

Pension Update

For members of the Defined Benefit (DB) Sections

SPRING 2025

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Welcome from the Chair

Welcome to the latest edition of Pension Update, the newsletter of the TotalEnergies UK Pension Plan (the Plan).



Scan the QR code to go to the online version of the newsletter In this edition, we have lots of updates to share with you about the Plan and the broader pensions landscape.

You can read the latest funding update, along with information on the State Pension and its impact on your TotalEnergies pension as well as how you are taxed. Additionally, we offer further support if you need it and we also encourage you to respond to the data verification exercise we will be running soon.

As always, you can find the more in-depth version of Pension Update — scan the QR code to take you straight there.

I encourage you to use our online services to manage your TotalEnergies pension. Don't forget to check out the Gallagher Guide app too. Access details are at the end of the newsletter

Rob White

Chair of TotalEnergies
Pension Trustee UK Limited

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Plan news

Keep your details up to date

In the coming weeks, we will be reaching out to confirm your personal details.

Why is it important?

By confirming that our records are accurate, you can:

- · Make sure you get the information you need from us, and
- Prevent delays in paying your pension.

How to update your details

- Visit the Plan website at pensioninfo.totalenergies.uk
- 2. Select 'View my pension online'.
- 3. Follow the instructions on screen.



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Funding your benefits

The Trustee works with the Principal Employer to make sure the Plan has sufficient funds to pay the benefits that members have built up in the DB Sections, whenever they need to be paid.

At least once every three years, the Plan undergoes a detailed health-check called a valuation. The valuation process helps us to understand:

- The money building up in the Plan (its 'assets')
- The money the Plan needs to pay members' benefits (the 'funding target')

To help us monitor the Plan's progress in the years between valuations, we also ask the actuary to provide us with yearly updates.

This section includes the results of the actuary's latest yearly update, which was based on information at 30 June 2024, and compares it to the triennial valuation position at 30 June 2023.

The headlines

The latest update shows that the Plan's funding level fell over the year to 30 June 2024. The funding level at 30 June 2024 was 99%.

30 June 2024

30 June 2023









The funding target	£2,257 million	£2,172 million
The value of assets	£2,224 million	£2,250 million
The funding position	Deficit of £33 million	Surplus of £78 million

The asset figures in the chart above do not include the Pension Accounts building up in the Defined Contribution (DC) Sections or money purchase additional voluntary contributions in the Defined Benefit (DB) Sections.

The asset and funding target figures include the value of the bulk annuity policies we have taken out to increase the security of members' benefits.

- We have a policy with Pension Insurance Corporation (PIC) that covers monthly pension payroll for all Plan pensioners who retired before 1 July 2013.
- We also have a policy with Canada Life that covers some pensions for Atotech DB Section members.
- In June 2024, we also entered into a further policy with Pension Insurance Corporation (PIC) which is designed to eventually cover the benefits payable to all other members of the DB Sections of the Plan

Through these policies, PIC and Canada Life are now taking on certain risks that the Plan would otherwise have faced, such as the impact of difficult economic and investment conditions, and future changes in life expectancy.

What changed?

As the chart on page 3 shows, the Plan's funding level went down by about 5% over the year to 30 June 2024.

The main reason for the change was the further bulk annuity policy entered into in June 2024. This has changed the approach for placing a value on the assets and funding target of the Plan and now shows a small deficit at 30 June 2024.

Our funding plan

The 30 June 2023 valuation revealed a technical provisions surplus of £78 million. After the bulk annuity policy was entered into in June 2024, there was an expected funding shortfall.

The Employers have agreed some further contributions to cover the cost of amending the insurance policies so they cover all pensions provided by the Plan in the future. This means the funding level will reach 100%. These contributions will paid at the following times:

The further contributions will not be paid if they are not needed to fund the Plan's benefits.

This newsletter does not look at the period after 30 June 2024. We will provide an update in next year's newsletter.

January 2026	£18 million				
January 2027	£18 million				
December 2027	up to £39 million				

Funding your benefits (continued)

The Employers also pay contributions for members of the DC Sections as required under the Plan rules.

A different perspective

The figures on page 4 assume the Plan continues in its current form and that the Employers will continue to support it. This is known as the 'going concern' or 'technical provisions' basis.

The actuary is also required by law to work out what the funding level would be in the hypothetical situation that the Plan was wound up on the valuation date. This is known as the 'full solvency' position. If this happened, the Plan would need to pay an insurance company to provide the benefits that members have built up.

Insurance companies generally use lower-risk investments which give lower returns than the Plan aims to achieve. They also factor in a profit. As is the case with the 'going concern' funding level, the full solvency funding level can go up and down a lot.

This is caused by factors such as changes in insurance company regulations and varying levels of competition between insurers.

The 30 June 2023 valuation revealed a shortfall on the 'full solvency' basis of £76 million (equivalent to a funding level of 97%).

This is a significant improvement on the position at the 2020 valuation, when the shortfall on the 'full solvency' basis was £1,104 million (equivalent to a funding level of 75%).

In an extreme situation — for example if the funding position deteriorated significantly and the Plan is wound up because the Employers have gone out of business — the Pension Protection Fund may provide members with some compensation. Visit **ppf.co.uk** for more information.

Finally, we must also confirm the following:

- The Plan has not made any payments to the Employers since our previous update.
- The Pensions Regulator has not had to intervene in the running of the Plan since that date.





Read your newsletter online

Remember, we have an online version of this newsletter, where you can find out about:

- How to make the most of Free Wills month in October
- An update on the Normal Minimum Pension Age
- Navigating the UK benefits system
- Arranging a power of attorney
- · Planning for retirement

Why not test your pensions knowledge with a five-minute quiz as well?



Visit newsletter.pensioninfo. totalenergies.uk/db or scan the QR code to read your online newsletter.



The State Pension and tax

When you retire, your pension, including the State Pension, is taxed as income.

Here is what you need to know:

1. HM Revenue and Customs (HMRC) updates your tax code automatically

Your tax code should update when you start receiving the State Pension.

2. It is your responsibility to check your tax code

Make sure you read any communications that come from HMRC. If you believe your tax code is incorrect, you can contact HMRC directly to resolve any issues. For guidance, visit **gov.uk/tax-codes/how-to-update-your-tax-code**

3. Look into getting financial advice if you are unsure

In most cases, you will not need to do anything about your tax code. However, if you have complex financial circumstances, you may want to get independent financial advice. Find an adviser at moneyhelper.org.uk/retirement-adviser-directory

If you plan to retire in another country, make sure to check with HMRC to find out where your pension will be taxed. You can get more details at gov.uk/tax-on-pension/tax-when-you-live-abroad

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Answers to page 9

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Time for a puzzle

Can you spot the pensions-related terms in our word search?



A helping hand

We all need a helping hand from time to time. Gallagher, the Plan Administrator, is available to answer your questions and give you more information about the Plan.

You can also find additional support outside of the Plan to help you with your pension and finances.

Financial Conduct Authority (FCA)

Find out more about pension scams, including how to avoid them and which firms are regulated.

fca.org.uk

The Pensions Regulator (TPR)

TPR may intervene in the running of pension schemes where trustees, managers, employers or professional advisers have failed in their duties.

tpr.gov.uk

State Pension forecaster

Find out how much State Pension you could receive, when you could get it and how to increase it, if you can.

gov.uk/check-state-pension

Department for Work and Pensions (DWP)

The DWP is responsible for the UK's welfare, pensions, and child maintenance policies. It is the largest public service department in the UK.

gov.uk/dwp

Mid-life MOT

This is to help with financial planning, health guidance, and to assess what your skills mean for your career and future.

jobhelp.campaign.gov.uk/midlifemot

The Pensions Ombudsman (TPO)

TPO deals with complaints and disputes that concern the administration and management of occupational and personal pension schemes.

pensions-ombudsman.org.uk





Contact us

If you would like to speak to someone about your Plan benefits, you should contact Gallagher, the Plan Administrator.

- Gallagher (Bristol)
 PO Box 319
 Mitcheldean
 GL14 9BF
- **%** 0330 123 9570
- ▼ TEpensionsadmin@ajg.com please use this new email address going forward. If you have used totalenergies@buck.com to contact Gallagher recently, your query will still be picked up. The old email address will stay open this year to make sure nothing is missed.

Further help and resources

To read general information about the Plan, go to our website, **pensioninfo.totalenergies.uk**

To access the Member Portal and view or update your specific information, go to pensioninfo.totalenergies.uk/view-my-pension-online

Remember our app, 'Gallagher Guide', where you can also view your personal details. Go to your app store and search for 'Gallagher Guide' to get started. Your registration details will be the same as for the Member Portal.

MoneyHelper

MoneyHelper is a free service from the Government. Its website has information and guidance about a range of money matters, including pensions and retirement.

- **%** 0800 011 3797
- moneyhelper.org.uk

Pension Tracing Service

To help you find pensions that you have lost touch with.

- **0800 731 0175**
- gov.uk/find-pensioncontact-details