GREGGS FINAL SALARY SCHEME

Members Newsletter

March 2025

beyond the expected

WELCOME

Welcome to the March 2025 newsletter for members of the Greggs plc 1978 Retirement and Death Benefit Scheme (the Scheme).

We're writing to you to with some important updates including the Guaranteed Minimum Pension (GMP) equalisation exercise, and the introduction of Pensions Dashboards. We'd also like to remind you to sign up for online services via Clarity from BW and remind you to keep your savings safe from scammers.

Please take time to read this newsletter as you'll find lots of important updates and useful Scheme information. If you've got any comments or suggestions for future newsletter articles, please get in touch with the Greggs Pensions Team (see Contact us on page 9).

Inside

PENSIONER MEMBERS

Guaranteed Minimum Pension equalisation

As mentioned in our previous newsletter, the Scheme has been undertaking a review of member benefits to comply with a High Court judgement relating to the equalisation of GMP benefits. As a reminder, GMP was built up before 6 April 1997 by members of pension schemes (including the Greggs Final Salary Scheme) which were contracted out of the State Pension. When you earned this part of your pension, the GMP between men and women was different. This means sometimes there are small inequalities in the overall Scheme pension and the judgement concluded the part of your GMP earned after 17 May 1990 should be equalised to put these differences right.

We've been working with the Scheme's Administrator, Barnett Waddingham, to equalise the benefits for those members who are affected and have recently completed the review. If your pension is going to change as a result of the review, you'll have received a letter confirming this and any uplift to your pension came into effect from 1 March 2025. If you haven't received a letter, the review has shown your pension benefits don't need changing and there's no action for you to take.

Any documents sent to you by the Scheme can also be viewed online via Pension self-service through your online account in Clarity from BW. If you haven't already registered, details on how to do so can be found on page 5.

Annual pension increase

If you're already receiving your pension, the annual increase to your pension is due on 1 April 2025. This will allow for any updates required to your pension as part of GMP equalisation (see above). Letters confirming new pension amounts will be issued during March 2025 and will also be available to view online via your Pension self-service account in Clarity from BW. If you haven't already done so, details on how to login or register can be found on page 5.

UPDATE ON THE BUY-IN

We wrote to you in June 2024 to let you know the Scheme has purchased a buy-in insurance policy with Aviva, made possible with the support of Greggs plc (the Company). We believe this is an excellent outcome for the Scheme and you the members, as it's a significant step towards securing all benefits payable under the Scheme and provides the security of a highly regulated insurer, Aviva.

Over the next year we plan to convert the buy-in insurance policy into individual annuity policies for each member, reflecting each member's specific pension entitlement. This is known as a 'buy-out'. At this stage, Aviva will take on the responsibility of paying benefits directly to members.

The move to buy-out is a complex process which involves making sure all member benefits are correct. While this is ongoing, we won't be able to process online retirement quotations. You can still request a retirement quotation from Barnett Waddingham if you require one while the buy-out transaction is ongoing, details on how to do so can be found the next page.

We'll keep you updated of our progress throughout the year.

MAKING SURE YOUR DATA IS CORRECT

In preparation for buy-out, the administration team have been checking the personal information we hold for you, your spouse and your dependants is up-to-date and accurate. If any of your circumstances have changed, for example if you've moved house, it's very important to let Barnett Waddingham know so we can ensure the correct benefits are paid on time. You can update your personal information through your Clarity from BW account or get in touch using the contact details on page 9.

CLARITY FROM BW –
NOT SIGNED UP FOR PENSION SELF-SERVICE YET?

Through Clarity you can access all your personal information, monthly payslips (if you're already receiving your pension) and see an overview of your key benefits.

If you don't already have an account set up, you'll need to register at https://account.claritybw.co.uk/LogIn/Registration It's a simple process which needs your date of birth and National Insurance number and should only take a few minutes to complete.

As mentioned in the 'buy-in' section above, during this period we will not be able to provide online retirement quotations. If you'd like to request a retirement quotation you can do so through your Clarity from BW account. You can also get in touch with the Greggs administration team directly using the contact details on page 9. Our standard turnaround time for producing retirement quotations during this time will be around 10 days.

If you have any questions on how to register, or you're having trouble accessing your account, contact the helpline on 0141 447 0899. Lines are open 9am–5.15pm Monday to Friday.

PENSIONS DASHBOARDS

There are some important changes in the world of pensions during this year and 2026.

Pensions Dashboards is a government-run scheme which will allow you to view all your pension information, from all pension providers, in one place online. It's expected to improve the way we plan for retirement and help us make the most of our savings. You'll also be able to see information about your State Pension entitlement.

Pensions dashboards will be a free, 24/7 service, but won't include pensions already being paid (for example, if you're already retired).

Pensions Dashboards is currently planning to be fully up and running by end of 2026. It may seem a long time, but the initiative is very complex due to the amount of pensions records that will need to be made available to be digitally searched. Some of these records will go back decades and will come from a number of different pension schemes and providers.

CHANGES TO THE LIFETIME ALLOWANCE

The Lifetime Allowance (LTA) was the limit on the amount of pension benefits members could build up without incurring a tax charge. On 6 April 2024, the Government abolished the LTA and introduced two new allowances: the Lump Sum Allowance (LSA) and the Lump Sum and Death Benefits Allowance (LSDBA).

- The LSA is the new limit on the amount of tax-free cash you can receive in your lifetime and has been set at £268,275. When you retire, any tax-free lump sums paid from 6 April 2024 will be deducted from your LSA to determine your remaining available allowance. If you took benefits before 6 April 2024, these would count against your LSA.

- The LSDBA is the new limit on the amount of tax-free cash that can be paid in life and death and has been set at £1,073,100. If you retire and take a serious ill health lump sum (a type of lump sum which is paid where life expectancy is less than 12 months), this will count against your LSDBA rather than your LSA and might result in a lower tax-free lump sum being payable. Any lump sum taken in excess of the LSDBA will be taxed at your/your beneficiary's marginal rate of income tax.

These limits apply to all your pension savings and not just the Greggs Pension Scheme and whether you've already taken any benefits from other pension schemes. The majority of you are unlikely to be affected by these pension allowances.

For further information on the new allowances, please see www.gov.uk/tax-on-your-private-pension

PENSION SCAMS

Pension scams are continuing to entice people to help them access their pension benefits before age 55 and you may have seen/heard adverts warning people about this on the television/radio. For most people the offers will be bogus, and victims could lose most, if not all, of their pension savings. Accessing your pension before age 55 is only possible in rare cases such as in ill-health.

Thousands of people have been the victims of pension scams and have lost money they had saved for later life. Pension scams are evolving alongside the regulatory measures being put in place to help stop them, so it is best to stay alert to the risks. Make sure you aren't next by knowing what to look out for and how to protect your pension.

- Cold called about your pension? Hang up!
- Offered an 'amazing' deal? Beware!
- Using an adviser? Make sure they're registered with the FCA!
- Recommended by a friend? Check everything yourself!
- Think you've been scammed? Act immediately! Report it to the FCA at www.fca.org.uk/scamsmart or call Action Fraud on 0300 123 2040

Never be rushed into making a decision and be very wary of anyone offering a free pensions review. Make sure the adviser is authorised by the Financial Conduct Authority by checking they're on the Financial Services Register at www.fca.org.uk/register If you're concerned you can call MoneyHelper on 0800 011 3797 or look at their website www.moneyhelper.org.uk/en/pensions-and-retirement

More information on pension scams can be found at www.thepensionsregulator.gov.uk/en/pension-scams

CONTACT US

If you have any general questions about the Scheme, get in touch with the Greggs Pensions Team:

Greggs Pensions Team
Greggs House
Quorum Business Park
Newcastle upon Tyne
NE12 8BU

finalsalary@greggs.co.uk

0191 281 7721

www.greggspensions.co.uk/greggs-final-salary-scheme

If you have any queries about general administration or pension payments, get in touch with the Barnett Waddingham administration team.

Greggs plc 1978 Retirement and Death Benefits Scheme
C/O Pension Administration
Barnett Waddingham LLP
First Floor
City Square House
11 Wellington Street
Leeds
LS1 4DL

0333 11 11 222 (this number will take you to the Barnett Waddingham switchboard, where your call will be directed to a member of the team).

Greggs@Barnett-Waddingham.co.uk

USEFUL WEBSITES

Below are links to some helpful sites that can provide you more information about pensions and financial advice.

MoneyHelper

MoneyHelper brings together three financial guidance bodies: The Money Advice Service, The Pensions Advisory Service and Pension Wise. If you're considering transferring your benefits out of the Scheme, you can also book a free pension guidance appointment with MoneyHelper.
www.moneyhelper.org.uk

HM Revenue & Customs (HMRC)

You can find more information and guidance about tax and pensions on their website:
www.hmrc.gov.uk/pensioners/index.htm

The Pensions Regulator (TPR)

TPR monitors the running of occupational pension schemes in the UK.

www.thepensionsregulator.gov.uk

The Pension Tracing Service

The Pension Tracing Service helps people who have lost touch with an old pension scheme by tracing it for them free of charge.

0800 731 0175

www.gov.uk/find-pension-contact-details

Guiide

Guiide can help you understand the pros and cons of transferring your benefits out of the Scheme, if that is one of the options you are thinking about. Guiide can also direct you to financial advisers and other resources should you need further help.

Visit the website at www.db.guiide.co.uk

This newsletter is for information only and doesn't constitute financial advice. Barnett Waddingham LLP helped in the preparation of this newsletter and are authorised and regulated by the Financial Conduct Authority.

If there's any difference between this newsletter and the Scheme Rules, the Scheme Rules will prevail.