffps.co.uk).

If you have a question that is personal to you and can't be answered by the website, help is available Monday to Friday (9am to 5pm) from the DC Section Administrator.

If, having checked the Scheme website and spoken to the DC Section Administrator, you still have any unresolved questions, or comments you wish to share, you can contact the Pensions Team at the address below:



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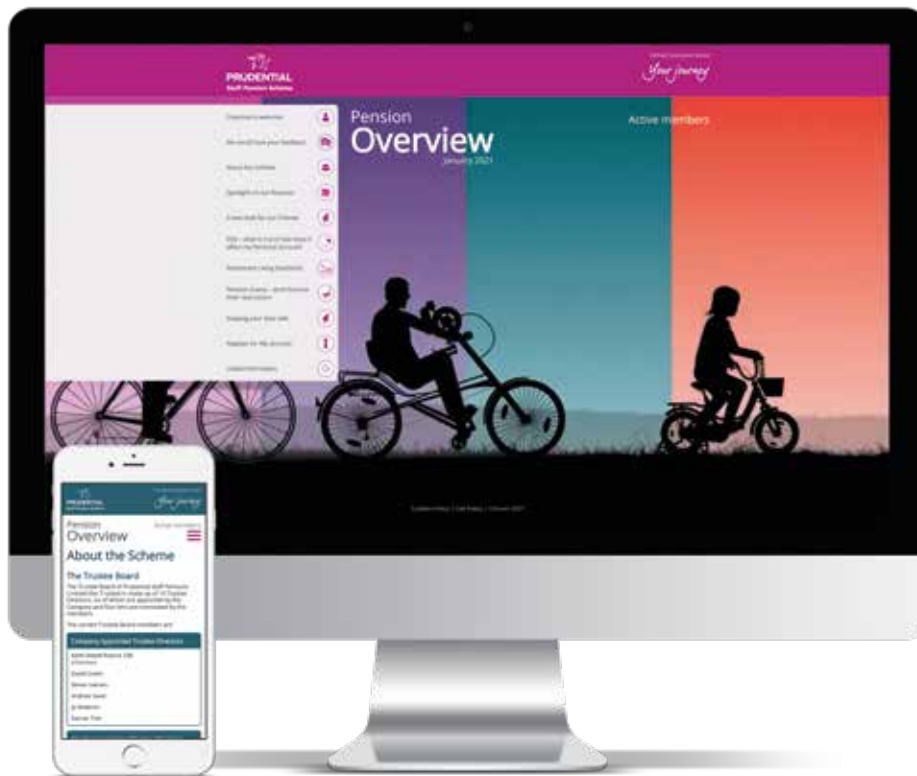


+44 (0) 203 480 6008



[hrstaffpensions@prudential.co.uk](mailto:hrstaffpensions@prudential.co.uk)

Don't forget, you can also contact the DC Section Administrator using the new secure messaging service in the updated version of 'My account'. You can use this facility to send messages to, and receive messages from, the DC Section Administrator. You can also send them any forms or documentation using this facility, all in a secure, digital format.



You'll find more detail and bonus articles in Digital Overview.



To view Digital Overview visit [www.prudentialstaffps.co.uk](http://www.prudentialstaffps.co.uk)



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