

Frequently Asked Questions Reuters Pension Fund (RPF)

Active Members

- ***Annual Allowance***

Since 6 April 2006, the amount of pension savings that benefit from tax relief within a given tax year is limited to the Annual Allowance ('AA'). This includes pension savings to all registered pension schemes made by or on behalf of an individual, for example by their employer. If their savings go above this level, they will be liable to a tax charge.

For final salary schemes such as the Reuters Pension Fund the value of your pension savings is determined by the increase in value (relative to inflation) in your accrued pension during a given tax year. Your AA usage is quoted in your annual benefit statements. Additionally, the scheme will contact any member who exceeds the AA each year.

The AA will not affect most members, but may affect you in certain circumstances, for example:

- Members receiving a large pay increase (e.g. through a promotion)
- Senior and/or long serving employees with the Company
- Members who pay large voluntary contributions into the Scheme (or into any other UK pension arrangement)
- Members who wish to make a large, one-off contribution into the scheme out of their severance pay.

For further information, HMRC has guidance on the Annual Allowance on its website at

<http://www.hmrc.gov.uk/pensionschemes/understanding-aa.htm>

- ***How is the Annual Allowance Calculated?***

As the Reuters Pension Fund is a defined benefit arrangement, your pension savings with the scheme are calculated based on the difference between your benefits at the end of the last tax year and the current one, after allowing for the effects of inflation. This difference is then multiplied by a factor of 16. This process is detailed below:

1. Calculate member's benefits at end of the current tax year. 2. Calculate member's benefits at end of the last tax year and increase this amount by the previous September's inflation figure. * 3. Calculate the difference between these two amounts. 4. Multiply this difference by 16.

The figure produced at the end of step 4 is the value of your pension savings with the scheme for the tax year in question.

If you pay additional voluntary contributions into the Refinitiv Retirement Plan, the value which you contribute will be added to the value of your pension savings in counting toward the Annual Allowance ('AA').

Even if your total pension savings over the year are more than the Annual Allowance, you may still not have to pay a tax charge. You can carry forward any AA that you have not used from the previous three tax years. If your unused allowance is more than the amount by which you have exceeded the AA in the current tax year, then you will not be liable for a tax charge and you will not be required to report anything to HMRC.

*As measured by the Consumer Price Index

- ***Retirement Age***

All active members of the Reuters Pension Fund are eligible to retire from the age of 50. Please note that should you retire early from the scheme your benefits will be reduced to reflect the earlier (and potentially longer) payment. Further note that if you wish to take flexible retirement (i.e. draw benefits and continue in employment) then the earliest age you are entitled to apply for this is age 55.

- ***Benefit Statements***

Each year the scheme will provide active members of the scheme with an updated statement of their accrued benefits held with the scheme. These statements are usually issued in August and will provide a summary of your benefits as at 5th April of that year as well as a quotation at Normal Retirement Age assuming continued service to that age.

- **AVCs**

If you wish you may pay Additional Voluntary Contributions into your pension. These contributions will be invested in the Refinitiv Retirement Plan and can be used at retirement to provide additional lump sum benefits or retirement income.

- ***FPS definition***

Your pensionable salary is based upon your basic income only. Your accrued pension will be based upon your final pensionable salary ('FPS') and service with the scheme.

The way in which your FPS is calculated is different depending on whether your Normal Retirement Age ('NRA') with the scheme is age 62 or 65. Please refer to your scheme correspondence if you are unsure which of these NRA categories applies to you. - If your NRA is 62, then your FPS is your highest pensionable salary over a consecutive twelve-month period, within the last five years. - If your NRA is 65, then your FPS is your highest pensionable salary over a consecutive thirty-six-month period, within the last ten years, minus £150.

- ***Part time working effect on benefits***

If you work part time, then you will accrue pensionable service at a pro rata rate based upon your working hours. Your pensionable salary will be based upon your full-time equivalent salary.

- ***What happens when I leave the employer?***

When you leave the Company, you will receive a leaving service statement detailing your final accrued benefits with the scheme. You will have 3 main options available:

- Draw your retirement benefits immediately (only available if you are over 50 years of age) - Transfer your benefits to an alternative pension arrangement

- Leave your benefits in the Reuters Pension Fund and defer drawing them until a later date.

- ***Death benefits***

In the event you were to pass away during active service the company operates a life assurance of 4 times basic pensionable salary plus a refund of contributions. This benefit is payable at Trustee discretion and falls outside of Inheritance Tax rules. If you have not already, then you should complete an Expression of Wish form informing the Trustees who you wish this benefit to be paid to. Please note that this is a non-legally binding document; whilst the Trustees would take your wishes in to account they also have to make their own informed decision based on all evidence available. Where eligible, spouse, children and dependants' pensions may also be payable.

Deferred Members

- What are my options?

If you left active service with the scheme before 6 April 2006 you can draw your pension benefits from the age of 55. If you left service after 5 April 2006 you are entitled to draw your benefits from the age of 50. Please note that should you retire before your Normal Retirement Age your benefits will be reduced to reflect the earlier (and potentially longer) payment.

Additional options such as single life uplifts (for unmarried members) or sacrificing your own pension for an increased spouse's pension are also available.

Alternatively, you may transfer your benefits to another pension arrangement should you wish. You are entitled to one free transfer valuation in a twelve-month period. Transfer valuations are guaranteed for three months from the date they are calculated.

If you would like an estimate of your retirement benefits or a transfer valuation, please contact the Refinitiv Member Services Centre.

- ***I am in poor health, are there any options available?***

The RPF does not offer any favourable adjustments where a member is in poor health. You have the same options as any other members; to either retire at an age earlier than Normal Retirement Age (but not less than minimum retirement age) subject to the standard early retirement reduction, or, to transfer out of the Fund to an alternative pension provider. Another provider may offer different options in terms of ill health. Financial advice would be strongly recommended and, in any event,, should your transfer value be in excess of £30,000, then it would also be a legislative requirement before being able to proceed.

- ***I am in serious ill-health and may have less than 12 months to live***

If this is the case you may be eligible to receive a serious ill-health lump sum as well as continuing pensions for any eligible spouse, child and/or dependant upon death. Full medical evidence must be supplied to the Trustees for a decision to be made. The lump sum value would be calculated by the Actuary and a range of options (including a transfer value) would be provided to you to make an informed decision. A serious ill-health lump sum may be paid at any age and is not restrictive to Minimum Retirement Ages.

- ***Death benefits***

In the event you were to pass away before retirement then a lump sum equal to your contributions plus compounded interest would become payable at the Trustees discretion and falls outside of Inheritance Tax rules. If you have not already, then you should complete an Expression of Wish form informing the Trustees who you wish this benefit to be paid to. Please note that this is a non-legally binding document; whilst the Trustees would take your wishes into account they also have to make their own informed decision based on all evidence available. Where eligible, spouse, children and dependants pensions may also be payable.

Pensioner Members

- ***Pension Increases***

Once in payment your benefits will increase on 1st January each year. The rate at which your pension increases is determined by the period in which you accrued your benefits.

- Benefits accrued before April 1997 are subject to discretionary increases only. The Trustees of the Fund have promised to award annual increases in line with the Retail Price Index (RPI), capped at 2.5% per annum. This arrangement will last up to and including January 2024, after which it will be reviewed.
- Benefits accrued from April 1997 until April 2005 will increase in line with the RPI, capped at 5% per annum.
- Benefits accrued after April 2005 will increase in line with the RPI, limited to 2.5% per annum.

Your benefits accrued before April 1997 may also include a 'Guaranteed Minimum Pension'. When this becomes payable, this portion of your benefits will receive a separate rate of increase – please see note below for further details

- ***Guaranteed Minimum Pension***

Most members of the Fund who worked for Reuters in the UK between April 1978 and April 1997 will have been 'contracted out' from the State Earnings-Related Pension Scheme. This means that you and your employer paid a reduced amount of National Insurance contributions. In exchange, the Reuters Pension Fund is required to provide you with a 'Guaranteed Minimum Pension' ('GMP').

When you retired, any GMP will already have been included in your pension in payment. When you reach GMP payment age (currently 60 for females, 65 for males) your GMP will increase differently to your regular scheme pension. GMP will increase annual at a rate determined by the government. Any increase for GMP earned between April 1978 and March 1988 is paid by the Government and will be added to your State Pension. The increase for GMP earned between April 1988 and April 1997 is payable from the Fund up to a maximum of 3% per annum. Any increase above 3% on your Post 1988 GMP will be added to your State Pension.

- ***Tax queries***

All pensions are treated as earned income by the Her Majesty's Revenue & Customs (HMRC) and may be liable for tax. In assessing how much tax you should pay (if any), HM Inspector of Taxes considers all taxable income you receive such as your benefits from Reuters Pension Fund, State pensions, other earnings, bank interest, etc. The tax office will then advise Capita directly of the correct tax code that should be applied to your pension.

Any enquiries you have in respect of taxes should be directed to your tax office. Contact details are provided below:

HM Inspector of Taxes

Concept House

5 Young Street

Sheffield

S1 4LA

Tax PAYE Reference: 673/AA11106

- ***Overseas tax queries/nil tax codes***

If you live abroad and do not wish to pay tax on your pension in the UK then you need to apply to the Centre of Non Residents (CNR) for a nil tax code. Details for the CNR below:

Contact point: The Centre for Non-Residents (CNR)

Address: St John's House
Merton Road
Bootle
Merseyside
L69 9BB

Phone Number:

Helpline from within UK 0845 070 0040

Helpline from outside the UK 44 (0) 151 210 2222

- ***Why have I not received payment?***

The Trustees of the scheme may decide to suspend your pension should the pension scheme lose contact with you. If correspondence issued to you is returned to the scheme undelivered, we will seek to contact you through registered post. If we are still unable to make contact, the Trustees may opt to suspend payments until contact can be made. If your payments from the scheme have ceased, please contact us as soon as possible.

Please note if contact is lost and later re-established, full arrears will be paid for the period of the suspension.

If you are receiving a Child's Pension and are over the age of 18, the Trustees of the scheme may continue payments at their discretion up to the age of 21, if you are partaking in full time education. The scheme will annually review your attendance with your education provider and your pension may be suspended while this review takes place.

- ***How do I view my payslips online?***

You can view your payslips online, on the website www.hartlinkonline.co.uk/rpf

On your first visit to the site you will be required to register before you can access your details. This will involve selecting a username and password and you will then be provided with a PIN. You can use these details to access the site on subsequent visits.

If you cannot access your payslips online and/or would like to receive paper payslips each month, please contact the Refinitiv Member Services Centre.

- ***Death benefits***

Your RPF pension is guaranteed for 5 years from the commencement date. As an example, should you pass away 3 years after your retirement date a lump sum death benefit would be due equal to the remaining 2 years pension instalments. If you have not already, then you should complete an Expression of Wish form informing the Trustees who you wish this benefit to be paid to. Please note that this is a non-legally binding document; whilst the Trustee's would take your wishes in to account they also have to make their own informed decision based on all evidence available.

Eligible spouse, children and/or dependant pensions may also be payable.