

**JULY 2021**

## OUR ACTUARIAL FACTORS ARE CHANGING

From time to time, usually following a formal valuation, the Scheme Trustees review the actuarial factors used to calculate retirement quotes and pension benefits for members.

The update in the factors is based on advice from the Scheme Actuary and reflects external influences, such as movements in financial markets and changes to life expectancy.

The new factors will affect any member who retires on or after 1 August 2021, who chooses to take their benefits early or later than their Normal Retirement Age under the Scheme.

The change in factors will also affect those who choose to convert part of their pension into a tax-free cash sum.

## SO WHAT'S CHANGED?

### Early retirement

All early retirement factors have either remained the same or have been improved so pensions will now be reduced by less if they are taken early

### Tax free cash

Most members will have to give up less pension for the same tax free cash

### Late Retirement

Late retirement factors have reduced slightly. Details of the revised factors can be found online under the FAQs mentioned below, and 'Taking your pension benefits'.

We will be using the new factors in all retirement quotations from 1 August 2021 onwards and the ZPen website has been updated to reflect these changes. To check the impact of the factors on your benefits you can simply run a quotation online or look in the [FAQs for members with final salary benefits \(zpen.info\)](#).

If you have already elected to take your benefits after 1 August 2021, we will recalculate on the revised basis and then pay the better of the new basis or the old basis.

## FURTHER INFORMATION

Should you require any further information, please contact the team by email ([zpenteam@uk.zurich.com](mailto:zpenteam@uk.zurich.com)).