

INFORM

WELCOME

WELCOME TO THE LATEST UPDATE
FROM FUTURE**PLANNER**, THE
'ACCREDITED' HIGH QUALITY PENSION
PLAN FOR LEONARDO EMPLOYEES.



INSIDE THIS ISSUE



NEW RETIREMENT OPTION WITH SMART PENSION MASTER TRUST



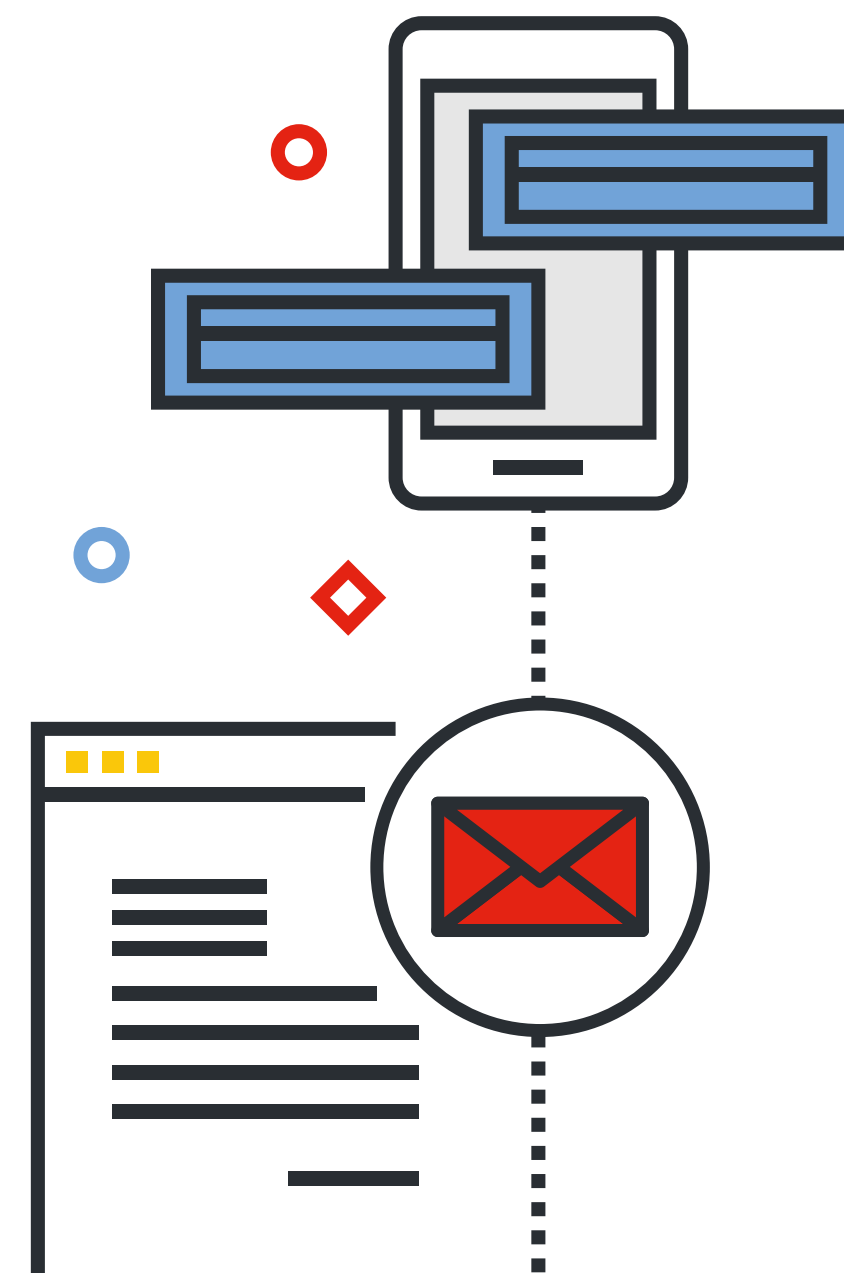
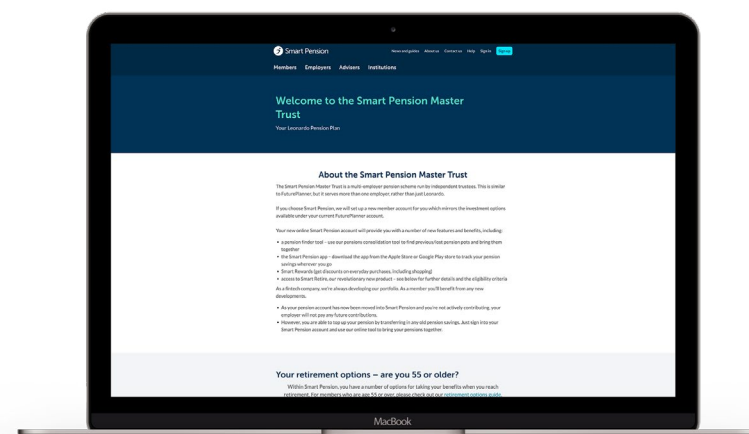
As a FuturePlanner member, when you reach retirement you will need to make a decision on what type of retirement benefits you wish to choose, using the savings you have built up during your FuturePlanner membership.

There are a wide range of options available on the open market. These could include:

- securing a guaranteed annual income from an insurance company (an **annuity**)
- taking a **cash lump sum** or
- transferring your savings pot to a provider where you leave your funds invested into your retirement and take an income from them as you need it (**income drawdown**).

Every FuturePlanner member will have different needs and preferences depending on your individual circumstances.

The Trustee, together with Leonardo, has been working with a pension arrangement called Smart Pension Master Trust (**‘Smart Pension’**) to develop an exciting new option for members which gives access to a range of flexible retirement options. A large number of FuturePlanner members have already become members of Smart Pension through our deferred member transfer process.

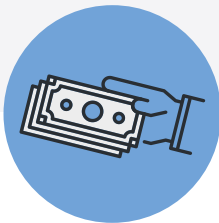


NEW RETIREMENT OPTION WITH SMART PENSION MASTER TRUST continued

Smart Pension offer an innovative new retirement product called ‘**Smart Retire**’. This enables members to combine different options to provide an income in retirement. You can split your savings between four different investment pots allowing you to take a flexible monthly income, take cash lump sums and keep money invested for later in retirement or for your dependants.

Your income pots

Two different income pots to meet your changing needs in retirement



Flexible income pot

Use this pot to take a monthly income in the early years of your retirement. We’ll show you how much you could take each month to help you plan your retirement.



Later life pot

Leave money invested to buy a guaranteed income from an annuity provider later in retirement. Buying an annuity later means you might get a better rate.

Your savings pots

Life is unpredictable – use these for one-off withdrawals or to leave to loved ones



Inheritance pot

Put some money aside to leave behind to loved ones or an organisation that’s important to you. We’ll leave your money invested in a long-term fund.



Rainy day pot

Dip into this pot when you need to. You can withdraw money from this pot whenever you want and it’ll be in your bank account within eight working days.

NEW RETIREMENT OPTION WITH SMART PENSION MASTER TRUST *continued*

Once you are a member of Smart Pension and have satisfied the eligibility criteria (including reaching the Minimum Pension Age for retirement – see further details on [page 9](#)), you will have access to the Smart Retire product. Smart Retire is a newly launched product that provides flexible retirement choices. Further information is available [here](#).

When you receive details of your retirement options from FuturePlanner, alongside the existing options you will also now be offered the choice of transferring to Smart Pension. Smart will also allow you to transfer in certain pension benefits from other pension funds you may have.

Visit the [Smart Pension website](#) to find out more about what Smart Pension offers.

Neither the Trustee, Leonardo nor the Plan's administrators are able to provide personal recommendations or financial advice. You are encouraged to seek independent financial advice when making decisions about your retirement. Details of free guidance services available through government bodies, such as MoneyHelper, will be provided in your pension options paperwork. Alternatively, you can visit the [MoneyHelper website](#) directly.

**Money
Helper**



NEW RETIREMENT OPTION WITH SMART PENSION MASTER TRUST **continued**

Who are Smart Pension?

Smart Pension manage the Smart Pension Master Trust, which is a multi-employer pension scheme run by independent trustees. This is similar to FuturePlanner, but it serves more than one employer, rather than just Leonardo.

Why has Leonardo developed a retirement option with Smart Pension?

The Trustee has been working with its investment adviser, Schroders Solutions, to develop a seamless retirement solution for FuturePlanner members. We wished to make available an option for members which replicated, as closely as possible, the investment options available within FuturePlanner, with an external provider who is able to offer retirement options such as income drawdown which FuturePlanner cannot provide.

This has been developed with Smart Pension such that members' investment fund holdings can be 're-registered' within Smart Pension as part of the transfer of membership without funds units needing to be sold and then new units purchased. This means your investments are not out-of-market during the transfer and there are no transaction costs. The number of units may differ slightly in each arrangement to ensure the value is the same before and after the transfer. The ongoing investment fund costs are currently broadly the same as FuturePlanner.

The transfer process has been designed to be as smooth and efficient as possible.

Can I leave my pension savings within FuturePlanner?

Whilst you are a Leonardo employee and a contributing member of FuturePlanner, you will remain within FuturePlanner building up your savings pot.

When you leave Leonardo employment, or opt out of FuturePlanner, no further contributions are payable and you will become a deferred member. If you do not choose to use your FuturePlanner savings to secure a retirement income with a provider of your choice when you leave (or are below the Minimum Pension Age for retirement – see further on **page 9**) then the Trustee will transfer your savings pot into an external pension arrangement. The Trustee is currently using Smart Pension for this purpose. You will be given notice and the opportunity to choose to transfer to your own choice of provider before this happens. You are also able to transfer out of Smart Pension at a later date to a different provider if you wish to do so.

Investment and member charges can differ significantly between pension providers, and individual pension arrangements can have higher charges than occupational schemes like Leonardo FuturePlanner and Smart Pension Master Trust.

It's important to research your chosen provider carefully.

MARKET UPDATE

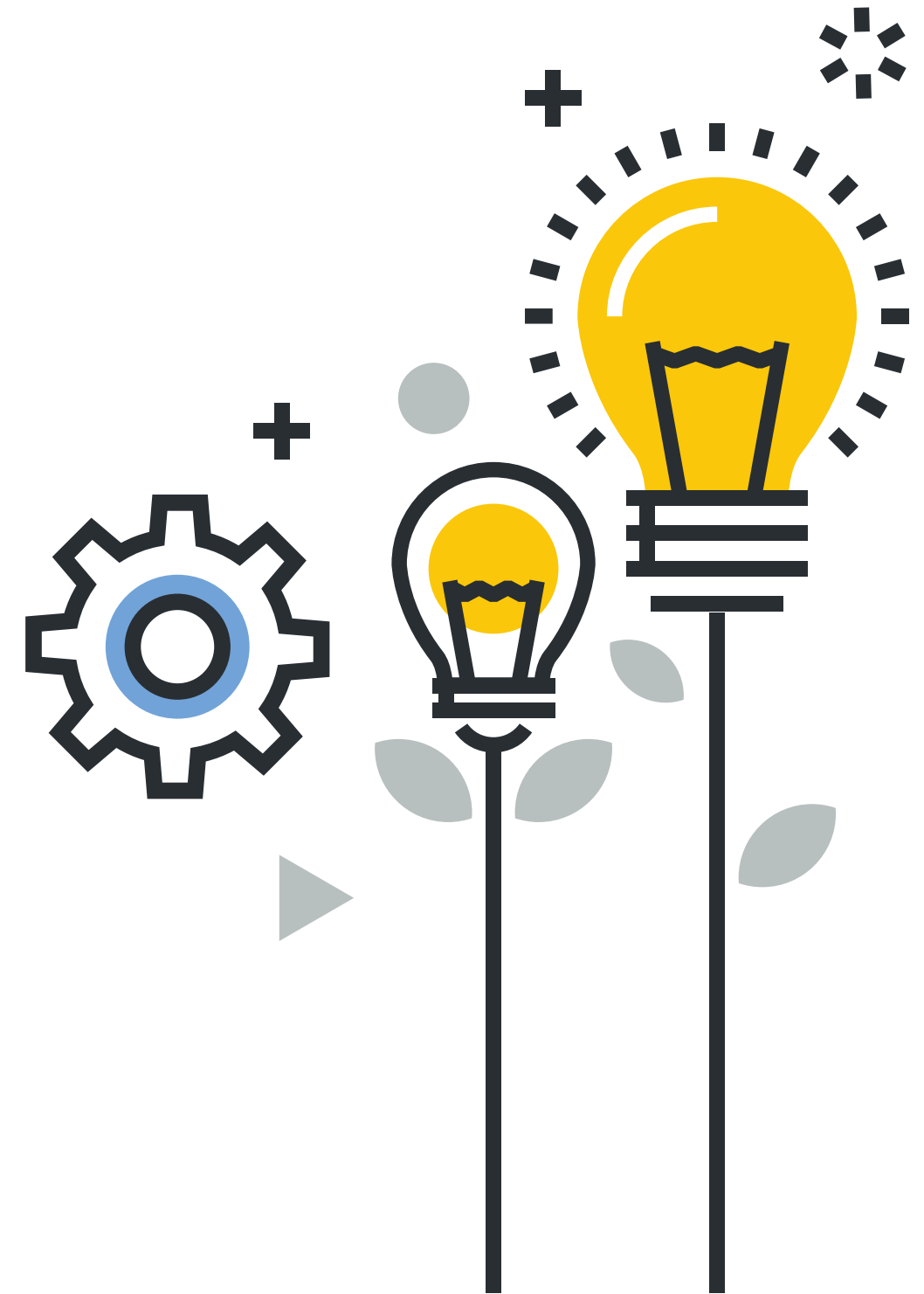
PENSION IMPLICATIONS OF VOLATILE MARKET CONDITIONS

As you may be aware, the economic conditions have been challenging over the last year or so, which has resulted in volatile market performance. There have been a variety of reasons for the instability, including the ongoing conflict in Ukraine and political challenges within the UK, particularly in Autumn 2022 with market turmoil resulting from the Chancellor's 'mini-budget' on 23 September 2022.

These economic challenges create uncertainty and impact investment performance across the financial markets, including on pension savings. Unexpected rises and falls in financial markets can affect how much you have in your pensions pot. We have seen a period during which the majority of the major asset classes, including equities and bonds, have been falling in value, together with increasing interest rates and levels of inflation.

The Trustee has been discussing investment performance regularly with the Plan's advisers and reviewing the funds in place to ensure these remain appropriate as conditions change.

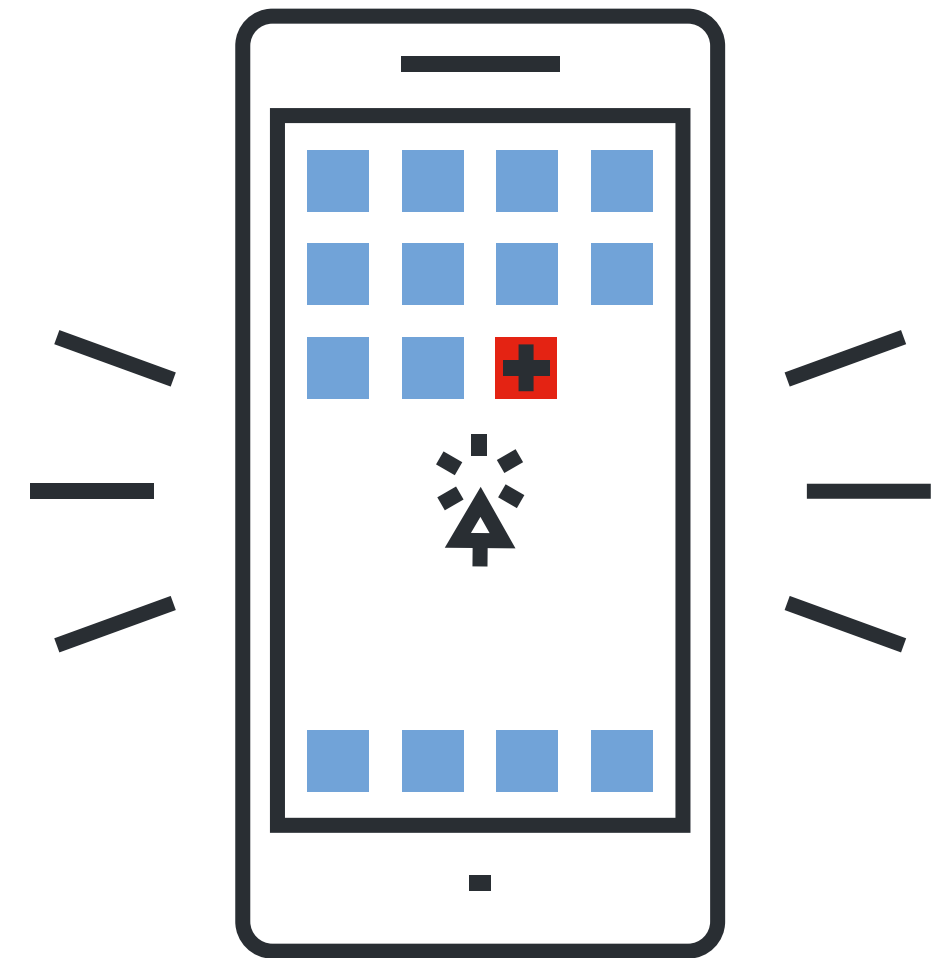
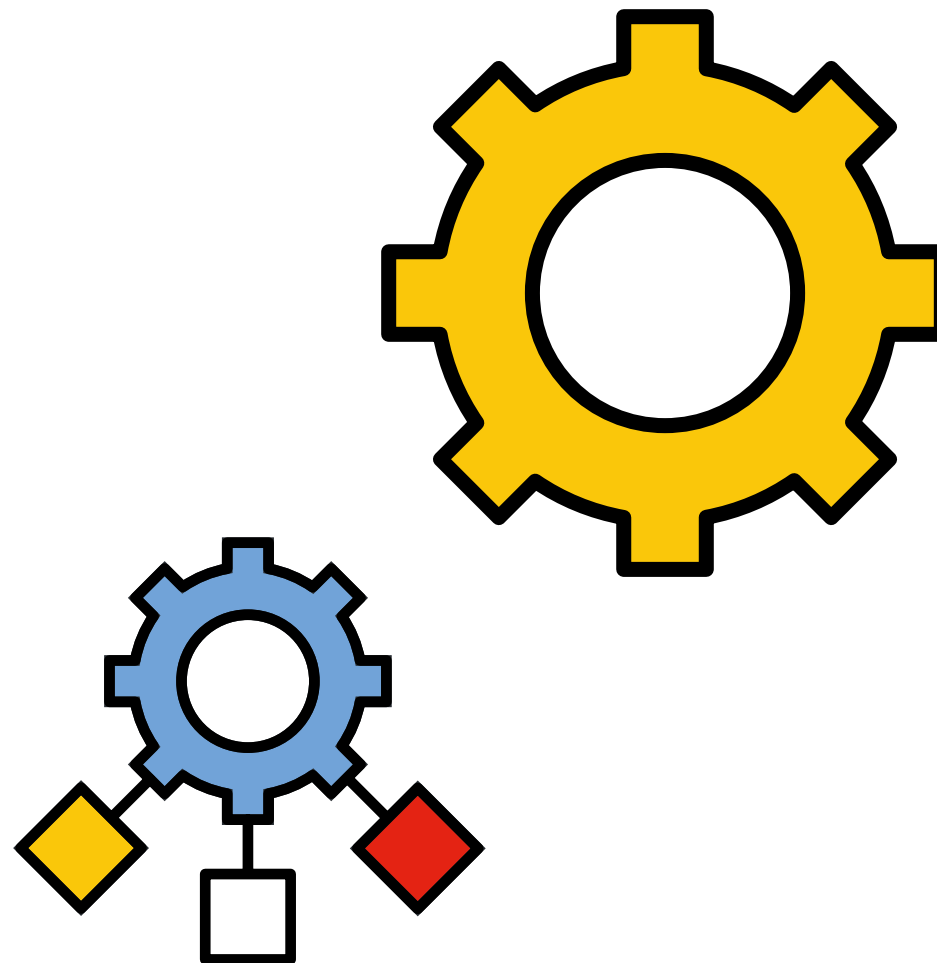
The Trustee is aware that difficult market conditions can be of concern to pension members and it is important that you do not make any hasty decisions which may not be in your long-term interests. Market fluctuations are a natural part of investing, and it is worth remembering that pensions are long-term savings vehicles generally invested over years or decades. This means they can take advantage of longer-term market rises with the intention of ultimately smoothing out short-term volatility.



MARKET UPDATE continued

For members who are close to their intended retirement date, you may wish to consider how current market volatility may impact the investments you currently hold and how this could ultimately affect the final value of your pension savings when you retire. It is also important to take independent financial advice before making decisions about your pension. The government offers a free money guidance service through **MoneyHelper** and if you're over 50 you can make a free appointment with **Pension Wise**, part of the MoneyHelper service. More information on the services MoneyHelper provides is available [here](#).

It is important for all members to consider at what date you are targeting retirement, and what type of income you may wish to receive when you reach it. This will help you decide whether the funds in which you are currently invested are suitable for your circumstances and future plans. If your plans change, please ensure you update your 'target retirement age' with us and take time to consider whether the funds you are currently invested in remain suitable for your needs. Your target retirement age can be updated in your online pensions account [here](#).



Your pension savings are a valuable benefit. Please make sure you continue to be alert to potential pension scam activity. You can find information about this on our website [here](#).

MINIMUM PENSION AGE

CHECK IF YOU ARE AFFECTED BY THE INCREASE IN MINIMUM PENSION AGE

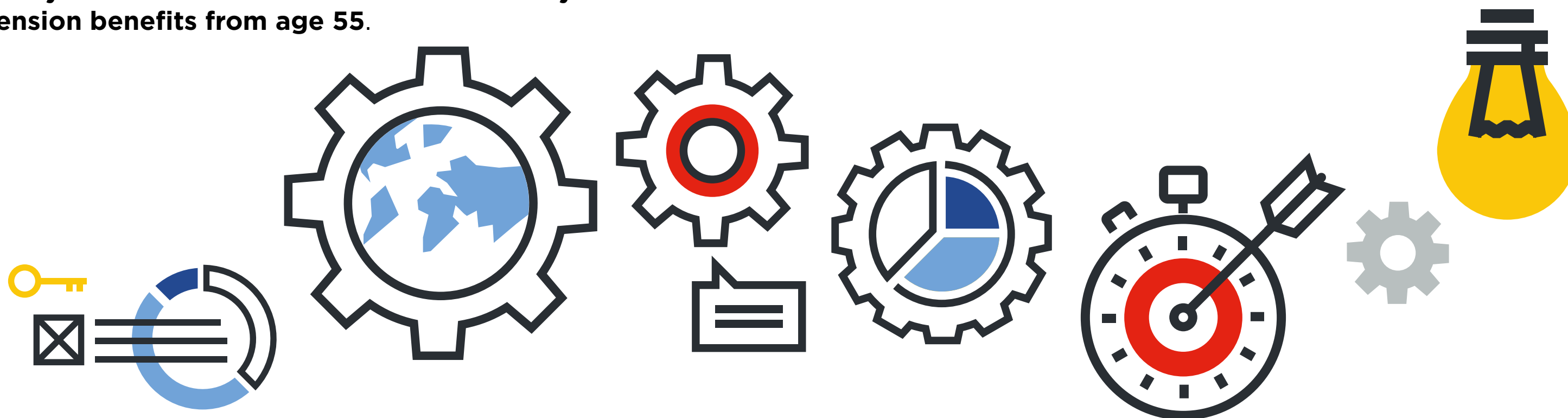
The government has announced that the earliest date at which individuals can start to receive their pension benefits (the 'Minimum Pension Age') will be increasing in April 2028 from age 55 to age 57. Members in serious ill health can apply to take their benefits earlier than this.

As part of this increase, there are some transitional provisions which enable those who have a 'protected pension age' of age 55 to keep it. These are complex provisions, however in summary if you were a member of FuturePlanner **before 4 November 2021**, then you will continue to be able to receive your FuturePlanner pension benefits from age 55.

If you joined FuturePlanner **on or after 4 November 2021**, then you are currently able to receive your FuturePlanner pension benefits from age 55, but this will increase to age 57 in 2028.

There are circumstances in which the 'protected pension age' of 55 could cease, for example if you transferred your benefits to another arrangement without meeting specified criteria. You should always seek financial advice before transferring your benefits out to ensure you are aware of any implications.

This change is unlikely to affect the majority of our members, as only a small number have taken their benefits at age 55.



COMPANY CONSULTATION

**PROPOSED IMPROVEMENTS TO
FUTUREPLANNER**

The Trustee is aware that the Company has undertaken a consultation with employees regarding changes to the Leonardo pension arrangements. It has been announced that there are proposed improvements to the benefits available for active members of FuturePlanner from 2024, and the Trustee is liaising with the Company over these changes. Further details will be available in due course as the project progresses.



ONLINE TOOLS

PENSION INFORMATION AT THE CLICK OF A BUTTON

The online tools within your FuturePlanner personal pension account are a great source of instant pension information. You can use the online pension modeller to run illustrations of what your pot could be worth and how it can be used at retirement.

In addition to the pension modeller, you can also:



View and update your personal details (e.g. address, email address, phone number)



View your salary and service history



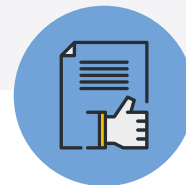
View your benefit statements



Change your contributions



Change your investment strategy



Update your Expression of Wish form



Access fund information including unit prices and factsheets.

Your online account can be accessed **here**.



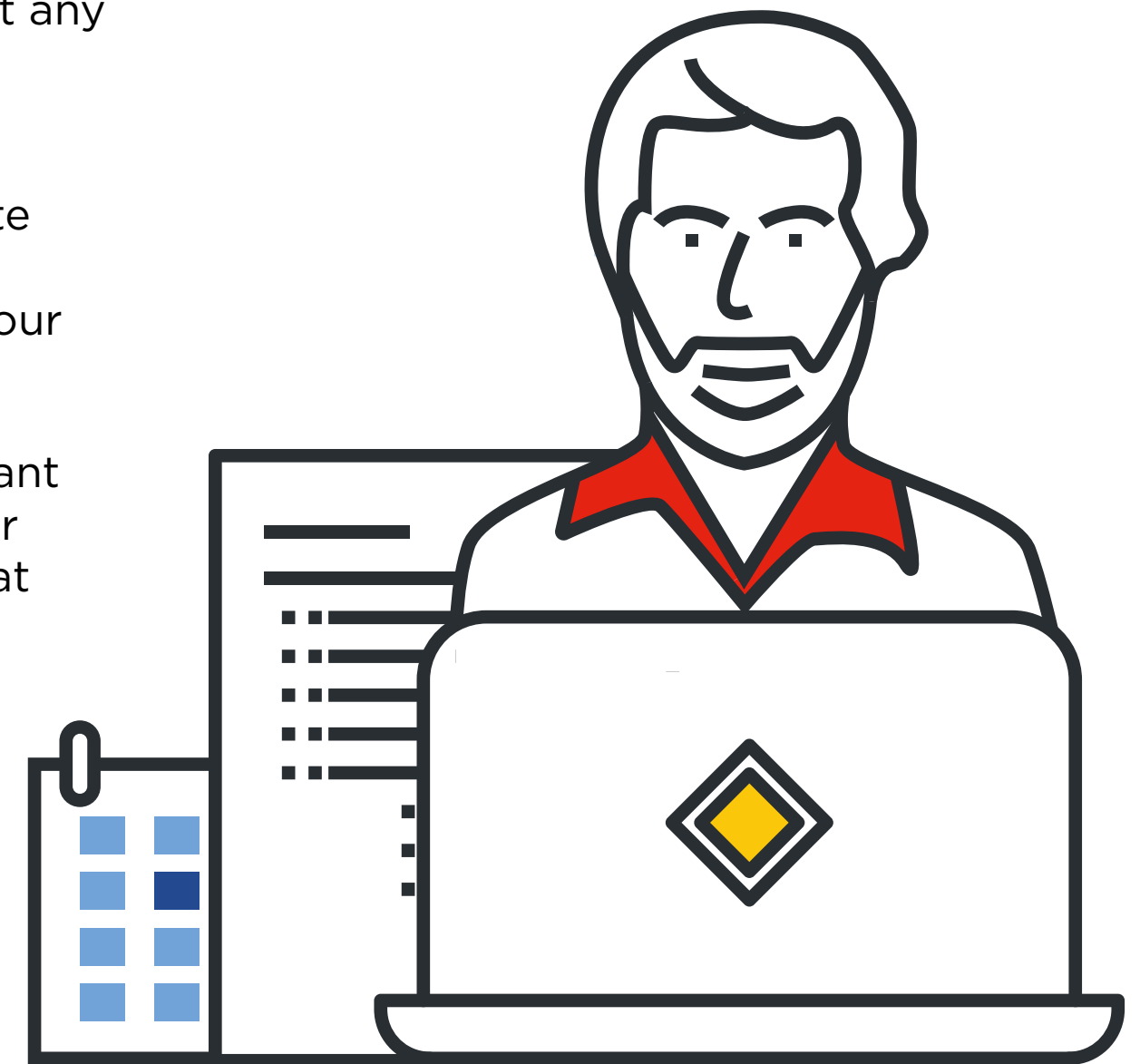
EXPRESSION OF WISH FORM

ARE YOU KEEPING US UP TO DATE?

Help us to provide for your loved ones. In the event of your death, a benefit may be payable from the Plan to your beneficiaries. The Trustee will need to make a decision about who to pay the benefits to and, whilst not binding, they will take into account any Expression of Wish form you have completed.

Where an Expression of Wish form has been completed recently, it gives a clear indication of your intention, and it is therefore important that you review and update your wishes regularly. **It is advisable to complete an updated Expression of Wish, even where the person(s) you are nominating are not changing.** This reconfirms your decision, making it easier for the Trustee to determine what your wishes would be.

It is particularly important to update an Expression of Wish if you have had significant changes in your life, such as having a child or a change in your relationship status or family circumstances. The easiest way to update your Expression of Wish is online at **My Account**. Alternatively, you can **download the form**.



FUTUREPLANNER FACTS & FIGURES

FUTUREPLANNER CONTINUES TO GROW.

In April 2022, FuturePlanner had over **6,000 members** with assets over **£220 million**.



During the last financial year, we welcomed **737 new members** into the Plan.

FuturePlanner is Leonardo's **largest pension scheme** in terms of active members.

Every year the Trustee produces a Chair's Statement, which lets you know how the Plan is governed. It also includes information about the costs and charges relating to your investments in the Plan to help you understand how they could affect the final value of your fund at retirement. The latest Chair's Statement can be found [here](#).

Our 2022 annual report is available [here](#).



The Trustee also produces an Implementation Statement which documents how the Trustee has complied with its Statement of Investment Principles (SIP) during the year. The SIP sets out the approach the Trustee takes to governing the investment strategy, including the approach taken to Environmental, Social and Governance factors.

The Implementation Statement can be found [here](#).

NEW TRUSTEE



We are pleased to welcome Kealey Judd as a Member-Nominated Trustee Director (MND). Kealey's day-to-day role is as a Flight Test Engineer based at the Leonardo Helicopters site in Yeovil.

Further information on the members of the Trustee Board is available [here](#).

