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March 2023

Dear <A> <C>

## Your pension may need to change

You are receiving this letter because you are a deferred member of the Invesco Pension Scheme (the Scheme) with Guaranteed Minimum Pension (GMP) benefits. Please see question 2 in the enclosed questions and answers for more details of GMP.

As Trustee of the Scheme, we need to address a historical inequality on a technical point relating to GMP benefits, following the outcome of a court case which applies to pension schemes generally.

**As well as addressing the inequality, we are proposing to simplify Scheme pensions by a process called 'GMP conversion'.**

**Addressing the historical inequality could result in a small increase to the pension you have built up in the Scheme when you come to retire. The starting level of pension and the overall expected value of your pension will not be reduced.**

**Before we reach a final decision, we are consulting with you on our proposal in case you have any comments.**

Further details of the court case and our proposal are included in the enclosed questions and answers, also available online (see page 3).

### The key points

- Your starting pension at retirement may increase slightly.
- This would not result in any reduction to the pension you have built up or the expected value of your pension in the future.
- Further details will be set out when you come to retire.
- Questions and answers enclosed and online (see page 3).

### Action points

- If you have Enhanced Protection or Fixed Protection against the Lifetime Allowance you should contact the Scheme administrator (see page 3) and we recommend you discuss your individual circumstances with an independent financial adviser (IFA).
- You are welcome to provide comments to the Trustee about our proposal – see page 3 for how to do this.

# Our proposal

In meeting the requirement to address the historical inequality for members yet to draw on their pension, we propose to convert all GMP into a different form of pension. This is known as 'GMP conversion'.

This would be applied on an individual basis at, or soon after, the point of retirement (or upon your death, if sooner). Please read the enclosed questions and answers for more detail on how this works.

You may not be retiring for many years, and it is possible that our proposal will change before then. If our proposal does change, we will let you know.

For most members, the changes as a result of GMP conversion are expected to be small. Our proposal could result in a small increase to the starting level of your pension from the Scheme. **Please be assured that the starting level and overall expected value of your pension will not be reduced.**

If the changes go ahead as proposed (following any feedback as part of this consultation), we will apply GMP conversion individually at retirement. The impact on your pension will be communicated to you when you come to retire.

Should you die before retiring, the benefits payable to your dependants will be converted at that date, using the same principles as would have applied to your pension. Please read the enclosed questions and answers for more detail on how this works.



## Important dates

17 March 2023	31 May 2023	June 2023	July 2023
Consultation starts.	Consultation ends.	We will let you know the outcome of the consultation.	New retirement quotes or retirements after this date would allow for the proposed changes

# Inviting your views on our proposal

Before we decide how to proceed, we are consulting with you about our proposal.

Please read the enclosed questions and answers for more details. **In particular, we would like to draw your attention to questions 4 and 5 which set out details of how your pension may change if our proposals go ahead.**

The consultation period will last for at least 60 days. This is your opportunity to ask questions and provide any feedback.

**Consultation runs from 17 March to 31 May 2023.**

We invite your feedback and will consider carefully all relevant comments we receive during this time.

**If you have Lifetime Allowance protection or are planning to apply for Lifetime Allowance protection from HM Revenue & Customs, please let us know using the contact details below.** (Please see question 9 of the questions and answers to find out why we need to know about any Lifetime Allowance protection status.)

As shown on page 2, if we decide to proceed with our proposal, we will confirm this to you in June. If we decide not to proceed, we will write to you to let you know.

If our changes go ahead as proposed, figures provided in retirement packs from July 2023 onwards will reflect the changes. If you retire before this time, we will still need to address the historical GMP inequality, but this will happen at a later date.

**If you have any questions or feedback about our proposal or would like to make representation to the Trustee about our proposal, please use the contact details below.** These are also the contact details to use if you have a general query about the Scheme or your benefits.



**0333 207 9447** or **+44 333 207 9447** if calling from outside the UK, Monday to Friday, 9AM-5PM



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Please read the enclosed questions and answers about the changes and our proposal. You can find the same questions and answers online, and we will add to them during the consultation period, if necessary, as members get in contact.

Go to [www.invesco.com/uk/en/global-footer/corporate-policies.html](http://www.invesco.com/uk/en/global-footer/corporate-policies.html) or scan the QR code on the right and scroll down to 'Invesco UK Pension Scheme documents'.



Yours sincerely

Mark Ashworth  
**Trustee Chair**

