Santander (UK) Group Pension Scheme
Girobank members with pre 87 benefits

A guide to **your benefits**

Your pension | Your future

Santander

Hello

This guide contains a summary of the benefits that may be payable to Girobank members with pre 87 benefits.

The actual benefits payable to you may be different from those set out in the guide. You can find full details of how the Santander (UK) Group Pension Scheme works in the Trust Deed and Rules, the legal document which governs the Scheme. If there is any inconsistency between the Trust Deed and Rules and this guide, the Trust Deed and Rules will be followed.

Contents

The key features of your Scheme at a glance

As a member of the Scheme you are entitled to the following benefits:

- a retirement pension for life
- a tax-free cash sum and the right to exchange part of your pension for a larger tax-free cash sum
- a lump sum, and a pension for your surviving spouse or civil partner, and children, if you die whilst in pensionable service
- a pension if you have to retire through illness
- a pension for your surviving spouse or civil partner, and children, if you die in retirement or before taking your pension
- the chance to retire early
- the option to transfer your pension to a new employer or personal pension plan

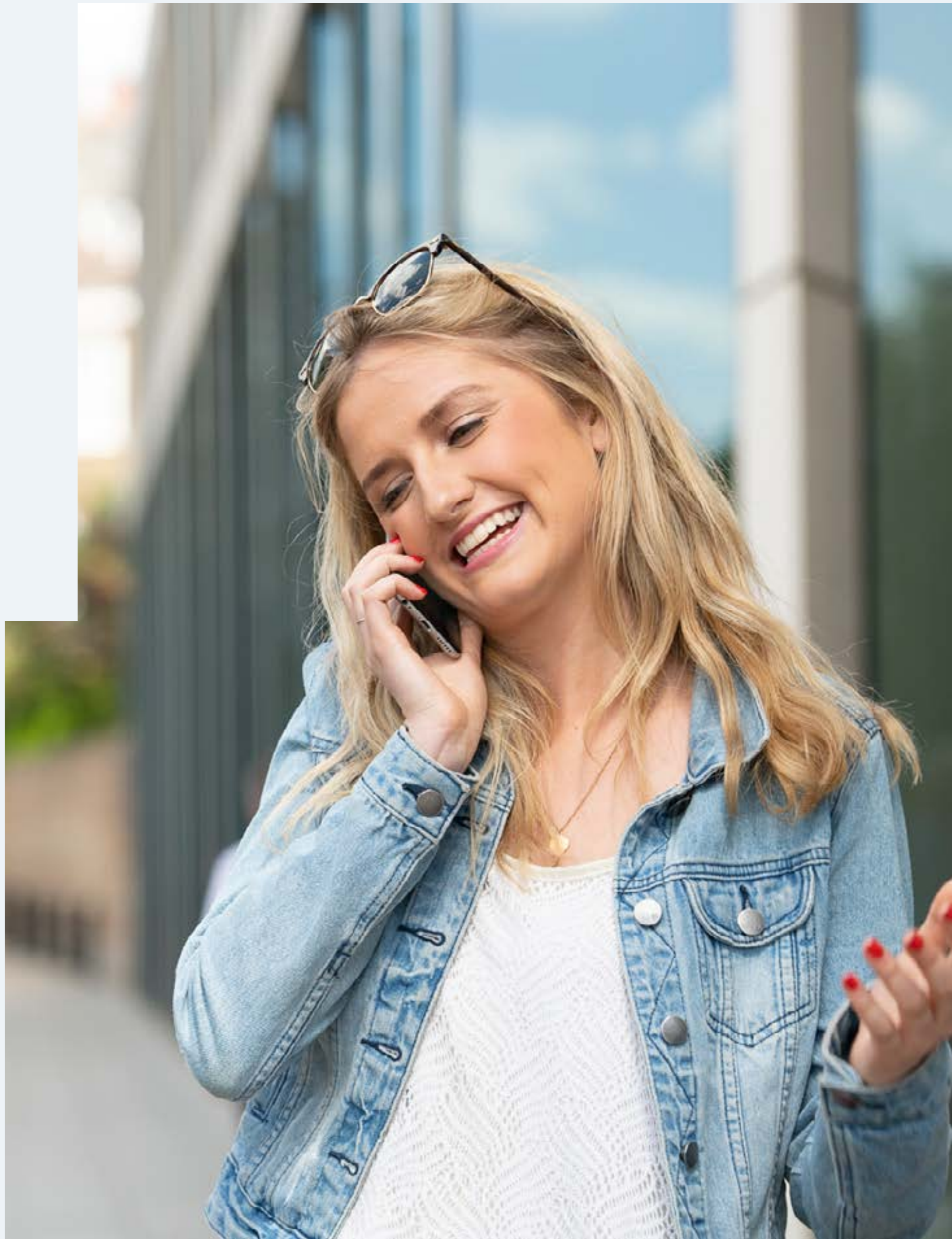
If you have any questions about the Scheme or your benefits, please contact the Scheme's Administrators – they'll be happy to help. You can find their contact details on page 58.

Please note: pensions to spouses or civil partners or children are only payable if you die leaving a spouse, civil partner or children, as defined in the Rules of the Scheme.

Introduction

This guide is for current active Girobank members with pre 87 benefits in the Santander (UK) Group Pension Scheme ('the Scheme').

We've tried to make this guide easy to read and understand, but we've had to use a few technical terms. These appear in **bold** throughout the guide and they are defined under 'Some terms you'll need to know' on page 6.



Some terms you'll need to know

Although we have tried to use simple language in this guide, we have had to use certain terms and expressions that have specific meanings. These terms are shown in **bold** wherever they appear in this guide and their meanings are explained here.

AVC Personal Account

This is where your additional voluntary contributions (AVCs) are invested. It will also include any investment gains or losses made on these investments.

Basic Annual Salary

This is your annual basic salary plus any **Purchased Pensionable Salary**.

For salary sacrifice members, your capped **Basic Annual Salary** is based on the salary you would be receiving had you not entered into the salary sacrifice arrangement.

For all members from 2 March 2015, increases to Basic Annual Salary are capped at 1% a year when calculating the benefits, except for the calculation of certain benefits, including the death benefits, which are payable if you die while in **Pensionable Service**.

Please note that between 2005 and 2010, the Basic Annual Salary of each member for pension purposes was increased only by the lower of the annual increase in the Retail Prices Index and the member's annual pay award. This means if you were in **Pensionable Service** between those dates then the Basic Annual Salary figures used for calculating your **Final Pensionable Salary** may be less than your actual Basic Annual Salary.

Company: Santander UK plc.

Employer: any **Employer** of the Santander Group which takes part in the Scheme.

Final Pensionable Salary (FPS) is the greater of either:

- your capped **Basic Annual Salary** during the 12-month period ending on the date you leave the Scheme
- the highest amount of your capped **Basic Annual Salary** during any one of the previous five complete tax years (ending on 5 April).

Girobank Scheme means the Girobank Pension Scheme.

Guaranteed Minimum Pension is the minimum amount of pension that schemes have to pay members in respect of periods of contracted-out **Pensionable Service** between 6 April 1978 and 5 April 1997 (See page 49). If your pension included GMP benefits, these have been converted to non-GMP benefits.

Normal Pension Age is age 65 for both men and women.

Pensionable Service is the period of continuous service that counts towards your pension. Normally this is the number of years that you've contributed to the Scheme and the predecessor **Girobank Scheme**, plus any extra years granted because you transferred in benefits from another scheme. It includes any Pensionable Service from the POSS scheme. The maximum amount of Pensionable Service is 40 years. Part years of Pensionable Service will count towards your pension.

POSS Scheme means the Post Office Staff Superannuation Scheme.

Protected Rights Account is a money purchase account maintained by the Trustees for each member who was contracted-out of the State Second Pension (S2P) on a money purchase basis before 6 April 2012. See page 49.

Purchased Pensionable Salary is extra pensionable salary you've bought by paying additional member contributions. It is no longer possible to pay additional member contributions to the Scheme.

1

Building up **your benefits**

How your pension builds up

You build up pension at the rate of 1/80th of **Final Pensionable Salary** for each year of **Pensionable Service**. The maximum **Pensionable Service** you can have is 40 years. You also receive a tax-free lump sum of three times your annual pension at retirement.

Please note, as there are additional benefits to being an active member of the Scheme, you will not automatically become a deferred member when you reach the maximum pension benefit threshold. It is up to you to decide if you wish to continue to be an active member of the Scheme when this threshold is reached.

How much you pay

To build up your benefits, you pay 6% of capped **Basic Annual Salary** (which, for this purpose, does not include any **Purchased Pensionable Salary**). In return, you are entitled to all of the benefits described in this guide.

If you are a salary sacrifice member, your **Employer** will pay equivalent contributions to the Scheme on your behalf. And you won't have to pay National Insurance on your contributions.

Please note: if you were a member of the **Girobank Scheme**, paying contributions at the rate of 6.2%, you may still be paying contributions at that rate, if you chose to do so. This means you benefit from slightly higher death benefits.

Although you contribute towards the cost of the benefits that the Scheme provides, the **Employer** pays most of the cost.

Please note: *the Government limits the amount you can pay into your pension(s) every year through the Annual Allowance (AA). To find out the AA for the current tax year, visit the* ***government website****.*

There also used to be a limit on the amount you could pay into all your pensions during your lifetime called The Lifetime Allowance (LTA). From April 2024, the LTA was abolished.

Boosting your benefits

If you want to boost your benefits you can, by making additional voluntary contributions (AVCs) to the Scheme to provide additional benefits.

The AVCs you pay to the Scheme are invested in your **AVC Personal Account** and build over time. You choose how your AVCs are invested. The better your investments perform, the more your **AVC Personal Account**, will grow. But it's important to remember that the value of your **AVC Personal Account** can go down as well as up. It depends on how your investments perform.

When you come to retire, as long as the Trustees agree, you can use your **AVC Personal Account** to provide one or more of the following benefits:

- additional Scheme pension for yourself and/or a pension on your death for your spouse, civil partner or certain of your dependants
- tax-free cash – if what you take as cash from your **AVC Personal Account** is not higher than 25% of your total pension benefits
- an annual pension from another provider.
- one or more lump sums from the Scheme that are taxable
- transfer to another pension arrangement.

To find out more, visit **our website**, select the **'Login'** button and go to **See › My Documents** on the member portal to find the 'AVC Guide'.

You can also pay AVCs to LifeSight, the **Company's** defined contribution scheme. You also have the option to pay contributions into any other personal pension arrangement of your choice.

You can find out more about LifeSight on One HR under the **Rewarding you** section, which contains Scheme guides, information on making additional voluntary contributions and other useful factsheets and information.

Please note: *you are no longer able to make additional contributions to buy* ***Purchased Pensionable Salary****, or to transfer benefits into the Scheme from other pension arrangements. However, any* ***Purchased Pensionable Salary*** *you have bought and any transfers of benefits accepted into the Scheme in the past, remain part of your benefits.*

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At retirement

When you can retire

You can take your benefits from the Scheme when you reach 65. This is the **Normal Pension Age** under the Scheme.

If you want to take your benefits earlier than your **Normal Pension Age**, you can, from age 55 onwards, but you'll need your **Employer's** consent. The normal minimum pension age (NMPA) is 55 but will change to 57 from 2028.

It's also possible, after the age of 55, to take your pension benefits while you carry on working. For more information about this option, please get in touch with the Scheme's Administrators. And you'll need to have the **Company's** and Trustees' agreement.

If you want to take your benefits later than your **Normal Pension Age** (age 65) you can, as long as you are still working for one of the **Employers** that participates in the Scheme. In these circumstances you may continue to build up pension in the Scheme. However, please remember that you can't build up more than 40 years of **Pensionable Service**. Normally you need to take your benefits by the time you reach your 75th birthday.

What you will get

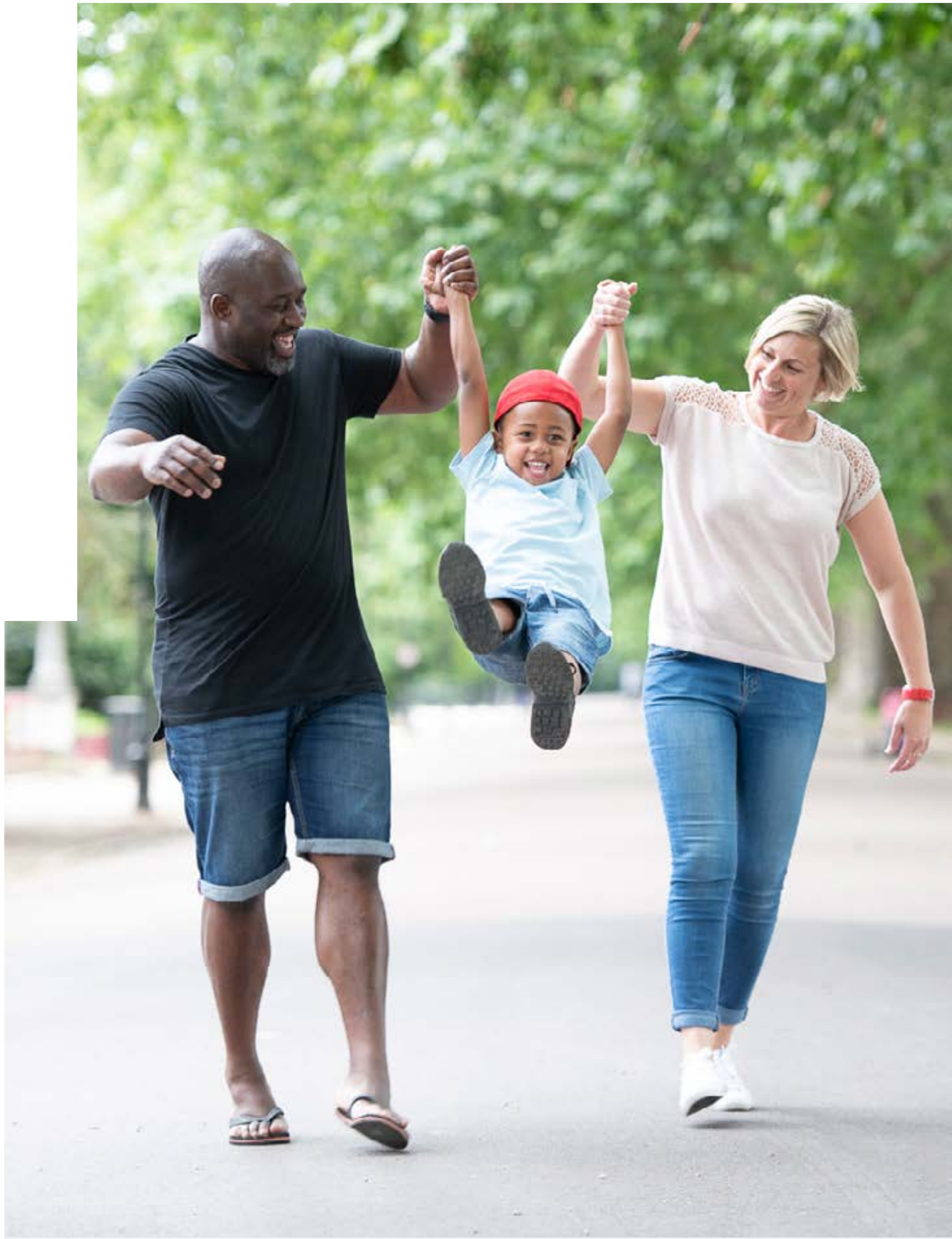
Your benefits give you:

- a pension for life, based on your **Pensionable Service** and your **Final Pensionable Salary** (the pension will increase each year, broadly in line with inflation)
- a tax-free cash sum of three times your annual pension at retirement

You have a once-only option to give up some of your pension for a larger tax-free cash sum. The maximum amount of tax-free cash you can take is 25% of the value of your total benefits in the Scheme.

Please note:
For any period of part-time work, your Final Pensionable Salary will be taken to be what you would have earned if you were full time, but your Pensionable Service will be reduced based on the hours that you work, compared to a full-timer.

For more details about your benefits as a part-timer, please get in touch with the Scheme's Administrators.



How your benefits are calculated

Retiring at Normal Pension Age

Your benefits from the Scheme will normally be paid from age 65.

We work out your benefits as follows:

- a pension of 1/80th of **Final Pensionable Salary** multiplied by your **Pensionable Service**

plus

- a tax-free cash sum of 3 x that pension

Any:

- extra pension you bought from the Scheme by making Additional Voluntary Contributions (AVCs) to buy extra pension from the Scheme (see page 10), and/or
- transferred in benefits

will be taken into account when working out your total benefits.

How your benefits are calculated

Your benefits are worked out as follows:

Number of years of
Pensionable Service

×

1/80th

of your
Final Pensionable Salary

+

Any extra pension you have built up by paying AVCs into the Scheme

Any benefits built up from transfers in

=

Your total pension

+

a tax-free cash sum of 3 times that pension

Example
Let’s look at Della

Della's details

Della’s built up 15 years of **Pensionable Service**. Her **Normal Pension Age** is 65, when her **Final Pensionable Salary** is £27,000. This includes **Purchased Pensionable Salary** of £2,000, which she bought by making additional member contributions.

Pensionable Service	15 years
Normal Pension Age	65
Final Pensionable Salary (FPS)	£27,000
Accrual rate	1/80th of **FPS**

Working out Della's benefits

15 years' **Pensionable Service**

×

1/80th

×

Final Pensionable Salary
(£25,000)

= pension of **£4,687** a year

+

15 years' **Pensionable Service**

×

1/80th

×

Purchased Pensionable Salary
(£2,000)

= pension of **£375** a year

=

TOTAL pension

£5,062

a year

+

a tax-free lump sum of 3 times the pension

=

£15,186

How your benefits are calculated

Retiring early

Your pension is worked out in much the same way as for retiring at **Normal Pension Age**, but the amount will be reduced because you'll be receiving your pension earlier, so for a longer time.

It will be reduced for each complete month that your retirement is before your 60th birthday.

To find out more, please get in touch with the Scheme's Administrators.

How your benefits are calculated

Retiring late

Your benefits when you retire (which usually must be by age 75) will be based on your **Pensionable Service** and **Final Pensionable Salary** when you leave the Scheme. Remember: you can't build up more than 40 years of **Pensionable Service**.

Whenever you choose to retire

Choosing to take a lump sum

When you come to take your pension you will receive a tax-free lump sum of three times your annual pension at retirement.

You can also choose to exchange part of your pension to increase your tax-free cash lump sum. The maximum tax-free lump sum you can take is 25% of the value of your total pension benefits in the Scheme. If you choose this option it means you'll give up part of your pension, so your monthly retirement pension will be smaller.

Full details of exactly how much more cash you're able to take, and how much pension you'd have to give up to do so, will be given to you as you approach retirement.

Although your own pension will be reduced if you choose to take a larger cash sum, the pensions for your spouse or civil partner or dependants will not be affected. These are worked out based on your total pension before any extra cash is taken.

When you come to retire:

- *If the total value of your pension benefits under the Scheme is less than £10,000, the Trustees may choose to pay your benefits to you as a lump sum.*
- *If the total value of your pension benefits under all registered pension schemes is less than £30,000, the Trustees may be able to pay all your benefits to you as a lump sum.*

These figures are the current amounts set by the Government. They may change in future.

Whenever you choose to retire

Payment of your AVCs as a cash lump sum

Instead of using your AVCs to boost your pension payable from the Scheme (or transferring your AVCs to another pension arrangement), you may ask to take your AVCs as a cash sum. You may be able to take your AVCs as more than one cash sum, depending on where they are invested. Further information can be found in the 'AVC Guide'.

Please ask the Scheme's Administrators for more information if you would like to take your AVCs as a cash lump sum.

How your pension increases once in payment

Different increases apply to the part of your pension that is **Guaranteed Minimum Pension** (if any) and that part which is in excess of the **Guaranteed Minimum Pension**.

On 1 April each year:

- the part of your pension which is not any **Guaranteed Minimum Pension** will be increased by the 12-month increase in the Retail Prices Index to the previous 31 December. If your pension included GMP benefits which have been converted to non-GMP benefits, some of your pension may receive different pension increases.

Guaranteed Minimum Pensions start from age 60 for women and age 65 for men.

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Leaving the **Scheme before retirement**

What happens

If you stop working for the Santander Group, you'll automatically stop being an active member of the Scheme. You may also opt out of the Scheme while still working for the Santander Group, but you must give the Trustees at least one month's notice in writing.

Please note that if you do opt out, you won't be able to rejoin the Scheme at a later date, although you will be able to join LifeSight (see page 10).

When you leave the Scheme you can decide to:

- become a deferred member; that is, you leave your benefits in the Scheme until you retire and start taking a pension
- transfer the cash equivalent of your benefits to another pension arrangement. When you leave the Scheme, you'll be given a summary of your options and, if you want, you can ask for the cash value of your benefits (see 'Transferring benefits' on page 30 for more information).

It's important to remember to tell us if you move house between leaving and retirement, so we know where to get in touch with you with information about your benefits. You can update your details through the member portal. Visit our website, select the 'Login' button and go to See > My Details. It's also important to keep your Expression of Wish form up to date (see page 38 for more information).

What you will get

Your benefits will give you:

- a pension for life, based on your **Pensionable Service** and your **Final Pensionable Salary** at the date you left the Scheme. (The pension will increase each year, broadly in line with inflation, until you come to take it.)
- a tax-free lump sum of three times your annual pension at retirement.

You'll normally have the option to give up some of your pension for a larger tax free lump sum. (See 'Choosing a lump sum' on page 20 for more information.) The Scheme's Administrators will write to you within six months of your **Normal Pension Age** to remind you of your benefits and what choices you have.

Please note:

If some of your service was part-time service, this will be treated as shown on page 13.

If you have a small pension, the Trustees may be able to pay your benefits to you as a lump sum (see page 20 for more information).

Once in payment your deferred pension will increase as shown on page 22.

How your pension is calculated

We work out your deferred pension as follows:

- 1/80th of your **Final Pensionable Salary** x number of years of **Pensionable Service** = your total pension at leaving.

Any:

- extra pension you bought from the Scheme by making Additional Voluntary Contributions (AVCs) (see page 10), and/or
- transferred in benefits (see page 10)

will be taken into account when working out your total benefits.

How your deferred pension increases depends on when you leave the Scheme.

If you leave the Scheme before your 60th birthday, your deferred pension is increased each year between your leaving date and your 60th birthday in line with the increase in the Retail Prices Index over the same period. If your pension included GMP benefits which have been converted to non-GMP benefits, some of your pension may receive different pension increases.

If you leave the Scheme between your 60th and 65th birthday, and choose not to take your deferred pension immediately, your pension will be increased by an amount worked out by the Scheme Actuary. You'll need the agreement of the Trustees if you opt for this.

How your pension is calculated

Your pension is worked out as follows:

Number of years of **Pensionable Service**

×

1/80th

of your **Final Pensionable Salary** (including any **Purchased Pensionable Salary**)

+

Any extra pension you have built up by paying AVCs into the Scheme

Any benefits built up from transfers in

=

Your total pension

Increases if you leave before your 60th birthday
Your pension is then increased each year between your leaving date and your 60th birthday in line with the increase in the Retail Prices Index over the same period. If your pension used to include Guaranteed Minimum Pension that was converted, different increases may apply to a part of your pension.

Increases if you leave on or after your 60th birthday
Your pension will be increased by an amount worked out by the Scheme Actuary.

Taking your deferred benefits

You are entitled to your pension from age 60. However, unless you ask for it at age 60, it will be paid at age 65.

You can also take your pension early from age 55.

If you take your pension early, it will be reduced for each complete month up to your 60th birthday. This is because you'll be receiving it earlier, so for a longer time.

If paid at age 65, your pension will be increased by an amount worked out by the Scheme Actuary.

You'll need the agreement of the Trustees for early or late retirement.

When you take your pension, you'll also receive a tax-free cash sum of three times your pension at date of leaving. You'll normally have a one-off chance to take a larger tax-free lump sum by giving up part of your pension. **See page 20 for more details.**

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Transferring **your benefits**

Transferring your benefits

Instead of receiving pension benefits from the Scheme, you may be able to take a transfer payment to another approved pension arrangement.

You have a right to take a transfer payment to another approved pension arrangement up to one year before **Normal Pension Age**.

You can use the member portal to obtain an informal, on-the-spot estimate of your current transfer value (the cash equivalent) of your benefits under the Scheme.

To get a formal quotation, please get in touch with the Scheme's Administrators. You can ask for a quotation, at no cost, twice in any 12-month period.

Deciding whether or not to transfer your benefits out of the Scheme can be a difficult decision to make – you need to be sure that it is the right action for you. We strongly recommend that you take independent financial advice before deciding to transfer your benefits out of the Scheme. (Neither the Trustees nor the Scheme's Administrators can give such advice. You can find out more about choosing an independent financial adviser by going to page 56).

Transferring your benefits

Also, you will need to take independent financial advice from an adviser authorised by the Financial Conduct Authority (FCA) if:

- the transfer value of your pension benefits is greater than £30,000; **and**
- you want to transfer your benefits to a pension arrangement with a view to acquiring a right or entitlement to 'flexible benefits' (meaning money purchase or cash balance benefits).

The Trustees need to see evidence that you have taken such advice, before they can make the transfer payment.

Please ask the Scheme's Administrators for more information if you're thinking about a transfer payment.

Take care!

You may get contacted by organisations encouraging you to think about transferring your benefits before your 55th birthday, offering a promise of cash incentives or loans against your pension assets. For most people, the offers will be bogus and you'll probably lose most, if not all, of your retirement savings. For more information on scams and what to look out for, visit **our website**.

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Protection for **your family**

If you die while you are in Pensionable Service

If, sadly, you die while still in **Pensionable Service**, there'll be help for your loved ones. The Scheme will pay a tax-free lump sum. A pension may also be payable if you die leaving a spouse, civil partner, or adult dependant (as defined in the Scheme Rules).

Tax-free lump sum

The amount of lump sum is based on a multiple of your **Basic Annual Salary**. The size of the multiple depends on whether or not a pension is payable to your spouse, civil partner or an adult dependant and then

- how much you pay in contributions (See page 9).
- your length of **Pensionable Service**

If a pension is payable to your spouse, civil partner or an adult dependant...			
Rate of contribution – 6.5%		**Rate of contribution – 6%**	
Length of **Pensionable Service**	Multiple of **Basic Annual Salary**	Length of **Pensionable Service**	Multiple of **Basic Annual Salary**
less than 30 years	3	less than 30 years	3
between 30 & 35 years	3.5	between 30 & 35 years	3
35+ years	4	35+ years	3.5

If a pension is not payable to a spouse, civil partner or adult dependant, the lump sum payable will be four times your **Basic Annual Salary** at the date of your death and the value of your **Protected Rights Account** will be added to this lump sum.

If you die while you are in Pensionable Service

Pension for your spouse or civil partner

In most cases, if you're married or in a civil partnership when you die, your spouse or civil partner will receive a pension for life from the Scheme.

The amount of pension will be half the pension you would have expected to receive had you retired based on your **Final Pensionable Salary** when you died, but as if you'd completed the following period of **Pensionable Service:**

- the higher of 30 years and
- your actual **Pensionable Service** plus 10 years.

The **Pensionable Service** used can't be more than you would have completed if you'd worked until your **Normal Pension Age**.

Please note:

If you worked part-time, we take that into account when working out your pension. See 'What if I have worked part-time?' on page 13.

The pension is payable monthly from the date of your death and continues for your spouse's/partner's lifetime. It will broadly increase each year by the 12-month increase in the Retail Prices Index to the previous 31 December. If your pension included GMP benefits which have been converted to non-GMP benefits, some of your pension may receive different pension increases.

If you die while you are in Pensionable Service

Pensions for your children

If you die while in **Pensionable Service**, your children will be eligible to receive children's pensions on your death if they're unmarried and under the age of 18 (or are unmarried and under the age of 23 if they are in full-time education or carrying out an apprenticeship).

The amount of the pensions payable will depend on whether a pension is payable to a surviving spouse or civil partner or other adult dependant:

	1 eligible child	2 or more eligible children
If a pension is payable to a surviving spouse, civil partner or other adult dependant:	half of your surviving spouse's/partner's pension	the whole of your surviving spouse's/partner's pension, divided by the number of eligible children
If no pension is payable to a surviving spouse or civil partner or other adult dependant:	two thirds of the pension that would have been payable to a surviving spouse, civil partner or other adult dependant on your death	one and one third of the pension that would have been payable to a surviving spouse, civil partner or other adult dependant at your death, divided by the number of eligible children

The Trustees can decide to change the amount of each eligible child's pension, as long as the total amount of the children's pensions stays the same.

The pensions are payable monthly from the date of your death.

The pensions will continue until each child ceases to qualify as an eligible child or their earlier death. They will increase each year by the 12-month increase in the Retail Prices Index to the previous 31 December.

Pensions for other dependants

If you have no surviving spouse or civil partner, the Trustees can decide to pay a pension to another adult financially dependent on you immediately before your death. The Trustees will decide the amount of the pension. It mustn't be higher than the amount of pension that would have been payable to a surviving spouse or civil partner, and will be paid on the same terms.

On your death after retirement

If, sadly, you die within the first five years of your retirement, the Scheme will pay the balance of the first five years of pension payments as a lump sum. However, this wouldn't include any allowance for future pension increases.

- If you die before your 60th birthday and no pension is payable to a surviving spouse, civil partner or other dependant, the value of your **Protected Rights Account** will be added to the lump sum.

Pension for your spouse or civil partner

In most cases, if you're married or in a civil partnership when you die, your spouse/partner will receive a pension for life from the Scheme.

The amount of the pension will be half the pension you were receiving when you died (ignoring any reduction for taking a larger tax-free cash sum at retirement – see page 20). However, if you had left the Scheme and then later started to take a 'deferred pension' the pension is worked out differently. It will broadly be half your deferred pension at the date you left the Scheme, increased, broadly in line with inflation, to your 60th birthday. This would also include any increases made to your pension between your **Normal Pension Age** and the date of your death.

The pension will be payable monthly from the date of your death and will continue for your partner's lifetime. It will broadly increase each year by the 12-month increase in the Retail Prices Index to the previous 31 December. If your pension included GMP benefits which have been converted to non-GMP benefits, some of your pension may receive different pension increases.

Pensions for your children

Your children will receive pensions on your death in the same way as if you'd died in service (see page 35).

The pensions are payable monthly and will start to be paid the month after the last instalment of your pension was paid to you. They'll increase each year by the 12-month increase in the Retail Prices Index to the previous 31 December. They'll continue until each child ceases to qualify as an eligible child or their earlier death.

Pensions for other dependants

If you have no surviving partner, the Trustees can decide to pay a pension to another adult financially dependent on you immediately before your death.

The Trustees will decide the size of the pension. It mustn't be higher than the amount of pension that would have been payable to a surviving spouse or civil partner, and will be paid on the same terms.

If you die before taking your deferred pension

Lump sum

If you die before your deferred pension comes into payment, a lump sum will be paid. The amount payable depends on whether you left the Scheme before or after age 60.

If you left the Scheme before age 60

Contribution rate	6.2%	6%
Lump sum	8 x annual deferred pension increased for inflation up to your 6oth birthday	5 x annual deferred pension increased for inflation up to your 6oth birthday

In both cases, the lump sum will be a minimum of 1.25 times your **Final Pensionable Salary** at the date you left the Scheme.

Also, if no pension is payable to a surviving spouse or civil partner or dependant, the value of your **Protected Rights Account** will be added to the lump sum.

If you left the Scheme after age 60, the lump sum will be equal to five times the annual deferred pension you'd have received had your pension started to be paid on the date you died.

Pension for your spouse or civil partner

In most cases, if you are married or in a civil partnership when you die, your partner will receive a pension for life from the Scheme. Again, the pension payable depends on whether you left the Scheme before or after age 60.

The amount of the pension will be:

- **if you left the Scheme before age 60**
  half of your deferred pension worked out to the date you left the Scheme, and increased as if you had died on your 6oth birthday.

- **if you left the Scheme after age 60**
  half of the pension you would have received if your pension had started to be paid on the date of your death.

The pension is payable monthly from the date of your death and continues for your spouse's/partner's lifetime. It'll broadly increase each year by the 12-month increase in the Retail Prices Index to the previous 31 December. If your pension included GMP benefits which have been converted to non-GMP benefits, some of your pension may receive different pension increases.

Pensions for your children

Your children will receive pensions on your death in the same way as if you'd died in service.

The pensions are payable monthly and will start to be paid the month after the last instalment of your pension was paid to you. They'll increase each year by the 12-month increase in the Retail Prices Index to the previous 31 December. They'll continue until each child ceases to qualify as an eligible child or their earlier death.

Pension for other dependants

If you have no surviving partner, the Trustees can decide to pay a pension to another adult financially dependent on you immediately before your death.

For all members, the Trustees will decide the size of the pension. It mustn't be higher than the amount of pension that would have been payable to a surviving partner or civil partner, and will be paid on the same terms.

Telling us your wishes

The Trustees decide who will receive the lump sum and in what proportions. This ensures that the lump sum will not count as part of your estate for inheritance tax purposes and means it can be paid quickly, without waiting for your estate to be settled.

You should let the Trustees know who you'd like to receive the lump sum by completing an Expression of Wish (also known as a nomination) form. The Trustees will take your wishes into account but are not bound to follow them.

It's also important to update your Expression of Wish details whenever your circumstances change – such as marrying, having children, divorcing, or if someone you've nominated dies.

You can make a nomination or update it through the member portal. Visit **our website**, select the **'Login'** button and go to **See › Expression of Wish**. You can also request a form from the Scheme Administrators. You can find the contact details for the Scheme's Administrators on page 58.

6

What **happens if…**

What happens if... you take maternity leave

While on maternity leave your contributions to the Scheme will be based on the pay you actually receive. Your benefits will be worked out as if you'd continued to receive your normal pay. **Pensionable Service** during your leave is affected as set out below.

- Paid maternity leave – you'll be credited with **Pensionable Service** for this period whether or not you return to work.
- Unpaid maternity leave – you'll only be credited with **Pensionable Service** for this period if, on your return to work,
  - you arrange with the Trustees to make up the missing contributions, or
  - the **Company** agrees that you will be credited with **Pensionable Service** for this period.

Your death in service benefits will cover you throughout your whole maternity leave. If you don't return to work after maternity leave, you'll be treated as having left the Scheme and your leaving date will be the last day of your paid maternity leave.

What happens if... you take paternity leave

While on paternity leave you don't have to pay into the Scheme. Your paternity leave will count as **Pensionable Service** and the Company will pay contributions as if you had continued to receive your normal pay.

Your death in service benefits will cover you throughout your paternity leave. If you don't return to work after paternity leave, you'll be treated as having left the Scheme and your leaving date will be the last day of your paternity leave.

What happens if... you take parental or discretionary leave

While on parental or discretionary leave you don't have to pay into the Scheme.

Any period of parental or discretionary leave you take won't count towards your **Pensionable Service**, although your death in service benefits will cover you during such a period. A deduction for the period will be made to your **Pensionable Service** when you retire or leave the Scheme, whichever is earlier.

If you don't return to work after parental or discretionary leave, you'll be treated as having left the Scheme and your leaving date will be the day before your parental or discretionary leave began.

What happens if... you take adoption leave

While on adoption leave you don't have to pay into the Scheme. Only the period of your paid adoption leave will count as **Pensionable Service** and your benefits will be worked out as if you'd continued to receive your normal pay.

Unpaid extra adoption leave will not count towards your **Pensionable Service**, but your death in service benefits will cover you during the whole of your adoption leave. A deduction for any period of unpaid extra adoption leave will be made to your **Pensionable Service** when you retire or leave the Scheme, whichever is earlier.

If you don't return to work after adoption leave, you'll be treated as having left the Scheme and your leaving date will be the last day of your paid adoption leave.

What happens if... you're absent due to illness or injury or are suspended from duty

If you're absent from work due to an illness or injury or are suspended from duty, your contributions and benefits during this period will be based on the pay you actually receive from your **Employer**. The period of absence will count towards your **Pensionable Service**, for as long as you are paying contributions.

If you receive any pay under the Permanent Health Insurance Scheme of the **Company**, your contributions and benefits will be based on your pay immediately before the period of absence (or on any other amount notified to you as a member of the Permanent Health Insurance Scheme).

You'll continue to be a member of the Scheme during the period of absence up to a maximum period of three years. If you are absent due to ill-health, this can be extended if the **Company** agrees. You'll also be covered for death in service benefits during this period, unless you are absent for over twelve months due to a reason other than ill-health. In this case you won't be covered for death in service benefits unless the Trustees, with the **Company's** consent, decide otherwise.

If you don't return to work within the maximum period of three years (or any extended period agreed by the **Company**), you'll be treated as having left the Scheme and your leaving date will be the last day of the maximum period.

What happens if... you become ill

If you become ill before the age of 55, you may be able to retire on grounds of ill-health and receive an ill-health retirement pension from the Scheme.

Retirement on grounds of ill health and payment of an ill-health retirement pension must be agreed by the Trustees with the approval of Santander UK plc. The Trustees will need medical evidence when considering an application for ill-health retirement. They'll also ask for further medical evidence of continuing ill health after granting you an ill-health pension. If the Trustees later consider that your health has recovered sufficiently for you to be able to work, they may reduce or suspend your ill-health pension.

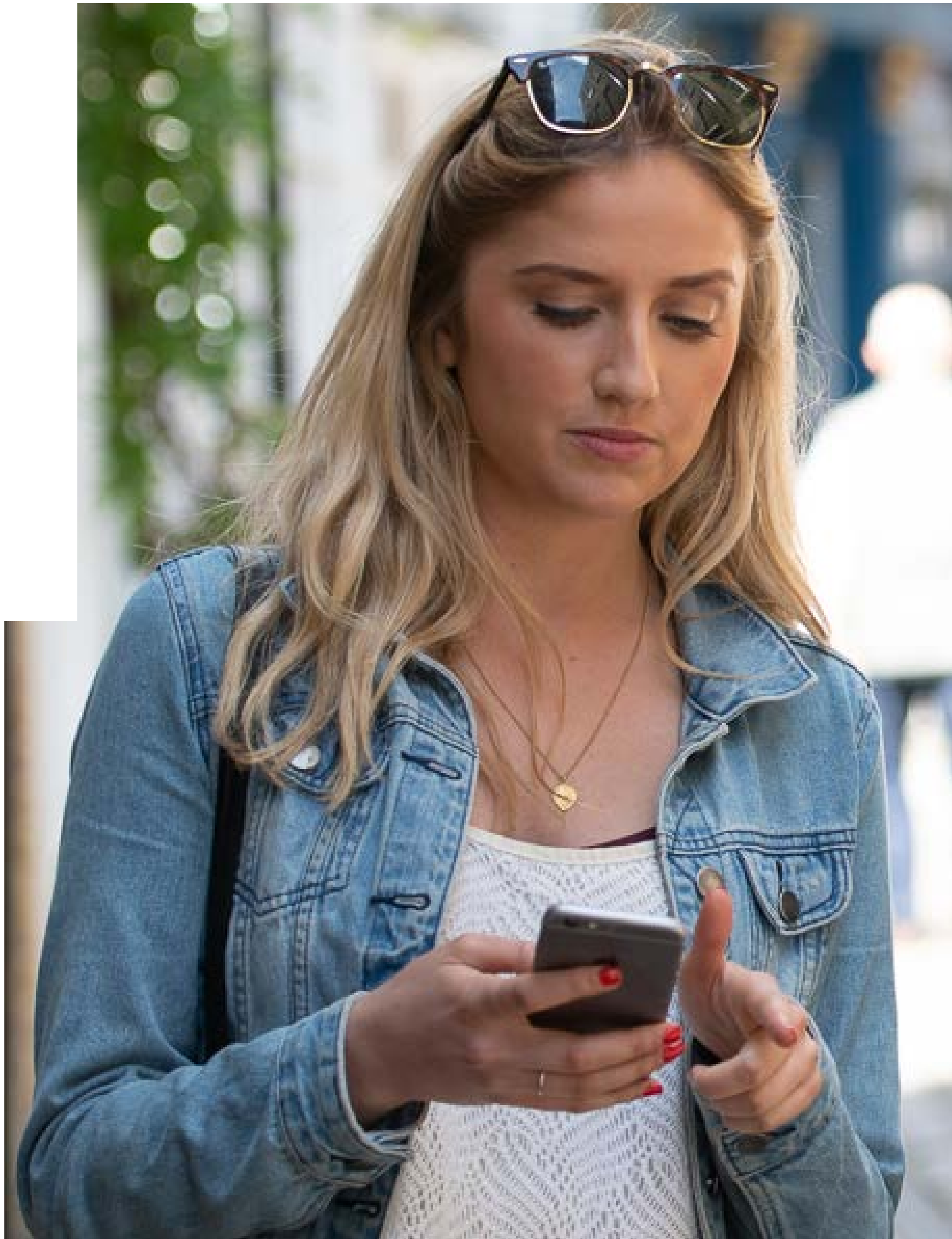
In exceptional cases of serious ill health, it may be possible to pay you a lump sum in lieu of an ill-health retirement pension.

For more information, please get in touch with the Scheme's Administrators.

What happens if... you get divorced or your civil partnership ends

In these circumstances, your pension rights and those of your partner may be taken into account as part of a financial settlement.

The court can direct this to be done in several different ways. Please get in touch with the Scheme's Administrators for a factsheet explaining these.



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What the **State provides**

The State Pension has changed

The State Pension changed on 6 April 2016. The basic State Pension and the State Second Pension (S2P) were replaced with a single flat-rate State Pension for all those reaching State Pension age on or after that date.

The amount of State Pension that you receive depends on your National Insurance contributions record. To qualify for the full amount you need to have 35 years or more of National Insurance contributions or credits. You need to have 10 years to qualify for any amount at all. If you've between 10 and 35 years, you'll receive a proportionate amount.

Contracting out before 6 April 2016

Before 6 April 2016, all company pension schemes had the option to 'contract out' of the State Second Pension (S2P) and the Scheme took up this option. This means you didn't build up any benefits under S2P up to 6 April 2016.

Instead, responsibility for providing you with an extra pension transferred from the State to the Scheme and the Scheme guaranteed benefits that were at least equivalent to, and normally better than, the pension provided by S2P.

Because being contracted-out meant you would receive less pension from the State, you paid a lower rate of National Insurance. This saving helped you to meet the cost of your Scheme contributions.

Alternatively you may have been contracted-out of the S2P through the Scheme on a money purchase basis, before 6 April 2012. This means that you'll have a **Protected Rights Account**, looked after in the Scheme by the Trustees. It reflects the value of your rights arising from the savings in your own and your **Employer's** National Insurance, and certain further payments made by the Government, together with any investment return earned on those amounts.

However from 6 April 2016, contracting-out was abolished. The basic State Pension and the S2P were replaced at that time by a flat-rate single tier State Pension (see the previous page).

If you were in **Pensionable Service** before 6 April 1997, the Scheme provided a minimum benefit called the **Guaranteed Minimum Pension** (GMP). Special rules apply to determine how GMPs were increased where you left **Pensionable Service** before the age at which GMPs were paid (65 for men and 60 for women) . These GMP benefits have been converted to non-GMP benefits so the Scheme no longer has to pay you a GMP.

To find out more about your State Pension, or to ask for a forecast, call the Future Pension Centre on 0800 731 0175 or visit www.gov.uk/check-state-pension

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Running **the Scheme**

The role of the Trustees

The assets and investments of the Scheme are held in a Trust, which ensures that they are completely separate from the assets of the **Company**.

The Trust is looked after by a Trustee company called Santander (UK) Group Pension Scheme Trustees Limited, which has a Board of Trustees. The Board of Trustees is referred to as 'the Trustees' in this guide.

The Trustees are responsible for the proper management of the Scheme and must act in the best interests of all the members.

There are currently ten Trustees; two are independent, four are member nominated, and four are employer nominated.

Handling your personal information

The Trustees are legally responsible for protecting your personal information, and have to comply with the relevant data protection legislation and regulations. The Trustees will process data that relates to you during the course of your Scheme membership, to calculate and provide your benefits.

For the Scheme to run smoothly, your personal information may need to be passed to other organisations, such as the Scheme's Administrators or the Scheme Actuary so that they can carry out specific processes for the Trustees. It may also be passed to the **Company** or the **Employers** for HR management, financial planning and liability management. This may involve your personal information being processed outside the UK.

In all cases, the Trustees will ensure that your personal information is only used in line with their instructions and strict policies on confidentiality, and that all necessary security measures are in place.

The role of the Scheme Actuary

All the pension benefits for members and their dependants are funded by the contributions of members and the **Employers**. These contributions are invested by the Scheme's investment managers.

The Scheme Actuary carries out a valuation of the Scheme at least every three years, when the Scheme's assets are compared to the amount needed to pay all the promised benefits. The results of this process are then used to set the future **Employer** contribution levels, with the aim of ensuring that there'll be enough assets to pay all the benefits due.

If you have a complaint

Complaints or disputes can usually be resolved informally by the Scheme's Administrators or the Santander Central Pensions Unit.

There is also a formal procedure for resolving disputes - the Internal Disputes Resolution Procedure. This involves, as a first stage, the consideration of complaints by the Scheme Pensions Manager and if necessary, as a second stage, consideration of complaints by the Trustees. Details of this procedure are available from the Scheme's Administrators.

The Pensions Ombudsman deals with complaints and disputes which concern the administration and management of occupational and personal pension schemes.

If your dispute cannot be resolved under the formal dispute resolution procedure, you may refer your complaint to the Pensions Ombudsman. Contact details are on page 56.

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Independent help and **information**

Independent help and information on pension matters

The Money and Pensions Service (MaPS)

MaPS is available to assist you with any pensions queries or any difficulties that you've failed to resolve with the Trustees. They are an independent non-profit organisation that gives free information, advice and guidance on the whole spectrum of pensions covering State, company, personal and Stakeholder schemes.

You can contact MaPS by writing to:

Address: Money and Pensions Service, Borough Hall, Cauldwell Street, Bedford MK42 9AP

Telephone: 01159 659570

Website: maps.org.uk/en

The Pensions Ombudsman

The Pensions Ombudsman can investigate and determine any complaint or dispute of fact or law in relation to an occupational pension scheme. The Pensions Ombudsman won't normally investigate a complaint until it has been through the Scheme's formal dispute resolution procedure.

The Pensions Ombudsman can be contacted at:

Address: The Pensions Ombudsman, 10 South Colonnade, Canary Wharf E14 4PU

Telephone: 0800 917 4487

Email: enquiries@pensions-ombudsman.org.uk

Website: www.pensions-ombudsman.org.uk

The Pension Tracing Service

The Pension Tracing Service, run by the Department for Work and Pensions (DWP), holds details of all occupational pension funds. If you need help to trace pension benefits from a previous employer, you can contact:

Address: The Pension Tracing Service, The Pension Service 9, Mail Handling Site A, Wolverhampton WV98 1LU

Telephone: 0345 6002 537

Website: www.gov.uk/find-lost-pension

The Department for Work and Pensions (DWP)

The DWP is responsible for State benefits. They can help you find out about your State benefits and how you can claim benefits.

Their website www.dwp.gov.uk contains information on pensions and savings. You can also check your State Pension by going to www.gov.uk/check-state-pension

Financial Guidance

If you need help with making decisions about your pension benefits or are considering transferring them out, or help with your finances in general, we strongly recommend that you seek advice from an independent financial adviser. In certain circumstances when transferring your benefits, you have to seek such advice (see page 31 for details).

Visit www.unbiased.co.uk for help with finding an adviser in your area.

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Keeping in touch with **the Scheme**

Getting more information about the Scheme

Every year, until you come to take your benefits at retirement, we'll upload an annual benefit statement to the member portal if you're an active member.

Regular newsletters are available to keep you up to date with what's happening in the Scheme and which summarise the Scheme's financial position. Visit **our website**, select the 'Login' button and go to **See › My Documents** to view the newsletters on the member portal.

You can ask the Scheme's Administrators for copies of formal Scheme documents that give more detail about the Scheme, including the annual Report and Accounts, the Actuary's Valuation Report and the Trust Deed and Rules.

The Scheme's Administrators

If you've any queries about the Scheme or your benefits, please get in touch with the Scheme's Administrators:

Email:	SUKGPS@buck.com
Helpline:	0330 678 4782
Address:	The Santander (UK) Group Pension Scheme Gallagher (Bristol) PO Box 319 Mitcheldean GL14 9BF

Please remember

To keep us up to date with any change of address or email address, or change in your circumstances, such as marriage, divorce, or the dissolution of a civil partnership. You can update your details through the member portal. Visit ***our website****, select the* ***'Login'*** *button and go to* ***See › Personal Details****.*

This guide contains a summary of the benefits that may be payable to Girobank members with pre 87 benefits.

The actual benefits payable to you may be different from those set out in the guide. You can find full details of how the Santander (UK) Group Pension Scheme works in the Trust Deed and Rules, the legal document which governs the Scheme. If there is any inconsistency between the Trust Deed and Rules and this guide, the Trust Deed and Rules will be followed.

If you have any questions about your benefits or the Scheme in general, please contact Gallagher, the Scheme's Administrators:

0330 678 4782 | SUKGPS@buck.com

Write: The Santander (UK) Group, Pension Scheme, Gallagher (Bristol), PO Box 319, Mitcheldean GL14 9BF

Please remember to tell us your full name, and National Insurance Number when contacting us.

 Date of issue: July 2019