



# GKN Group Pension Scheme No. 1 Newsletter

## Inside ...

>	Message from the Chair of the Trustee	2
>	Keep us updated	3
>	Four ways to stay safe from text message scams	4
>	The financial health of your Scheme	5-7
>	Pensions in the news	8-9
>	Other useful resources	10
>	Your Trustee Directors	11

# Message from the Chair of the Trustee

Welcome to your latest edition of the newsletter for members of the GKN Group Pension Scheme (No.1) ('the Scheme').

We regularly monitor the Scheme's investments, and as usual we have included the financial details for both the Defined Benefit (DB) and Defined Contribution (DC) sections on pages 5 to 7. Some of you will be aware of the recent investment market volatility that followed the announcement of trade tariffs by President Trump. This led to falls in global equities which will have impacted both the DB and DC sections. The precise extent to which this may have affected your benefits depends on whether you are in the DB or DC section of the Scheme. We provide further detail on this on page 5.

Please find the Summary Funding Statement (SFS) for the year ending 5 April 2024 enclosed for an update on the Scheme's financial position.

## Our change of DB administrator

We wrote to you in December last year about the intended transition of the Scheme's DB administration services from Aptia to Gallagher. This is expected to happen later in Q3 2025, but

you can expect to hear a lot more from us as we get closer to the final transition.

In the meantime, there are no immediate changes to how you access information about your pension.

For any queries on your DB benefits, please continue to reach out to Aptia until further notice. Contact details can be found on page 3.

## Scam alert – smishing

As mobile communication evolves, it's important to stay vigilant against scams. An article on page 4 offers helpful information and tips.

I hope you find this newsletter interesting and informative. We welcome your feedback and suggestions for future topics.

If you have any comments or are interested in obtaining general information about the Scheme, please contact Aptia.

**Andrew McKinnon**, Independent Chair  
GKN Group Pension Scheme (No.1)

**To help you find out more about the ongoing management of, and support for the Scheme you can request the following Scheme documents using the contact details on page 3:**

- > **Schedule of Contributions**
- > **Statement of Investment Principles**
- > **Trust Deed and Rules**
- > **Internal Dispute Resolution Procedure**
- > **Trustee Report & Accounts**

**Don't forget you can access some of the above documents, and the newsletters, online via the Scheme website [www.GKNpensions.co.uk](http://www.GKNpensions.co.uk).**

# Keep us updated

We need your correct contact details to send you important information about the Scheme. It's important that you let us know about any changes to your circumstances, such as a change of email, home address or marital status.

If we don't have your updated personal information, you could miss out on important updates about the Scheme, or there could be delays with paying your pension.

**To help us with planning for the Government's pensions dashboards implementation, it's vital that we have all your most up-to-date information. Please read more on page 9.**

If you would like to check and/or change the personal details we hold for you, or have any other queries, please contact your current Scheme Administrator, using the details below.



## Online:

The best way to get in touch with Aptia is via the web-based platform, which provides an online form for member queries and access to documents. This platform is secure and allows all member enquiries to be appropriately allocated and promptly processed. You can access it on the link below:  
**[www.pensionuk.aptia-group.com](http://www.pensionuk.aptia-group.com)**.

When contacting Aptia, it would be useful for you to be ready to confirm your date of birth and NI number to enable them to locate your details quickly.



## By post:

GKN Pension Scheme No. 1  
c/o Aptia Limited  
Maclaren House  
Talbot Road  
Stretford  
Manchester M32 0FP  
  
Alternatively you can call on **0345 337 2456**

## DC members

If you have Defined Contribution (DC) benefits only, your Scheme Administrator is Legal & General (L&G).

Please contact them via **[www.legalandgeneral.com/gkn-scheme1](http://www.legalandgeneral.com/gkn-scheme1)**.

## Nomination form

Make sure to complete or update your Nomination (Expression of Wish) Form so that any benefits go to the person/people of your choice should you die before retirement.

In the event of your death, the Trustee will refer to your nomination form to guide the distribution of death benefits, reflecting your wishes\*. It's important to keep this form updated, especially if your circumstances have changed.

**Don't forget, you can complete your nomination form or check all your current pension information online:**

- > Active (DB section) membership since before 24 April 2013 go to **[www.aptiaoneview.co.uk/gkn](http://www.aptiaoneview.co.uk/gkn)**.
- > Members with DC benefits (with no DB benefits) who joined after 24 April 2013, go to **[www.legalandgeneral.com/gkn-scheme1](http://www.legalandgeneral.com/gkn-scheme1)**.

\*If you have been receiving a pension from the Scheme for over five years, you do not need to complete this form, as no death lump sum benefit will be paid.

# Four ways to stay safe from text message scams

Text message scamming – also known as ‘smishing’ – has become increasingly common among cyber-criminals.

As mobile communication plays an ever-larger role in our lives, it’s essential to understand how this scam works so that you can protect yourself.

Smishing – a combination of the words “SMS” and “phishing” – is a scam where fraudsters use mobile phone text messages to trick you into opening a malicious attachment or link.

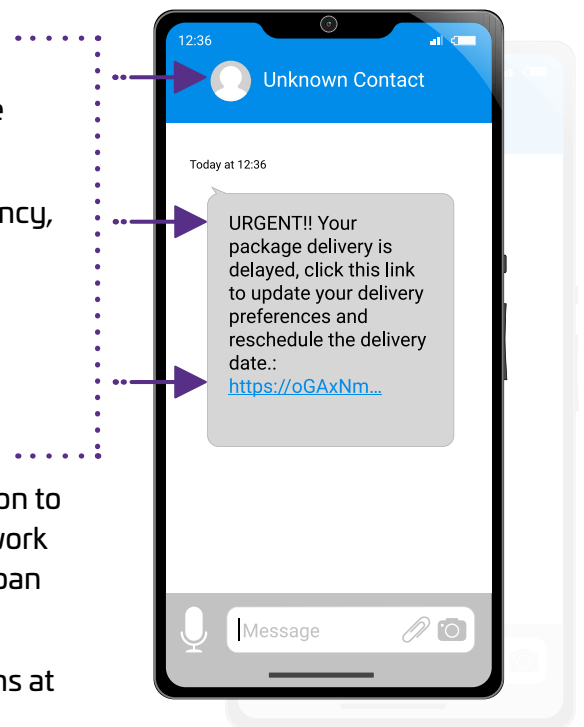
The scam consists of fraudulent text messages that seem to come from legitimate sources, such as banks, delivery services, mobile phone companies or Government agencies. The aim is to lure you into handing over your personal or financial information to cyber-criminals.

Scammers often create a sense of urgency or fear to get recipients to act quickly. Common themes include account verification, package delivery notifications or urgent security alerts.

## Below are four ways to stay safe from smishing:

- > **Check the sender:** Look closely at the sender’s number. Scammers often use generic or unfamiliar numbers. If the message seems suspicious, don’t engage.
- > **Look for red flags:** Messages that create a sense of urgency, contain poor grammar or ask for personal information are often scams.
- > **Verify links:** If a message contains a link, hover over it (without clicking) to see the URL. If it looks suspicious or doesn’t match the official website link, don’t click it.
- > **Report it:** If you’ve received a suspicious text, forward it on to 7726. This is a free service that enables your mobile network provider to investigate the origin of the text and block or ban the sender, if it’s found to be malicious.

You can find more resources about pension and cyber scams at [www.fca.org.uk/scamsmart](https://www.fca.org.uk/scamsmart).



**If you think you have been a victim of fraud, or you have been targeted, report it immediately.**

**Phone Action Fraud on 0300 123 2040 or visit [www.actionfraud.police.uk](https://www.actionfraud.police.uk).**

**You can also dial 159 to speak to your bank’s fraud department. You can find out more about this service, including which banks are involved, at <https://stopscamsuk.org.uk/159>**

# The financial health of your Scheme

## Impact of recent market volatility

### DB section

Investment markets, particularly global equities, have been volatile recently and there have been falls in equity markets in April following the announcement of trade tariffs by President Trump. Despite this, the DB section assets have held up well due to the low-risk strategy we have adopted and your benefits remain secure and will continue to be paid as expected.

### DC section

Most of our members are invested in the default lifestyle arrangement, which holds investments in return-seeking assets such as equities, as well as some government bonds ('gilts') and cash. The market fluctuations we have seen in April are likely to have impacted these investments. However, it is important to remember that your pension is a long-term investment; building up your pension savings typically takes place over many years, and during

this time there will be ups and downs in financial markets. The default strategy is designed to be a long-term investment and provide growth above inflation over the long-term, while managing risk as you get closer to retirement. By investing for long periods of time, the aim is to 'ride out' periods of uncertainty and we believe this will result in better expected long term investment growth that can help your savings increase in value.

If you are invested in the default strategy, the impact of recent market movements on your pension account will depend on your proximity to retirement. Equally, if you are invested in any of the self-select funds the impact will depend on which funds you have chosen. It is also important to remember that if you are still investing regularly, your ongoing contributions will be well placed to benefit from any recovery in markets.

## Income and Expenditure for the period 6 April 2023 to 5 April 2024

	DB Section Year to April 2024 £000s	DC Section Year to April 2024 £000s
<b>Funds at the Beginning of the Year</b>	<b>730,814</b>	<b>171,331</b>
Contributions and Other Income	6,221	27,483
Less Benefits and Expenses	(45,023)	(4,508)
Net return on Investment Performance	(19,381)	28,839
<b>Net (Decrease)/Increase in Funds During the Year</b>	<b>(58,183)</b>	<b>51,814</b>
Transfer between Scheme Sections	4,652	(4,652)
<b>Funds at the End of the Year</b>	<b>677,283</b>	<b>218,493</b>

# The financial health of your Scheme DB Section

For the year to 30 September 2024, the overall return for the assets of the Scheme was 9.7%. Performance against benchmark portfolio returns per asset class shown below:

Asset Class	12-month return	B'mark
Liability hedging	7.6%	7.4%
Multi-strategy	12.9%	11.3%
Cash flow	10.9%	9.4%
Property	-2.6%	2.4%
Private Markets	22%	N/A

How the DB Section was invested	Value as at 30 September 2024 (£m)	Percentage
Liability hedging	351.9	57.5
Multi-strategy	111.2	18.2
Property	5.0	0.8
Private Equity	14.4	2.4
Cash**	129.3	21.1
<b>TOTAL**</b>	<b>611.9</b>	<b>100.0</b>

\*\*Please note the following:

- > Figures may not sum due to rounding
- > The asset values exclude investments in AVCs
- > We have included the net asset balance within cash

The year ending on 30th September 2024 was strong for the Scheme's assets, with most components delivering positive returns. Total assets outperformed the liability benchmark by 2.4%.

The Multi-Strategy Portfolio benefited from gains in developed market equities, supported by robust economic data and declining inflation leading to central bank interest rate cuts. Similarly, the Cashflow Credit Portfolio of high-quality corporate bonds performed well. While the Property component slightly detracted from overall returns, the Private Markets contributed positively as they matured and distributed capital.

## DB Section Membership numbers as at 5 April 2024

Current Employees	1,077
Deferred members	1,618
Pensioners	3,082
<b>Total</b>	<b>5,777</b>

- > Pensioners include 359 dependent beneficiaries as at 5 April 2024.
- > Included within pensioners are 152 pensioners whose pensions are paid from annuities held in the name of the Scheme.

# The financial health of your Scheme DC Section

Details of the return for individual L&G funds can be found in the Trustee Report and Accounts or from L&G directly.

## How the default funds performed

Shown below is the performance of the three default funds in the Scheme. If you would like to view performance for individual funds available under self-select, you can visit L&G's website [www.legalandgeneral.com/gkn-scheme1](http://www.legalandgeneral.com/gkn-scheme1) to obtain this information.

Return to 30 September 2024	1 Year		3 Year	
Investment Sector Fund	Fund %	Index %	Fund %	Index %
GKN Growth Fund	24.8	24.9	10.2	10.3
GKN Diversified Fund	14.1	14.1	2.6	2.8
GKN Cash Fund	5.4	5.5	3.3	3.4

If you are in one of the default investment arrangements, you will be invested in the GKN Growth Fund until 15 years before your selected retirement date. Over the period when you are 15 to 10 years from retirement, your investment in the GKN Growth Fund will be gradually reduced and moved into the GKN Diversified Fund. Over the last 5 years before your selected retirement date, a proportion of your investments will be gradually moved into the GKN Cash Fund. The proportion of cash at retirement will depend on how much of your DC fund is expected to be used to fund your tax-free lump sum from your defined benefits. If you have DC benefits only, 25% of your fund will be moved into cash by your expected retirement date.

The remaining funds are available under the self-select options. Please note that if you would like to make your own choices, you should take some time to monitor your investments regularly to make sure they remain suitable for you. If you would prefer your pension pot to be invested in the default funds, you will need to check which funds your DC savings are currently invested in, and you can make changes if you wish to do so.

Details of our Scheme investment policy – including details about our Environment, Social and Governance policies – and the extent to

which the objectives have been achieved over the reporting year are available online. You can read our Statement of Investment Principles and Implementation Statement on the GKN pensions website. Go to [www.GKNpensions.co.uk](http://www.GKNpensions.co.uk).

## DC Section Membership numbers as at 5 April 2024

Current Employees	3,334
Deferred members	2,124
Pensioners	–
<b>Total</b>	<b>5,458</b>

**Don't forget**, the L&G App has been updated and you can review and update your investment choices via [www.legalandgeneral.com/app/](http://www.legalandgeneral.com/app/) from any mobile device, or visit the L&G website [www.legalandgeneral.com/workplace/g/gkn-1](http://www.legalandgeneral.com/workplace/g/gkn-1).

The App gives you quick access to your pension and other useful documents and services. Allowing you to access your pension on the go, no need for passwords and access your pension easily, even if you leave the Company.

# Pensions in the news

## Inheritance tax changes – Autumn Budget 2024

It was announced in the Autumn Budget 2024 that, from April 2027, most lump sum death benefits from pension schemes (and any unused DC savings) will be included when calculating the value of your estate for inheritance tax purposes.

There was also some good news – it was confirmed that the pensions ‘Triple Lock’ will be maintained for the duration of Parliament. This means the Basic State Pension and New State Pension will be uprated by 4.1% for 2025/26.

**Please note that inheritance tax is a complex area, and you may wish to speak to a financial adviser. See below.**

## Pensions tax allowances

The **Annual Allowance** (the total amount you, your employer and any third party can pay into your pension savings in a tax year) remains at £60,000 for all but the highest earners in the 2025/26 tax year and anyone who may have accessed flexible drawdown externally.

*It's important to note that for active members with hybrid benefits [both Defined contribution (DC) and Defined Benefit (DB) pension savings], the Annual Allowance also allows for the revaluation of any deferred DB benefits.*

The additional tax charge on pension savings above the previous Lifetime Allowance of £1,073,100 no longer applies (from 6 April 2023). However, the maximum amount you can take out of your pension pot on retirement as a tax-free lump sum was frozen at £268,275 (now known as Lump Sum Allowance), unless you have existing tax protections.

Find out more about pensions tax allowances at [www.moneyhelper.org.uk](https://www.moneyhelper.org.uk).

### Getting financial advice

The Trustee, the sponsoring company and their advisers are unable to offer you financial advice that is specific to your personal circumstances.

You can find an independent financial adviser through the FCA by visiting: [www.fca.org.uk/register](https://www.fca.org.uk/register) to check registered advisers. Alternatively, you can find an adviser near you via the MoneyHelper website, go to [www.moneyhelper.org.uk/en](https://www.moneyhelper.org.uk/en) and search for ‘Find a financial adviser’.

## Normal Minimum Pension Age

The earliest age you can retire from a registered pension scheme in the UK without tax penalties is usually 55. This is known as the Normal Minimum Pension Age (NMPA).

However, if you are in ill health and meet the eligibility criteria in the Scheme rules, you may be able to access your pension before you reach this age.

If you're planning to take early retirement in a few years' time, it's important to note that from 6 April 2028, the NMPA will rise from 55 to 57 so that it remains 10 years below the State Pension Age.

Find out more at [www.gov.uk](https://www.gov.uk) and search for the latest on ‘increasing normal minimum pension age’.

## Pensions Dashboards update

The Government has restated its commitment to delivering pension dashboards, which will allow individuals to see all their pensions in one place, securely, online.

All schemes of a certain size must provide information for the dashboards to function properly. New technology is being developed for this purpose, but it has not yet been announced when the dashboards will be available to the public.



The Trustee is working with the Scheme's administrators to ensure that it is connected to the Dashboard before the statutory deadline in October 2026. To ensure that the Trustee has the correct information to transfer details for the dashboards, it's vital that you keep us updated if your personal details change (see page 3).

You can find out more about the programme at [www.pensionsdashboardsprogramme.org.uk](http://www.pensionsdashboardsprogramme.org.uk).

In the meantime, if you're looking to track down a lost pension, visit [www.moneyhelper.org.uk](http://www.moneyhelper.org.uk) and search 'finding lost pensions' for advice and support.

## Retirement Living Standards

The Pension and Lifetime Savings Association's (PLSA) Retirement Living Standards can help you estimate how much money you may need in retirement, depending on what you would like to do.

2024 PLSA living standards outside London (after tax)	<b>MINIMUM</b> Cover basic living expenses and low-cost social and leisure activities	<b>MODERATE</b> More financial security and flexibility	<b>COMFORTABLE</b> More financial freedom and some luxuries
 <b>COUPLE</b>	<b>£22,400</b> per year	<b>£42,100</b> per year	<b>£59,000</b> per year
 <b>SINGLE</b>	<b>£14,400</b> per year	<b>£31,300</b> per year	<b>£43,100</b> per year

An increase of £8,000 on the 2023 figure, for a single person with a moderate lifestyle.

To find out more, including the PLSA's full definitions of the three different lifestyles, visit [www.retirementlivingstandards.org.uk](http://www.retirementlivingstandards.org.uk).

## Other useful resources

### The Pensions Ombudsman

If a member is dissatisfied with the outcome of a dispute dealt with through the Scheme, it is possible to access pension dispute resolution with the Pensions Ombudsman. Their service is free, fair and impartial.

The Pensions Ombudsman can be contacted by email at [enquiries@pensions-ombudsman.org.uk](mailto:enquiries@pensions-ombudsman.org.uk).

Members can also submit a complaint form online at [www.pensions-ombudsman.org.uk/making-complaint](http://www.pensions-ombudsman.org.uk/making-complaint).

### Gov.uk

The Government's website where you can find information about everything relating to tax, pensions and the State Pension. Go to [www.gov.uk](http://www.gov.uk).

### MoneyHelper

This is a Government-backed resource that offers free, impartial help on all aspects of money, including pensions and retirement, managing everyday money, benefits, tax and redundancy. It includes Pension Wise, which offers free, impartial guidance on retirement options for people aged 50 and over.

Visit [www.moneyhelper.org.uk](http://www.moneyhelper.org.uk).

### Citizens Advice

Citizen Advice provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. They also provide free and impartial face-to face pensions guidance.

[www.citizensadvice.org.uk](http://www.citizensadvice.org.uk).

There are plenty of places to get ideas from when thinking about your retirement, but if you need a starting point or inspiration, here are a few websites that you might find useful:

### Age UK

[www.ageuk.org.uk/information-advice](http://www.ageuk.org.uk/information-advice) – go to 'Work and learning' and search for 'Retirement'.

Here you can find useful resources, including a pension calculator, a 'planning for retirement' video, and a variety of links to help you with your finances (to either boost your current retirement income, or plan for the future).

### The British Heart Foundation

[www.bhf.org.uk/information-support](http://www.bhf.org.uk/information-support) provides a range of resources, online communities and support groups.

### Volunteering Matters

[volunteermatters.org.uk](http://volunteermatters.org.uk) also offer interesting perspectives and useful information, should you wish to consider volunteering during your retirement.

### Unite Union

**0844 870 5605** is the Unite helpline number.

# Your Trustee Directors

Trustee Directors are appointed to ensure the proper running of the Scheme. This includes:

- > investing the Scheme assets,
- > monitoring investment performance,
- > making sure benefits are paid correctly,
- > communicating with members, and
- > ensuring member/personal data integrity.

Some Trustee Directors are appointed by the Company and others are Member Nominated and appointed for a five-year term.

The current Trustee Board members are shown below:

## Independent Director



**Andrew McKinnon**  
Chair

## Member Nominated Directors (MNDs)



**Ken Boyle**  
Aircraft Electrician,  
GKN Aerospace Filton

## Company Appointed Directors



**Michael Payne**  
Head of Treasury,  
Melrose PLC



**Tim Hodges**  
Retired HSE Manager,  
GKN Aerospace Luton



**Andrew Fisher**  
Head of Financial Reporting,  
Melrose PLC

