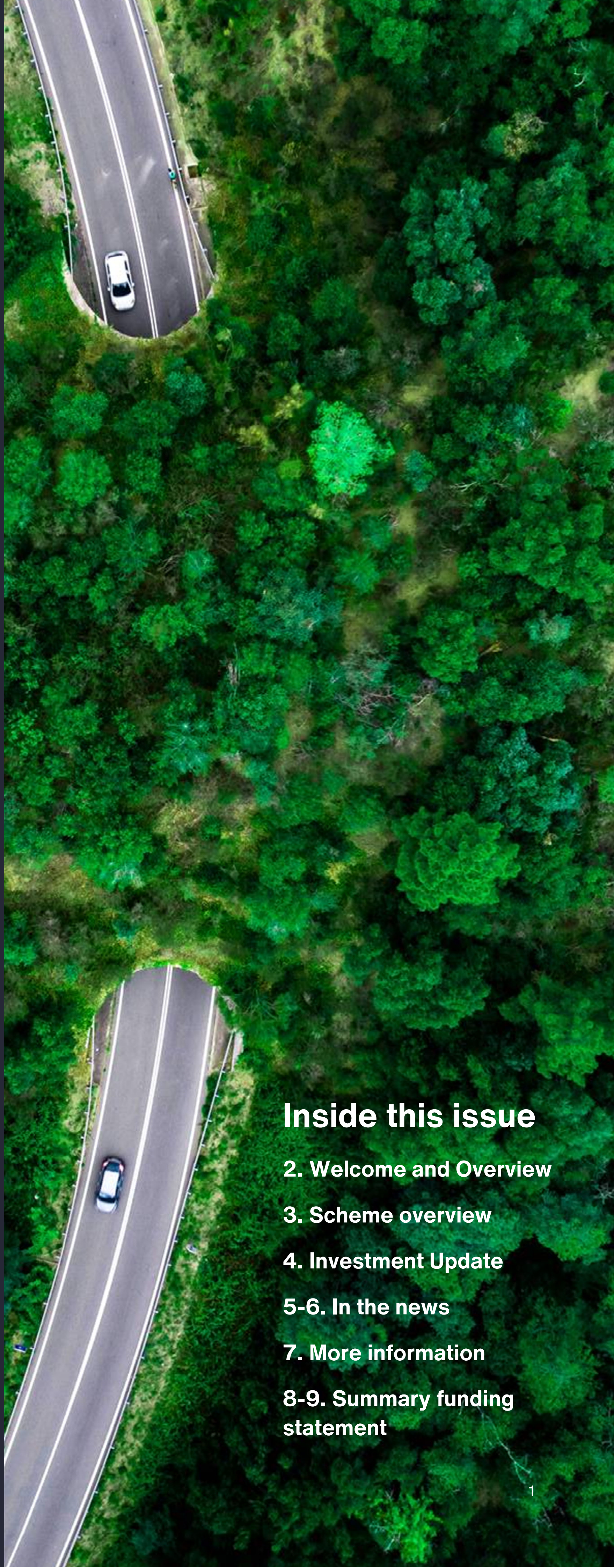
The Bridon Group (2013) Pension Scheme

Your Pension Update: What you need to know.

Winter 2025 Member Newsletter



Inside this issue

Welcome to your latest Scheme Newsletter

The UK's economic growth remains slow by historical standards. The Bank of England held the UK's interest rate at the end of the summer, while relatively high inflation on the cost of food continues to put pressure on household budgets. At times like this, when some people's finances are stretched, it's more important than ever that we manage all members' Scheme retirement benefits with the utmost care. You can be sure that we take our role as Trustees seriously and as a privilege – managing the Scheme 's finances in the interests of all our members.

Funding update

Inside, we report on the Scheme's latest financial position in our summary funding statement. This is based on the Scheme's position as at 31 December 2024.

Other news

In our round-up of general pensions news, we look at research on financial security in retirement, the latest news on Pensions Dashboards, and how to stay safe from pension fraud.

Scheme website

If you have a general query about the Bridon Group (2013) Pension Scheme or your benefits this information can be found here: **www.bridonpensions.co.uk**. For any queries not which are not covered on the website, please contact the team. Their details are on page 7.

Susan Anyan, representing Capital Cranfield Pension Trustees Limited

Chair of the Trustees

Your Bridon Group (2013) Pension Scheme in numbers

Membership

299

At 31 December 2024 there were 299 members in the Scheme compared with 303 members at the same date last year.

Deferred Members

134

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

Pension Members

165

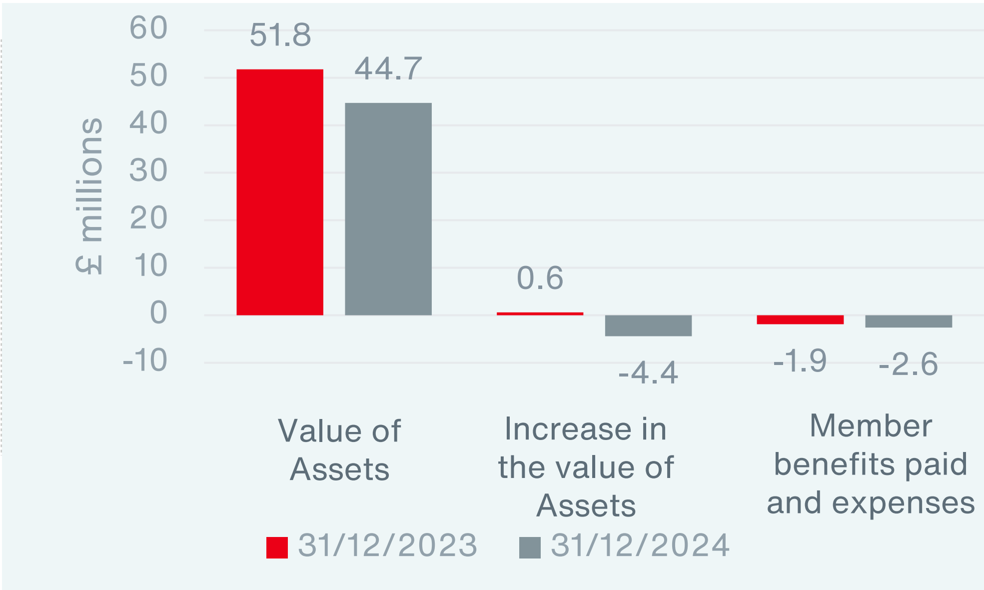
Receiving benefits from the Scheme (and including the dependants of members who have died).

Funding Position

99%

December 2024

The funding position of the Scheme on a Technical Provisions basis – more information can be found on page 8.



Since the valuation at 31 December 2022 the Scheme's technical provisions funding level has deteriorated by 3%.

The deterioration in the funding position is primarily due to asset underperformance over the period.

Here we show the headline figures from the Scheme's Annual Report & Accounts for the year ended 31 December 2024. If you would like more detail, please request a copy of the full report using the contact details on page 7.

Investment Update

A snapshot of 2024

As Trustees, it is our responsibility to agree 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.

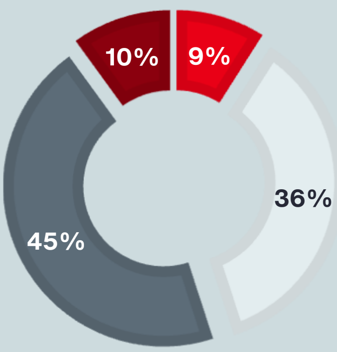
For further details on our investment approach, read our Statement of Investment Principles (SIP) at https://www.bridonpensions.co.uk/pdf/bi2-bridon_scheme_sip_june_2024_final.pdf

You can also read our engagement policy Implementation Statement showing how our policy on engagement activities and voting has been followed during the year.

Pension scheme assets

£44.7M

2024



Asset Allocation

- Equities 9%
- Bonds and Gilts 36%
- Liability Driven Investments 45%
- Alternatives 10%

Performance

The table below shows how the Scheme’s investments have performed compared with their 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 to 31 December 2024		Since inception* (% per year)	
Performance	Benchmark	Performance	Benchmark
-8.9%	-9.9%	-7.1%	-7.3%

**Inception date is 30 April 2019. This is the date that the Scheme’s investments were transferred to Aon Investment Limited.*

You can see that performance was negative over the year to date, however the Scheme’s investments did outperform their benchmark. Since inception the return has exceeded the benchmark return.

We will continue to monitor performance and make any changes we feel are necessary.

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** to achieve a **moderate** living standard in retirement.

- 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 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

Pension Schemes Bill 2025

One key change is that Trustees of Defined Benefit pension schemes like ours may soon be able to return surplus funds to employers in a wider range of circumstances, subject to strict conditions and promotions. Importantly, this would only happen where scheme funding exceeds a prescribed level and the trustees agree to such a payment.

Access to Support your retirement

Your Scheme recognises that significant decisions need to be made at retirement.

To help deferred members aged over 54 to fully understand their options, UK-based members can receive independent financial advice, which is paid for by the Scheme and provided by HUB Pension Consulting. If you are a deferred member aged over 54 and would like to receive free financial advice, please get in contact (details on page 7) and the team will explain the next steps.

In addition, if you're aged over 54, the Scheme has also given you access to the Aon Retirement Options Model (AROM), and there is an additional video that explains how you can use this educational tool to understand the options available to you at retirement.

If you'd like to explore your retirement options in AROM, please request this from the administration team who will provide you with a retirement quote and login details.

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

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 Action Fraud: www.actionfraud.police.uk/

Pensions Dashboards

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. We touched on it last time, but work continues and there have been some recent updates. 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 Aon MasterTrust and around 30 of the largest Defined Benefit schemes.]
- 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.

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.

More Information

Scheme Website

To find out more about the Scheme, go to: www.bridonpensions.co.uk or scan the QR code with your tablet or smartphone.

You can find the following information on the site:

- General information about the Scheme
- Member guide and other useful documents
- Questions and answers
- Contact details

Please use any of the methods below to get in touch with the Administration team.
Email: bridonpensions@aon.com
Phone: 0345 268 8476 (lines are open Monday to Friday, 9am to 5pm)
Write to: Bridon Pensions
Aon
PO box 196
Huddersfield
HD8 1EG

Remember

If you would like more information about the Scheme, you can request a copy of the Trustees' Annual Report & Accounts. Contact the administration team (details above). A copy is also available on the Scheme website.

Taking advice

If you would like advice about your retirement plans, we recommend you speak with an independent financial adviser. You can find an adviser in your area by searching MoneyHelper's online directory.

Go to www.moneyhelper.org.uk and choose Pensions and retirement > Taking your pension > Find a retirement adviser.

Please also see information on the support the Scheme can provide on page 5.

Trustees and their Advisers

As Trustees, 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 Scheme is progressing.

Capital Cranfield Pension Trustees Limited ("Capital Cranfield"), act as a Professional Corporate Sole Trustee company for the Scheme.

Capital Cranfield is represented by:
- Susan Anyan
- Karol Lewandowski

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

Administrator	Aon Solutions UK Limited
Actuary	A Nazerali, FIA Aon Solutions UK Limited
Auditor	Assure UK
Investment Adviser	Aon Investments Limited
Legal Adviser	Gunnercooke LLP

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 Scheme and your benefits.

Please also update your Expression of Wishes 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 Trustees, we have the final say over who receives the benefits. We will consider your Expression of Wishes form, so if you have never filled one in, or you have not done so recently, particularly if your circumstances have changed, please complete a form and send it to us.

A copy of the form is available on the Scheme website, alternatively you can use the contact details on the left to request a blank form.

Summary Funding Statement

How healthy is your Scheme?

This section summarises the results of the annual actuarial report at 31 December 2024. It also looks at the most recent valuation. These financial health checks are vital for monitoring the Scheme's progress. We hope the information helps you to understand how the Scheme is developing.

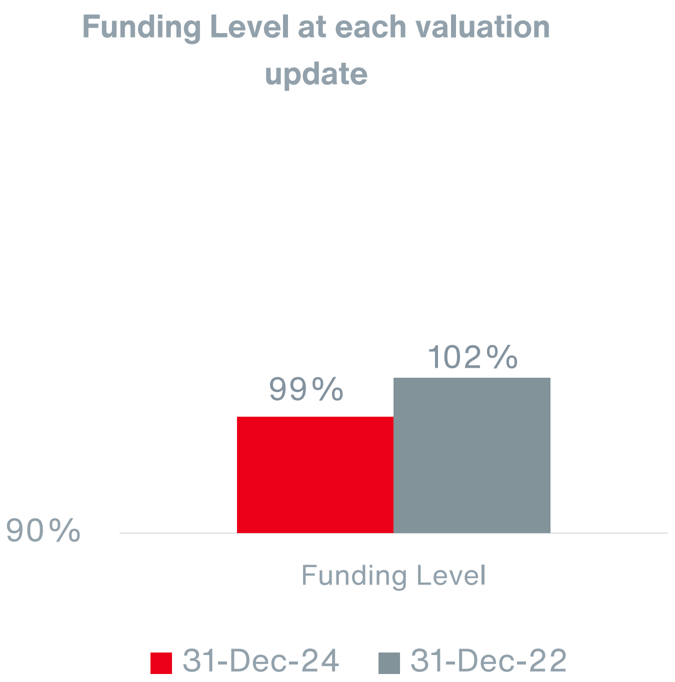
The funding level is an indication of the amount of money that is needed to pay all benefits in full for the duration of the Scheme. A funding level of 100% or more indicates that, on the assumptions used, it is expected that there is currently sufficient assets to be able to do that without more money being paid into the Scheme.

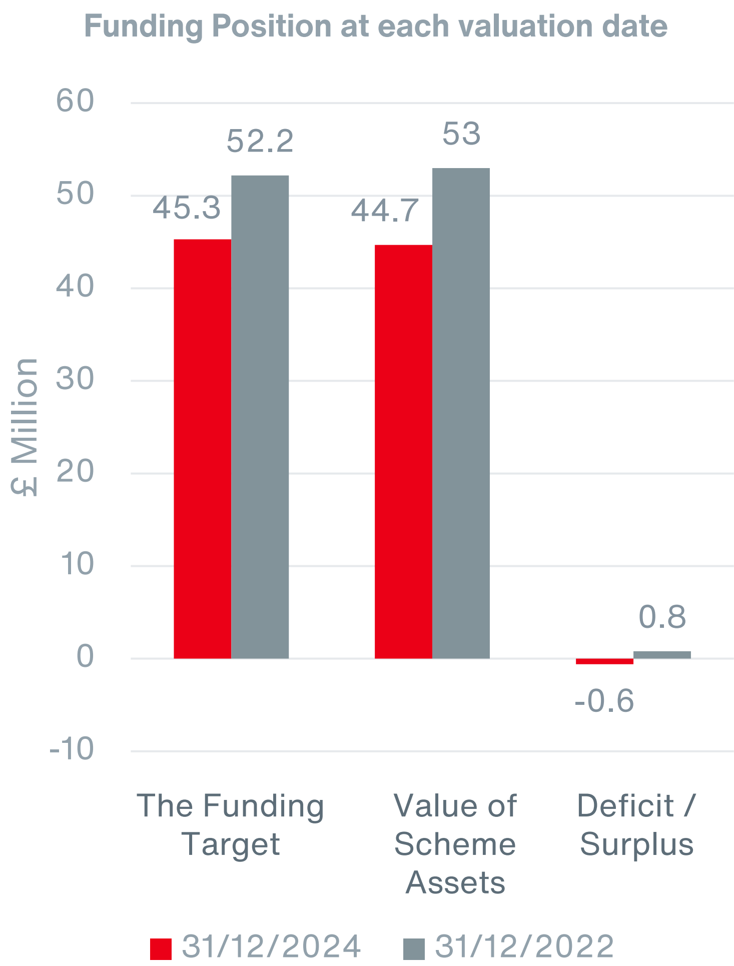
The latest position

The charts below shows how the funding position has changed since the last valuation at 31 December 2022.

The next financial check will be based on the Scheme's position at 31 December 2025. We will report on the results once they are complete.

It is important to remember that it is normal for pension scheme funding levels to fluctuate over time. Even when funding is temporarily below target, the Scheme will continue to pay benefits in full as long as it continues.





Reason for the change

Since the valuation at 31 December 2022 the Scheme's technical provisions funding level has deteriorated by 3%. The deterioration in the funding position is primarily due to asset underperformance over the period.

Summary Funding Statement

Financial support

- The Company provides significant financial support for the Scheme. It currently pays all administration and running expenses up to £330K per annum.

The next formal valuation will look at the Scheme's position at 31 December 2025. This will include evaluating whether the Company needs to contribute towards the Scheme.

If the Scheme came to an end

- The Scheme's funding level is worked out in two ways.
- The 'ongoing' basis (shown above), which assumes that the Scheme will continue into the future.
- The 'full solvency' basis, which shows the funding position if the Scheme 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 31 December 2022, the Scheme full solvency funding level was 82% with a shortfall of £12 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 Scheme.

We must also tell you if there have been any payments to the Company out of Scheme funds in the last 12 months. The only payment to the Company has been reimbursing Scheme expenses in excess of £330K per annum in line with the Schedule of Contributions.

The Pensions Regulator

The Pensions Regulator is the UK watchdog of workplace pension schemes. You can find out more about the Regulator online at **www.thepensionsregulator.gov.uk**