

Nationwide
Pension Fund

An important announcement

from the Trustee of the Nationwide Pension Fund

We're writing to you today following Nationwide's communication that it is proposing some important changes to the pension arrangements for current Active members of the Nationwide Pension Fund (NPF) (i.e. those who are still employed by Nationwide and who are currently still building up their benefits in the NPF) and certain other members who have benefits which are still linked to future salary increases.

These proposals do not affect other Deferred members (i.e. those members who have stopped building up further benefits, have no link to future salary increases and have not yet drawn their pension) or Pensioner members (i.e. those members in receipt of a pension) of the NPF. If you're such a Deferred or Pensioner member, you do not have to take any action — there will be no change to the benefits provided to you by the NPF and pensions will continue to be paid to Pensioner members in the normal way.

The proposed changes

Under the proposals, the NPF would close to future accrual from 31 March 2021. This means that current Active members would be unable to continue building up further benefits in the NPF after that date. Instead, they would have the opportunity to build up benefits in a separate defined contribution arrangement. Any pension earned up until 31 March 2021 would still be preserved within the NPF. Nationwide is also proposing that benefits would no longer be linked to future salary increases. Nationwide is consulting with all employees who would be affected by the proposals.

The Trustee

Our main responsibility is to seek to ensure that the Fund is run properly and that benefits already built up by members are secure and will be paid.

It is for Nationwide to consult with affected employees on its proposals. It is also principally for Nationwide to decide, including through negotiation with the Nationwide Group Staff Union, on the structure of the pension benefits made available to its employees.

However, Nationwide has had ongoing discussions with us about the proposed benefit changes, along with the funding and investment arrangements of the NPF.

The Employee Pensions team

The Employee Pensions team will not be able to answer any queries relating to the proposal, but Nationwide has made arrangements for a dedicated helpline for Active members to use if they have any questions about it.

Nevertheless, this will be an unusually busy time for the Employee Pensions team and we therefore ask for your understanding when considering contacting them for other information unrelated to the proposal. For current benefits information, Active and Deferred members can access their latest annual benefit statements, which have recently been updated, on the secure member portal and Pensioners can see their current benefit information.

nationwidepensionfund.co.uk