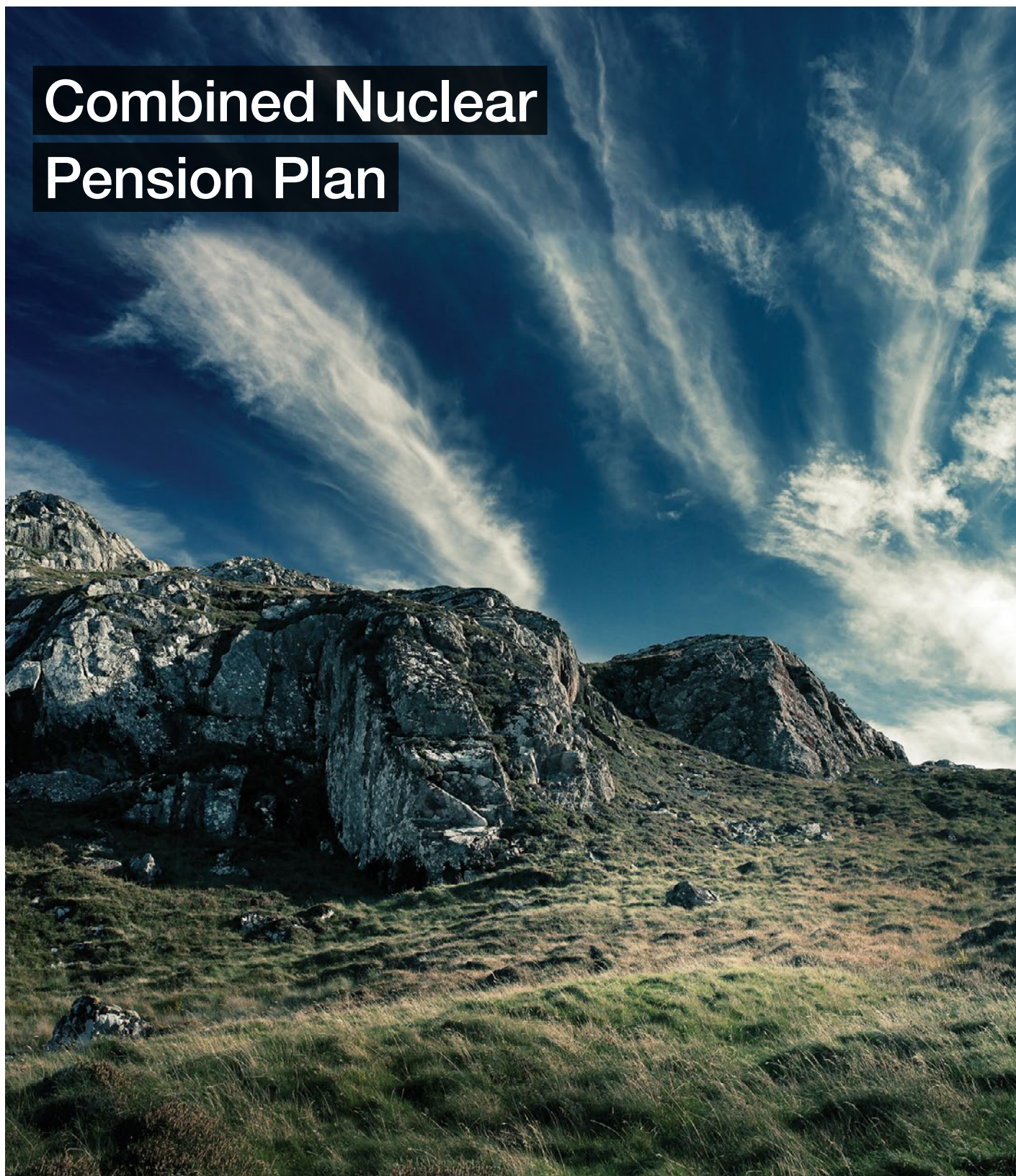




COMBINED NUCLEAR™  
PENSION PLAN

Defined Contribution Pensions newsletter  
August 2024

# Combined Nuclear Pension Plan



# Welcome from the chairman

Welcome to our 2024 newsletter for the Defined Contribution (DC) Structure of the Combined Nuclear Pension Plan (CNPP). A separate DB newsletter has been prepared for members of the Defined Benefit (DB) Structure of the Plan.

Both are available at [cnpp.org.uk](https://cnpp.org.uk)

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## Changes to your Trustee Board

There have been some changes to the Trustee Board since the previous newsletter. This includes the departure of Allan Whalley, the previous Chair, following the end of his six-year term.

I have now taken over as Chair of the Trustee Board. I'd like to thank Allan for his hard work through a turbulent time and briefly introduce myself. I am appointed as an independent trustee and have served on the Trustee Board of the CNPP for the past two years. I also act as a trustee for six other pension schemes, including as Chair on five of those. Before becoming an independent trustee, I worked as a pensions actuary and have over 30 years' experience in the pensions industry.

I hope this short biography gives you confidence in my background and knowledge. While we will miss Allan's leadership of the Trustee Board, I and the other Trustees remain committed to ensuring that the CNPP continues to be well-governed and operated in the best interests of all of its beneficiaries.

You can find full details of the Trustee Board on page 3.

## Managing your pension online

The increasing use of online services is one of the legacies of a post-Covid world. With the Plan's administrator, we have been looking into how online services can help the Plan run more smoothly for you.

Aegon's TargetPlan platform allows you to securely manage your pension account online, with an app you can use on mobile devices. You can check how your pension savings are building up and check your investments. You can also now fill in and submit an Expression of Wish form.

If you have not yet registered on TargetPlan, please do so and make sure your contact details are up to date. You can find out how to do this on page 5.

## Pensions and the environment

The Trustee takes its Environmental, Social and Governance (ESG) responsibilities seriously. We continue to meet the regulations of the Task Force on Climate-Related Financial Disclosures and you can read our annual report about this at [cnpp.org.uk/document-library](https://cnpp.org.uk/document-library). We also continue to review the investment options we make available to you, including a new ESG Multi-asset Fund you can read about on page 8 of this newsletter.

As part of our environmental considerations, we have been looking into how to reduce the number of paper communications we send out. To address this, we will shortly be moving to electronic communications.

## Please give us your email address

We need your email address to let you know when something's happened to do with the Plan. Please register for TargetPlan if you haven't already done so and make sure your contact details, including your email address, are up to date. Please also look out for further information from the Plan administrator.

I hope you find this newsletter useful. If you would like to know more about the CNPP please contact Aegon, the Plan administrator, using the details at the end of this newsletter.

## Mark Condron

Chair of the CNPP Trustee Board



# Meet your Trustee Board

## What your Trustee Board does

Your Trustee board makes sure the CNPP is run properly and that your benefits are secure.

There are 3 types of Trustee on the Board.

- Independent Trustees, who do not have any direct personal interest in the CNPP, either through the employers or as members.
- Member Nominated Trustees, who are elected by the members of the CNPP.
- Employer Nominated Trustees, who are nominated by the NDA from its senior managers or Board members.

This is the current Trustee Board as at 31 July 2024.

### Independent Trustees

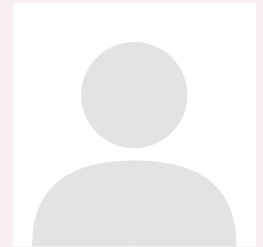
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**Mark Condron**  
Chair  
from Capital Cranfield  
Trustees Limited



**Raymonde Nathan**  
from PAN Trustees  
UK LLP



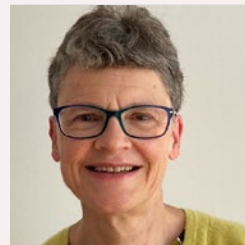
**Vacancy**  
Another independent  
Trustee will be  
recruited to the  
Trustee board soon

### Member Nominated Trustees

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**James Crabtree**  
Employed by Nuclear  
Transport Solutions



**Susan Adams**  
A pensioner  
member formerly  
employed by  
Nuclear Restoration  
Services Limited



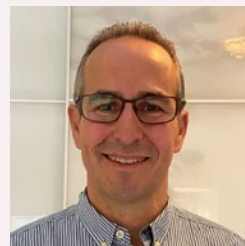
**Ian Park**  
High Activity Waste  
Team Leader at  
Nuclear Restoration  
Services Limited

### Employer Nominated Trustees

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**Mike Calloway**  
Head of Programme:  
Non-NDA Liabilities  
Assurance at NDA



**Jeremy Gilmour**  
Head of Community  
and Economic  
Development at  
NDA



**Andrew Oldham**  
Director Group  
Finance at NDA

# Check your State Pension forecast

## Do you know how much State Pension you are due to receive?

The full amount of State Pension is currently around £11,000 a year. That could form a significant part of your retirement income. You can check how much State Pension you are due to receive using the government's Check State Pension forecast service at [gov.uk/check-state-pension](https://gov.uk/check-state-pension)

You can start claiming your State Pension from your State Pension age. This may not be the same as the age when you qualify for your Plan pension. State Pension age is currently 66 and is due to rise to 67 by 2028. You can check your own State Pension age at [gov.uk/state-pension-age](https://gov.uk/state-pension-age)

## Normal Minimum Pension Age to rise

The Normal Minimum Pension Age – the age you can normally start taking pension benefits – is currently 55. However, this is due to rise to 57 with effect from 6 April 2028. If you are thinking of taking early retirement, you need to check how this could affect your plans.

Some people may have a Protected Pension Age for their CNPP pension, meaning they may be able to start taking CNPP benefits earlier than the Normal Minimum Pension Age of 57. We'll write to tell you if this applies to you, nearer the time.

## Tell us who should receive benefits if you die

We all want to provide for our loved ones, so it's good to know that your investment account in the Plan could pay them a lump sum of money when you die.

You need to tell us who you want this money to go to. You do this by filling in an Expression of Wish form.

You can now complete an Expression of Wish form online by logging on to TargetPlan. You'll need to activate your TargetPlan account if you haven't already. See Keep track of your pension with TargetPlan on page 5 for more about this. You can also obtain a form from your Plan Administrator or Employer Representative.

Things in our lives change. So once you've completed your form, it's important to keep it up to date. You can update your wishes by submitting another Expression of Wish form. It will replace any previous forms you've submitted.

## Find out more about your Plan at [cnpp.org.uk](https://cnpp.org.uk)

You can find out more about the DC Structure of the Plan at [cnpp.org.uk](https://cnpp.org.uk), including how the Plan operates and how it is managed. In the document library at [cnpp.org.uk/document-library/](https://cnpp.org.uk/document-library/) you can find:

- frequently asked questions (FAQs)
- documents such as the Trustee's Annual Report, which includes the DC investment report
- the Chair's Statement and the DC Implementation Statement, which cover the Trustee's stewardship of the Plan's DC arrangements
- details of the costs and charges
- your Plan booklets and investment guides.

# Going paperless

In last year's newsletter we told you we were intending to move to digital-only communications, in line with our commitment to sustainability and the environment. This means we will no longer send you paper communications unless you tell us you want to keep receiving them.

- To ensure you receive communications about your pension, please activate your TargetPlan account and give us your email address. See Keep track of your pension with TargetPlan below for more about this.
- Look out for more information. We'll be sending further paper communications before we go completely digital.

Once you have activated your TargetPlan account, you can opt out of online communications and start receiving paper communications again at any time.

## Keep track of your pension with TargetPlan

TargetPlan is like online banking for your DC pension savings. It's completely secure. Once you've activated your TargetPlan account you can manage it from your phone, tablet or computer at any time. You'll be able to:

- check your contributions
- change the age you want to start taking benefits
- change your investment funds
- use the MyTarget pension calculator to work out how much income you'll need in the future and whether you're saving enough to meet that target.

You'll also be able to see your personalised video summary. This shows:

- how much money is going into your investment account
- the current value of your investment account
- where your money is invested, and
- when you've said you want to start taking your benefits.

It even gives you an idea of how much you might have when you stop working.

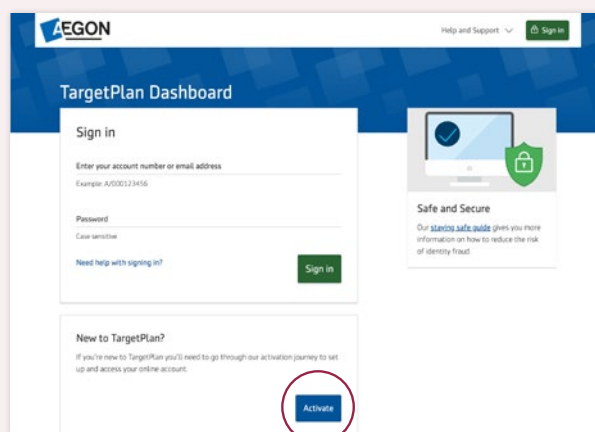
## Set up your TargetPlan account

You'll need to register TargetPlan on your computer before you can use it. Once you've registered, you can use it on your phone or tablet as well as your computer.

You'll need two numbers to register.

- Your National Insurance number. You'll find this on payslips or P60s, or letters or emails from HM Revenue & Customs (HMRC). It's in this format: QQ 12 34 56 Y.
- Your account number, which is on your annual statement.

If you can't find your statement or need help to activate your account, you can call Aegon on **01733 353 414** or email [my.pension@aegon.co.uk](mailto:my.pension@aegon.co.uk)



## How to activate your account

- 1 On your computer, go to [aegon.co.uk/targetplan](https://aegon.co.uk/targetplan)
- 2 Choose the activate button on your sign-in dashboard and follow the instructions.
- 3 After 48 hours, you'll be able to download the Aegon app from your usual Android or Apple app store and manage your pension from your phone or tablet.

## Annual Benefit Statements

You should by now have received your Annual Benefit Statement for the year ending 31 March 2024. This year, we have added a simple user guide to the document library on the CNPP website, to help you make sense of the information in your statement. Go to [cnpp.org.uk/document-library/](https://cnpp.org.uk/document-library/) or use the QR code below.

If you have any questions about your statement, please look at the user guide first. If this doesn't answer your question please contact Aegon, the Plan Administrator, using the contact details on the last page.



## Keeping your personal data safe

The Trustee of the Plan is a 'data controller' under the General Data Protection Regulations (GDPR). As the Trustee, we hold information about you that is required to administer the Plan and pay your benefits.

We must tell you:

- what personal data we hold about you
- how we use it, and
- the safeguards that are in place to protect it.

We have produced a privacy notice containing this information, along with more details about how we comply with GDPR. We first issued it in 2019 and updated it in 2023. You can see the updated version at [cnpp.org.uk/document-library/](https://cnpp.org.uk/document-library/)

## New section names

Some of the operating companies have recently changed their names. The NDA has asked us to update the names of the relevant sections. These are the new names.

- The former Magnox (and DSRL) Section is now the Nuclear Restoration Services Section.
- The LLWR Section is now the Nuclear Waste Services Section.
- The GPS Nexia Section is now the GPS National Nuclear Laboratory Section.

If you have benefits in any of these sections, the name changes do not affect your benefits in any way.

## Change to the Defined Benefit Structure of the Plan

On 1 April 2024, benefits in the Defined Benefit (DB) Structure of the Plan changed from building up on a Final Salary basis to a Career Average Revalued Earnings (CARE) basis.

This only affects DB benefits in the Plan. It does not affect your DC pension savings in any way.

# Helping you plan for your future

Every year we send you an Annual Benefit Statement (see page 6). This gives you an estimate of the amount of money you could build up in your Plan investment account, assuming you continue contributing the same amount to the Plan as you do at the moment.

The actual value of your investment account will depend on a number of things including:

- how much you contribute
- how much your investments grow
- the charges applied to your investments
- when you decide to start taking your benefits.

The value of your investment account may go down or up, depending on how your investments perform.

Your Annual Benefit Statement can help you decide whether you are saving enough for your future. You can compare the amount the statement shows with the amount you want to have saved by the time you start taking your benefits, and think about whether you want to save more.

You can use the TargetPlan pension calculator to help you with this. See *Keep track of your pension with TargetPlan* on page 5 for more information.

## Choosing investments

The investments you choose can also make a difference to the amount of your retirement savings.

You are free to invest in whichever funds you wish, but the Trustee Board must choose a default fund – the option you automatically go into if you don't make another choice. This is the LifePath Flexi fund. You'll be in this fund if you haven't made a different choice.

### Target-dated funds

The LifePath Flexi fund is one of our target-dated funds. This means they change their investments based on the age you want to start taking your benefits.

While you are further away from taking your benefits, the funds are designed to take more investment risk, with the aim of getting higher investment growth over the long term to build up your investment account.

As you get closer to taking your benefits, the funds move into lower-risk investments that are designed to protect the value of the money you have built up in your investment account.

These changes happen automatically, based on the age you've given us. So if you're in a target-dated fund, it's very important to make sure we have the right age for you.

- If you start taking your benefits earlier than the age we have for you, you could still be in investments with a higher risk of short-term falls in value.
- If you start taking your benefits later than the age we have for you, you could have moved to lower-risk investments too early and missed out on investment growth.

The Plan's pension age is 65. We'll assume this is the age you want to start taking benefits unless you tell us something else. You can do this in TargetPlan. See *Keep track of your pension with TargetPlan* on page 5 for more information.

### Choosing your own funds

If you prefer, you can choose your own mix of investments from the funds on offer. You'll need to think about:

- how much investment return you're looking for
- the amount of risk you're prepared to take
- how long you have until you start taking your benefits
- what you want to do with your investments when you come to take your benefits.

Over the long term, equities (shares in companies) are expected to give higher returns than bonds (loans to companies or government) and cash. But in the short term, there have been times when returns on equities have been lower than bonds or cash.

Cash offers security in the short term, but in the long term inflation can erode its value – and inflation has been higher in recent times. So it's important to think about whether you've got the right mixture of investments for your needs.



## Free help with your pension planning

Pension Wise, part of the government's MoneyHelper service, offers free and impartial guidance about the options for taking your DC benefits.

**If you are over 50**, you can have an hour-long guidance call with a Pension Wise specialist. They will talk you through the options for taking your benefits, explaining how each one works and what the tax implications are. Go to [moneyhelper.org.uk/pension-wise](https://moneyhelper.org.uk/pension-wise) to find out more or book an appointment.

**If you're under 50**, you don't qualify for a guidance call. But you can still talk to a Pension Wise specialist by phone or webchat.

Call **0800 011 3739** or go to [moneyhelper.org.uk/PensionsChat](https://moneyhelper.org.uk/PensionsChat)

Pension Wise can give you guidance, but they can't give you advice based on your personal circumstances. If you'd like personalised advice you need to talk to an independent financial adviser. Go to [moneyhelper.org.uk/retirement-directory](https://moneyhelper.org.uk/retirement-directory) to find a financial adviser who's qualified to give advice about pensions and retirement.

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## Help to understand your pension savings

Every year our Plan Administrator, Aegon, runs a webinar to help you understand and make the most of your pension savings.

This year Aegon ran two webinars during July: 'Getting Started' and 'Investment Options'. Plans are being made to run these webinars again later in the year.

If you are an active member and would like to watch a recording of the webinars, please ask your employer. They'll be able to give you a link where you can see the webinars.

You can contact Aegon if you have any questions about your pension. Their contact details are on the last page of this newsletter.

## Climate change and pensions

### Is my pension being invested responsibly?

As your Trustee Board, we continue to focus on our Environmental, Social and Governance (ESG) responsibilities. In line with these, we have made a new responsible investment option available to you.

The ESG Multi-Asset Fund aims to achieve a long-term return of 4.5% a year above the Bank of England's base interest rate. It focuses on investing in ESG components.

You can find out more about this fund, and the other funds available for you to invest in, by looking at the investment guides at [cnpp.org.uk/document-library/](https://cnpp.org.uk/document-library/)

### Reporting on our progress

The importance of investing pension savings in a way that helps to address climate change is becoming increasingly apparent. The Task Force on Climate-Related Financial Disclosures (TCFD) sets out requirements for pension schemes to report ('disclose') the actions they are taking on climate-related financial risks and opportunities.

The requirements cover governance, strategy, risk management, and metrics and targets. These represent the core elements of how organisations such as the CNPP operate.

We assess our climate-related risks and opportunities in line with the TCFD's recommended disclosures and publish an annual report on the CNPP website. You can find the most recent report at: <https://bit.ly/3Ym9QRJ>



## Pension charges

Every year you pay a small charge for your pension savings to be invested. This is known as the Annual Management Charge (AMC). The charge is a percentage of the value of your investment account and it's different depending on which investment funds you choose. These are the current AMCs for our investment funds.

Fund name	AMC (% a year)
Aegon BlackRock LifePath Flexi (BLK)	0.23
Aegon BlackRock LifePath Capital (BLK)	0.23
Aegon BlackRock LifePath Retirement (BLK)	0.23
CNPP Multi Asset	0.52
CNPP ESG Multi-Asset Fund	0.4
CNPP Global Equity	0.15
CNPP Global Equity ex UK	0.15
CNPP Emerging Markets	0.28
CNPP Sharia	0.45
CNPP UK Equity	0.15
CNPP Index Linked Gilt	0.15
CNPP Corporate Bond	0.15
CNPP Pre Retirement	0.3
CNPP Cash	0.15

## Investment fund performance

The table below shows how each investment fund performed after taking off charges. Remember: the value of investments can go down as well as up and past performance is not a guide to future investment returns.

Fund performance as at 31 March 2024	1 year (% a year)	5 years (% a year)
LifePath - Growth (c.40 ytr, 2060 Target)	20.6%	9.9%
LifePath - De-risk Stage (c. 20 ytr, 2040 target)	15.9%	7.5%
Lifepath - At Retirement - Flexi (Default fund)	7.7%	3.0%
LifePath - At Retirement - Capital	4.9%	2.5%

# Watch out for pension scams

Pension scams are not going away. Here are some tips to help you keep your valuable pension benefits away from scammers.

## Signs of a scam

If someone offers you 'free' advice, promising 'guaranteed' investment returns or putting pressure on you to agree to transfer your pension, these are all signs of a scam. Professional advice is not free, investment returns cannot be guaranteed, and legitimate organisations will not try to rush you into a decision.

## Check who you are dealing with

Scammers can create professional-looking materials, including 'clone' websites that allow them to pose as legitimate financial advisers. If someone who looks like a financial adviser contacts you about your pension, don't use the contact details they give you. You can check whether they appear on the Financial Conduct Authority (FCA)'s list of registered financial advisers at [register.fca.org.uk](https://register.fca.org.uk). You should only use the contact details the FCA register lists.

If you're thinking of using a financial adviser – to help you with a pension transfer, for example – you should check they're on the FCA register and use the contact details from the register.

## Online resources

Have a look at the FCA's Scamsmart website at [fca.org.uk/scamsmart](https://fca.org.uk/scamsmart). You can also download the Don't let a scammer enjoy your retirement leaflet from the Pensions Regulator's website – [thepensionsregulator.gov.uk](https://thepensionsregulator.gov.uk)

## Report a scam

The best way to combat scams is to report them. If you've received a message about your pension that you think could be a scam, you can report it. Do this at the police Action Fraud service at [actionfraud.police.uk/reporting-fraud-and-cyber-crime](https://actionfraud.police.uk/reporting-fraud-and-cyber-crime) and the National Cyber Security Centre at [ncsc.gov.uk/information/report-suspicious-emails](https://ncsc.gov.uk/information/report-suspicious-emails)

## Pension Scammers – don't get suckered in



### Watch this video



This short animation is designed to help you spot the signs of a scam. Please share it with everyone you know. Follow the QR code or go to YouTube and search for Pension scammers – don't get suckered in.

# Changes to pension tax allowances

## The lifetime allowance

In April 2024 the government abolished the Lifetime Allowance (LTA). This was a limit on how much your pension benefits could build up over your lifetime without triggering a tax charge. At the date it was abolished it was £1,073,100.

It is possible the LTA could be reintroduced in future. We'll let you know if this happens.

## The lump sum allowance

Even though the LTA has been abolished, there is still a limit on how much tax-free cash you can have when you take your pension benefits. This is known as the Lump Sum Allowance (LSA). The current LSA is £268,275, equal to one-quarter of the LTA at the date it was abolished.

As a general rule, most people can take around one-quarter of their pension benefits as cash, which will be tax-free up to the LSA. You will need to check whether the amount of tax-free cash you want will take you over the LSA. We can't check this for you as we don't know about any pension benefits you may have outside CNPP.

If you go over the LSA, the cash you have to pay tax on is paid as a separate lump sum. Although the underlying regulations for this have changed we understand that, in practice, there is little difference. So, if your section's rules previously allowed you to take cash and pay tax on the amount above the tax-free limit, this will still be allowed.

Also, HM Revenue & Customs say there are some circumstances where it might be worth delaying taking benefits until the regulations have been clarified. If you think this might affect you, please contact your Plan administrator using the details on the last page.

## The annual allowance

This is the total amount that can go into all your pensions each year before you have to pay extra tax. It is currently £60,000 a year for most people.

- If you're building up benefits in a defined benefit (DB) pension, your annual allowance is based on how much the value of your pension increases in a tax year.

- If you're building up pension savings in a defined contribution (DC) pension, your annual allowance is based on how much money you and your employer put into your pension savings in a tax year.

A lower annual allowance could apply if you start to draw money from your DC pension savings. This is known as the money purchase annual allowance. It is currently £10,000 a year.

If the value of your CNPP benefits goes over the annual allowance and you become liable for tax, you can ask the Plan to pay the tax charge directly from your CNPP pension. This is known as 'Scheme Pays'.

## Are you a higher earner?

If you are a higher earner you may have a reduced annual allowance known as the tapered annual allowance. This could apply if your adjusted income in a tax year is £260,000 or more. Adjusted income includes salary, bonuses, interest, dividends, any cash you take from your pension above the lump sum allowance (see The Lump sum allowance to the left), plus your employer's contributions to your pension.

Your annual allowance reduces by £1 for every £2 of adjusted income over £260,000, down to a minimum of £10,000 a year if your adjusted income is £360,000 or more.

Working out tapered annual allowance can be complicated and you may want to take independent financial advice. See Think about taking advice below.

## Think about taking advice

If you're not sure about your tax position, please consider speaking to an independent financial adviser. The government MoneyHelper service has a guide to finding and using a financial adviser at [moneyhelper.org.uk/choosing-a-financial-adviser](https://moneyhelper.org.uk/choosing-a-financial-adviser)

# Get in touch, give us feedback

If you have any questions about your pension savings or need to change any of the information we hold about you, please contact our Plan Administrator, Aegon. Their contact details are below. You can also give them feedback about this newsletter or anything to do with the Plan.

**Phone:** 01733 353 414

**Email:** [mypension@aegon.co.uk](mailto:mypension@aegon.co.uk)

**Post:** Aegon Workplace Investing  
Sunderland  
SR43 4DH



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