Canadian High Commission Locally Engaged Staff Pension Scheme (UK) (the Scheme)

Announcement to active members – a change to pension increases and revaluation

This letter is to inform you that on 1 July 2022 a change was made to the way in which deferred pensions revalue each year before retirement and how pensions in payment increase each year after retirement.

This change does not apply to you whilst you continue to build-up benefits in the Scheme. However, these changes will apply to you when you stop working for a Scheme employer, opt-out of the Scheme or retire and draw your pension.

Revaluation of deferred pension before retirement

Broadly speaking, the Scheme's governing trust deed and rules require deferred pensions in excess of your guaranteed minimum pension (**GMP**) to be revalued each year before retirement in line with the **cost of living** capped at 5%.

Before 23 June 1994, the **cost of living** was measured in the Scheme by the Consumer Prices Index as published by the United Nations (**CPI**). Between 23 June 1994 and 1 July 2022, the **cost of living** was measured in the Scheme by the Retail Prices Index (**RPI**). On and after 1 July 2022, the Scheme's measure of the **cost of living** has reverted to the CPI.

Increases to your pension after retirement

The Scheme's governing trust deed and rules also require pensions to be increased each year after retirement as follows:

- your GMP built up to 5 April 1988 and all of your pension in excess of your GMP shall increase in line with the **cost of living**; and
- your GMP built up between 5 April 1988 and 6 April 1997 shall increase in line with the **RPI** capped at 3%.

As noted above, on and after 1 July 2022, the **cost of living** has been and will be measured in the Scheme by the CPI.

Further information and getting in contact

You do not need to do anything in response to this letter.

The first section of this letter will only apply to you if you stop working for a Scheme employer or opt-out of the Scheme without retiring at the same time.

The second section of this letter will apply to you whenever you retire and start drawing your pension.

If you have any questions about the content of this letter, would like further information about your Scheme benefits or need to update your address or personal data, please contact the Scheme administrator at:

Post: Barnett Waddingham, 3 Devon Way, Birmingham, B31 2TS

Tel: 0333 11 11 222 e-mail: CHC@barnett-waddingham.co.uk

Please quote your full name, your National Insurance number, your membership number and the name of the Scheme in any correspondence with the Scheme administrator.

A copy of this announcement will be put on the scheme the website at www.highcommissionofcanada-pensions.co.uk

Trustees of the Canadian High Commission Locally Engaged Staff Pension Scheme (UK)