

T-Mobile International UK Pension Scheme

Member Newsletter 2024



Welcome from the Chair

Welcome to the annual member Newsletter, our update summarising developments within the T-Mobile International UK Pension Scheme (the Scheme).

Funding

2024 has been a busy year for the Trustees with the completion of a valuation of the Scheme, as at 31 December 2022. This valuation compares the value of the Scheme's assets against the expected cost of paying all future pension and other benefits from the Scheme (the 'liabilities'). This detailed analysis, also known as a triennial valuation, is conducted every three years.

There's been ongoing media attention concerning world events and how they've impacted inflation, interest rates, cost of living and global investment markets. We've included more details in the next few pages about these issues and what steps the Trustee is taking with its advisors to help protect the Scheme's funding and investments during market ups and downs.

We've gone digital

In previous newsletters we let you know we've moved to digital communications to enable us to communicate with you more quickly and reduce the Scheme's carbon footprint. This newsletter will be sent electronically unless you've told us in writing you'd prefer to receive paper copies. This newsletter and all future communications can be found online at www.tmipensions.co.uk or via your Clarity from BW account (details on how to register for Clarity can be found on page 6).

Your pension is important - sign up now to stay in contact. Register for Clarity from BW to access Pension self-service, which has been given a fresh new look and contains all the information about your pension and benefits. Details can be found below.

Please take the time to read this newsletter as there's a lot of important and useful information in it. If you've got any comments, or suggestions for future editions please get in touch using the contact details at the end of this newsletter.

Joanne Fairbairn

Chair, T-Mobile International UK Pension Trustee Limited

Highlights

- Summary Funding Statement – read
- Increase in Normal Minimum Pension Age (NMPA) – does this impact you?
- Online access to Clarity from BW – sign up
- Scams – be aware

Summary Funding Statement

Below is the latest annual Summary Funding Statement, which shows the financial position of the Scheme and how we keep the finances on track to pay your benefits.

The DB section's financial strength is measured by comparing the value of its assets against the value of its liabilities. If the Scheme has fewer assets than liabilities, it's said to have a 'deficit' and if assets are greater than liabilities, the Scheme is said to have a 'surplus'.

An in-depth assessment of the Scheme's financial strength is carried out at least every three years. This is called an Actuarial Valuation and is carried out by the Scheme Actuary. In the interim, the Trustee monitors the funding level regularly and the Scheme Actuary also prepares annual Actuarial Reports. The latest Actuarial Valuation was completed in March 2024 with an effective date of 31 December 2022. The Actuarial Report preceding this was completed in August 2022 with an effective date of 31 December 2021 and the next Actuarial Valuation is due 31 December 2025, and the Trustee will have 15 months to finalise this.

Valuation statement	31 December 2023 £m	31 December 2022 £m	31 December 2021 £m
Liabilities	91	92	140
Assets	83	81	169
Surplus / (Deficit)	(8)	(11)	29
Funding level (assets ÷ liabilities)	91%	88%	121%

The above funding positions represent a 'snapshot' of the Scheme's finances at each point in time. The funding position will change over time as the Scheme's assets and liabilities are linked to changes in financial markets.



What were the reasons for the change in funding position?

The Scheme's funding position worsened from 31 December 2021 to 31 December 2022. There were two key drivers behind this:

- In late 2022, following the market reaction to the mini-Budget and subsequent rise in government bond yields, the Scheme's assets fell more sharply than the corresponding fall in Scheme liabilities, and;
- As part of the 31 December 2022 valuation discussions with the Company, the Trustees agreed to future de-risking of the Scheme's assets as the funding position improves, in order to better protect future funding gains. This long-term reduction in the expected return of the Scheme's assets requires the Scheme to hold more funds now to meet future pension payments, effectively increasing the Scheme's liabilities. This aligns with the Pension Regulator's expectations that as Schemes mature, they should adopt more cautious investment strategies, resulting in higher liabilities.

The funding position of the Scheme has subsequently improved over the 12 months since the 31 December 2022 Actuarial Valuation. This is largely due to continuing contributions being paid by the Company. However, there's also been a small reduction in deficit due to changes in market conditions, which resulted in a larger fall in the Scheme's liabilities compared to the fall in its assets.

Agreed contributions to meet the funding shortfall

To eliminate the current funding shortfall, the Trustee and Company have agreed that deficit contributions of £231,667 per month be paid into the Scheme between 1 January 2023 and 31 March 2026. The funding shortfall is expected to be eliminated by 31 March 2026.



Payments to the Company

The Trustee can confirm no payments have been made to the Company out of Scheme funds since the last Summary Funding Statement was sent to you.

The Pensions Regulator's powers

The Pensions Regulator can change the Scheme, give directions about working out liabilities or impose a Schedule of Contributions to be paid to the Scheme. The Trustee is pleased to say the Pensions Regulator hasn't needed to use its powers in this way for the Scheme.

What is the Scheme's solvency ("Buy-out") position?

The financial assessments above assume the Scheme will continue to operate in the future. As part of the Actuarial Valuation, the Actuary must also calculate the Scheme's funding position as if it were about to close and be 'bought-out' by an insurance company, a process known as 'winding up'. However, this doesn't mean the Company is considering winding up the Scheme. On the contrary, the Company is demonstrating its long-term commitment to the Scheme's funding through regular additional contributions, aiming to be fully funded on a higher funding target, than legally required.

If the Scheme had wound up on 31 December 2022, it's estimated the Scheme's assets would've been sufficient to secure around 67% of the value of all members' benefits with an insurance company. This equates to a deficit of around £40m. This is the 'buy-out' position.

However, if the Company was unable to pay this amount in full (e.g. if the Company became insolvent) you might not receive the full pension you've built up, even if the Scheme was fully funded on an ongoing basis at the time. If this is the case, the Pension Protection Fund might be able to take over and pay some compensation to members. Further information and guidance regarding what happens if schemes are wound up is available by writing to the Pension Protection Fund at Renaissance, 12 Dingwall Road, Croydon, Surrey, CR0 2NA, or on the on the Pension Protection Fund's website: <https://ppf.co.uk>

The estimated wind-up cost assumes benefits will be secured by buying insurance policies. Insurers are obliged to take a very cautious view of the future and need to make a profit. The cost of securing pensions in this way also incorporates the future expenses involved in administration. By contrast, our funding plan assumes the Company will remain in business and continue to support the Scheme.



Increase in Normal Minimum Pension Age (NMPA)

The NMPA is the earliest age you can start withdrawing money from personal and workplace pension schemes (unless you're retiring on grounds of ill health or have a Protected Pension Age). The NMPA is currently set at age 55 but the Government has announced this age will increase to 57 from 6 April 2028.

Who's likely to be affected

If you're not planning on retiring before the age of 57 then this increase won't affect you. You may be affected if you're planning to retire early and your 55th birthday falls from 6 April 2028 or later.

Reasons for the increase

The rise in NMPA is to coincide with the rise in State Pension Age and reflects longer life expectancies, making sure you have enough income to support you throughout retirement.

Further information

For further information on the rise in NMPA please visit Increasing Normal Minimum Pension Age - GOV.UK (www.gov.uk/government/publications/increasing-normal-minimum-pension-age/increasing-normal-minimum-pension-age)



Clarity from BW

As previously mentioned we've moved to digital communications, this newsletter and all future communications can be found online at <https://tmipensions.co.uk> or via Pension self-service through your Clarity from BW account (formerly BWebstream), Barnett Waddingham's secure registration portal, where you can view your pension details online whenever it suits you.

It's really important you register for Pension self-service, so we can continue to reach you.

Once you've registered for Pension self-service, you'll receive an email notification when a new document is published.

There are lots of benefits to being registered on Member self-service. You'll be able to:

- Access your Scheme pension savings information
- See your personal information and make changes
- Ask questions about your details or pension
- Produce estimated retirement illustrations for your Defined Benefit pension*
- Access monthly payslips and P60s (if you're already receiving your pension)
- View Scheme documents
- Securely upload your documents quickly and safely

* Illustrations can't be produced for a small number of members. If this affects you, please call the Administration Team on 0333 11 11 222 for more information.

Not signed up for Pension self-service yet?

It's really simple and should only take a couple of minutes. If you've created a Clarity from BW account already, visit www.tmipensions.co.uk and click on Barnett Waddingham in the menu bar to log on, or scan the QR code below. If you've forgotten your User ID or password, please scan the QR code below and use the forgotten details link to restore access to your account.



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.

If you've already received a registration key from us, follow the instructions we sent you to sign up. Don't worry if your key has expired – you'll be able to request a new one on the registration page.

You can also write, call or email using the contact details below to let your administration team know you want to sign up. You'll then receive a separate letter with your registration key and simple instructions on how to create your account.

If you don't set up a Pension self-service account and if you don't let us know you'd like to continue to receive paper copies, you may miss out on important updates about the Scheme and your pension savings.

Email TMobile.admin@Barnett-Waddingham.co.uk or call 0333 11 11 222 to speak to your administration team.



Pension scams

Pension scammers are after your savings!
Follow these steps to protect your future finances.

- Cold calling about your pension is against the law! Ignore calls, emails or messages about your pension.
- Keep your guard up – scammers use texts, emails and websites that look very convincing.
- NEVER give personal information (including bank details) to someone you don't know.
- Scammers try to put people under time pressure – always take your time to check who you're dealing with before you make any decision about your pension or finances.
- There is NO 'amazing' deal and NO 'guaranteed' investment return. And you can't access your pension before age 55 without severe tax implications.

- Using an adviser? Make sure they're registered with the Financial Conduct Authority (FCA).
- Don't take recommendations! Check everything yourself.
- Think you've been scammed? Act immediately.

- ☑ Find out more about staying scam smart at www.fca.org.uk/scamsmart
- ☑ Contact: Action Fraud on **0300 132 2040** if you think you're being scammed.
- ☑ Remember – if it sounds too good to be true, it probably is!



Contact details

If you have any queries regarding your benefits, please contact:

T-Mobile International UK Pensions Scheme

Pension Administration
Barnett Waddingham LLP
Hartwell House
55-61 Victoria Street
Bristol
BS1 6AD
Tel: **0333 11 11 222**

Email: TMobile.admin@Barnett-Waddingham.co.uk

Web: Clarity from BW (barnett-waddingham.co.uk)

The Scheme's administration teams should be your main contact for day-to-day enquiries and questions about your personal benefits; however, you can also contact the Trustee Secretary, represented by WTW, if you have any concerns about the Scheme in general at the following address:

T-Mobile International UK Pensions Team

David Booth
WTW
5 Wellington Place
Leeds
West Yorkshire
LS1 4AP

Email: david.booth@wtwco.com



Important Scheme Documents

As a Scheme member, you have a right to see various Scheme documents. If you would like to see a copy of any of documents listed below, you should email WTW using the address details above.

- Actuarial Valuation Reports
- Internal Dispute Resolution Procedure

You can also access the documents below directly from the T-Mobile International UK Pension Scheme website on: www.tmipensions.co.uk/important-scheme-documents

- Annual Report and Accounts
- Statement of Investment Principles
- Implementation Statement

Privacy Statement

We have updated our Privacy Statement, you can view a copy here: www.tmipensions.co.uk/privacy



Useful websites

There are a number of organisations that can provide useful information on pensions. The websites for these organisations are listed below:

The Pensions Regulator

The Pensions Regulator is the UK regulator of work-based pension schemes.

www.thepensionsregulator.gov.uk

The Money Helper

The Money Helper brings together the support and services of three government backed financial guidance providers: the Money Advice Service, the Pensions Advisory Service and Pension Wise. You can visit Money Helper for free and impartial guidance about your pension. You can also use Money Helper to find a financial adviser near you.

www.moneyhelper.org.uk

The Pensions Ombudsman

The Pensions Ombudsman can investigate complaints related to occupational and private pension schemes. The service is free. The Pension Ombudsman generally expects members to firstly raise complaints with the party at fault to give them the chance to put things right, though the website also gives guidance on how to complain to the party at fault and provides an Early Resolution Service.

www.pensions-ombudsman.org.uk

Tax relief on your pension contributions

You can get tax relief on your pension contributions. However, the government also imposes a limit on how much tax relief can be offset on pension contributions. Further information on this can be found at the Money Helper's website, using the following link:

www.moneyhelper.org.uk/en/pensions-and-retirement/tax-and-pensions

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