SIEMENS

PENSIONS

Welcome to the **Investor Plan Guide**

This guide provides a summary of the main benefits of the Investor Plan.

Visit www.siemens.co.uk/mypension

What is the Investor Plan Guide?

This guide provides a summary of the main benefits of the Investor Plan, however it does not cover every aspect.

Full details are contained in the Trust Deed and Rules, which is the legal document governing the Siemens Benefits Scheme, and would override this guide if there are any inconsistencies.

This guide is based on the Trustees' understanding of the current tax rules for pension schemes – these rules have been subject to much change recently and may change again in the future.

Please also note that neither the Trustees, nor Siemens, are able to provide you with financial advice and this guide should not be treated as such. Please see the last page for details of how to get additional help and financial advice.

Some of the terms used in this guide are explained in further detail on page 22.

Contents

Introducing the **Investor Plan**

People are now living longer, healthier lives than ever before, meaning they have the opportunity in retirement to do the things they've always wanted to do. This also means, of course, that they need a comfortable income to be able to afford to live the life they want.

As a member of the Investor Plan (the Plan) you can build up retirement savings while you're working at Siemens, to help you live the life you want in retirement. Membership also gives you, and your dependants, financial protection while you're still working.

Here's a summary of how the Plan works

Joining

Most employees automatically join when joining Siemens.

Contributing

You pay in contributions.
Siemens also pays in to your account.

Accessing

You can currently access your savings from age 55.
The normal retirement age is 65.

Here's how to activate your account online

When joining the Plan, you will receive a letter containing a validation code to activate your account. If you have not received this letter or you joined the Plan some time ago contact Trafalgar House, who will be able to provide you with your activation details.

Once you have completed the online activation, as an active member you have the option to access your account using your PKI. Alternatively, if you would like to access your account outside of the Siemens network or you no longer work for Siemens you can access your account using a username and password.

For any issues with logging on to your account or for password resets please contact Trafalgar House at www2.myworkpension.co.uk/ContactUs.

Key Features

Contributions

- The minimum contribution is 4% from each of the member which is matched by Siemens.
- Your contributions are normally deducted before tax and National Insurance. The maximum contribution from Siemens is 10% of your pensionable salary.
- You can pay more than 10% of your pensionable salary if you choose (although this won't be matched by Siemens).

> More information on page 5

Investments

- Your contributions are automatically invested in the default option (Flexi Access Lifestyle) chosen by the Trustees.
- The Trustees have designed three Lifestyle approaches to cater for different retirement options.
- If you want to choose your own funds, there are 12 Freestyle funds you can invest in.

> More information on page 8

Retirement Options

- You don't have to stop work to access your pension savings.
- You can currently draw money from your fund from age 55.
- You can normally take a quarter of your fund as a tax free lump sum.
- Pension Freedoms give you far more retirement options than ever before: Flexible Access, Traditional Annuity, Cash Out or a combination.
- If you die before accessing your fund, your family and dependants can receive a lump sum (normally paid free of tax) and/or income.

> More information on page 14

Key Features

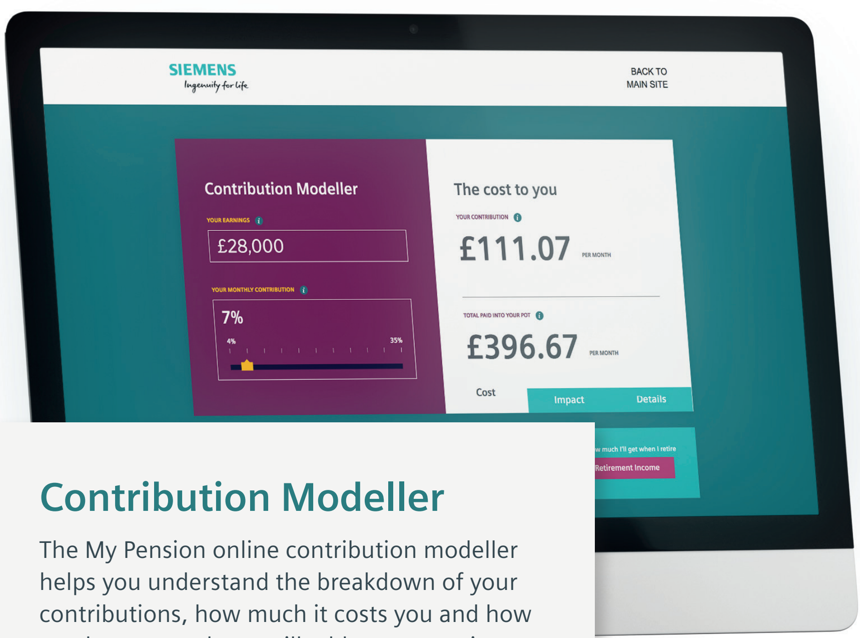
Siemens Contributions

The minimum Siemens contribution is 4%. However, if you are able to pay more Siemens will pay more, as detailed in the table. Siemens contributes up to 10% of your pensionable salary.

From time to time Siemens may agree to pay enhanced contributions to certain members to compensate for changes to their benefits from previous pension arrangements. If this applies to you, contact Trafalgar House for more information.

Your Contribution (%)	The Company Contributions (%)	Total Amount Credited to your Account
4	4	**8**
5	7.5	**12.5**
6	9	**15**
7	10	**17**
8	10	**18**
9	10	**19**
*10+ (AVCs & EDCs)	10	**20**

*More information on page 6



Contribution Modeller

The My Pension online contribution modeller helps you understand the breakdown of your contributions, how much it costs you and how much your employer will add to your savings.

> Open Contribution Modeller

Things to consider

- How much you should put in depends on what you would like to take out at retirement. When setting a target make sure you factor in pensions from previous jobs.
- You can set a target by going to the Investor Plan page, logging in and selecting the 'Change Investments' section.
- You can also factor in the State Pension, which currently starts between 65 and 68 depending on your age.
- **Once you have a target, you need to make sure that your chosen contribution is affordable.**

Contribution considerations

How much will I need in retirement?

If you are already a member of the Investor Plan, use the Pension Planner tool and the Contribution Modeller to see how your chosen contributions affect your net pay and may impact on your benefits at retirement by visiting the Investor Plan page of the My Pension website then logging in.

Then you can factor in your pensions benefits from outside the Siemens Benefit Scheme:

Get a State Pension forecast.

Add any pensions from previous employers by checking your latest benefit statement. If this is not to hand, you can contact your other pension provider(s) to get a current valuation.

I'm looking to change my contribution amount

You can change your contributions at any time during the year through 'My Benefits'.

If you require more information on your contribution amount or My Benefits access, please raise a query via HR Direct. When changing your contributions, you should review where your funds are invested within the Investor Plan.

For more details on your investment options and how your target retirement age can affect your benefits please refer to page 13 of this booklet.

I have an old pension I would like to transfer in

As an active member of the Investor Plan you can make a transfer in request via your online pension account. You can access your pension account on the Investor Plan page of the My Pension website.

I'm thinking of making a contribution above 10%

If you would like to pay more than 10% then you can:

Contribute up to 35% of your pensionable salary by making Employee Directed Contributions (EDCs), you can choose to do this on 'My Benefits'.

You can also make regular or lump sum contributions at any time up to your full monthly earnings (less National Insurance and any other deductions). These are known as Additional Voluntary Contributions (AVCs). You can make or change Additional Voluntary Contributions through 'My Benefits'.

SMART (Save More And Reduce Tax)

Sometimes known as salary sacrifice, your own pension contributions are invested before tax and National Insurance are deducted.

Together with the Siemens contribution your savings are BOOSTED significantly.

You can see your own contribution breakdown by visiting the Investor Plan page of the My Pension website.

Example

If your earnings are £25,000 p.a

£260.42

per month invested only reduces take home pay by

£70.83

Contribution considerations

What is the Annual Allowance?

This is the amount by which your pension savings can increase in value each year without HMRC imposing a tax charge. For the Plan, both your contributions and Siemens contributions count towards the Annual Allowance.

The Annual Allowance is normally £40,000, but if you earn over £200,000 or have flexibly accessed your pension savings it could be less. For the higher earners, the standard Annual Allowance is tapered down from £40,000 to £4,000 if your income is £312,000 or more. Broadly, this is achieved by applying a £1 reduction to the Annual Allowance for every £2 of income over £240,000 (such income being calculated before deduction of your pension contributions but then increased by employer pension contributions).

If you exceed the Annual Allowance, any excess will be taxed at your marginal rate, however, you may be able to carry forward unused relief from previous tax years. Any pension "input" (that is contributions or benefit increases) in addition to contributions to the Plan will also count towards the Annual Allowance. This is a complex area so we would suggest speaking to a financial adviser if this affects you.

> More information

What is Money Purchase Annual Allowance?

The Money Purchase Annual allowance will apply if you have flexibly accessed any of your pension benefits from any scheme since 6 April 2015. This includes:

- taking an Uncrystallised Funds Pension Lump Sum (UFPLS); and
- designating funds for Flexible Access Drawdown (FAD).

For further information on the UFPLS and FAD options refer to page 14.

If you have done so and subsequently make contributions to a money purchase arrangement, you will be subject to the money purchase annual allowance ceiling of £4,000 in relation to your money purchase contributions and an alternative allowance of £36,000 (subject to tapering) in relation to any non-money purchase contributions.

> Further details on Money Purchase Annual Allowance

Investments

These are the options available to you.

Please note, if you don't make a choice you will be invested into the default option: Flexible Access Lifestyle. This is designed to suit a typical member, but it may not be right for you.

12 Freestyle funds

For those that want to make their own investment choices.

To help you choose your investment, there is an interactive decision tree.

> More information

> Open Investment Decision Tree

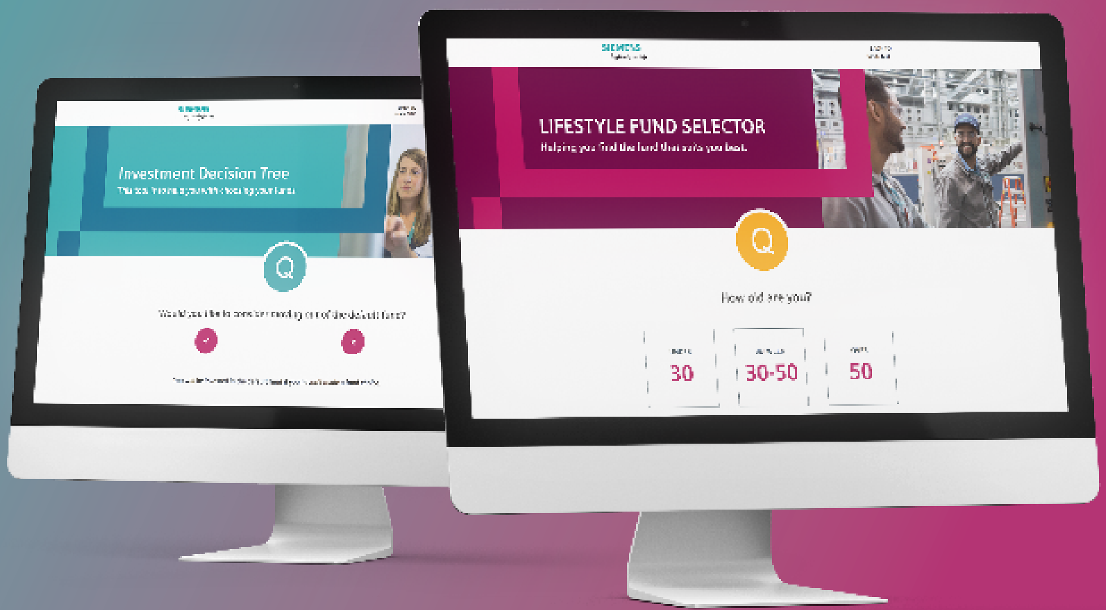
3 Lifestyle options

(including Flexible Access Lifestyle)

For those that prefer to make a limited investment selection. These are tailored to your retirement options.

> More information

> Open Lifestyle Fund Selector



What are the Lifestyle Funds?

The Flexible Access Lifestyle strategy has been designed to provide an investment strategy that is appropriate for the majority of members. It aims to provide you with a good potential for growth earlier on in your savings journey, and then to gradually transfer you to safer investments as you approach your chosen target retirement age.

In order to grow your savings pot, your savings will initially be invested in assets which are exposed to more risks (the Opportunity Fund). This is expected to be rewarded over time, but does mean there is a greater potential for loss in any given year. As this is still early in your savings journey you should have many years left to recover any possible losses.

As you get closer to your target retirement age, your savings will automatically move to less volatile investments (the Balanced and Consolidated Funds), reducing the potential for large fluctuations in your pension savings shortly before you access them.

This is expected to deliver a good outcome for you at retirement, but the Flexible Access Lifestyle isn't necessarily appropriate for all members. Whether it is the right strategy for you will depend on your own personal circumstances.

To cater for members with different requirements, two additional lifestyle strategies are offered.

The Traditional annuity strategy has been designed to provide an investment strategy that is appropriate if you expect to purchase an annuity with your pot at retirement.

The Cash out strategy has been designed to provide an investment strategy that is appropriate if you expect to take your entire pot as cash at retirement.

A range of freestyle funds are also available for you to choose from if you want an investment profile different to that of the default - see the next page.

Flexible Access Lifestyle

Funds used

- Initially 100% Opportunity
- Switching to 75% Balanced / 25% Consolidation as you approach your target retirement age.

Traditional Annuity Lifestyle

Funds used

- Initially 100% Opportunity
- Switching to 75% Annuity Target / 25% Consolidation as you approach your target retirement age.

Cash Out Lifestyle

Funds used

- Initially 100% Opportunity
- Switching to 75% Cash / 25% Consolidation as you approach your target retirement age.

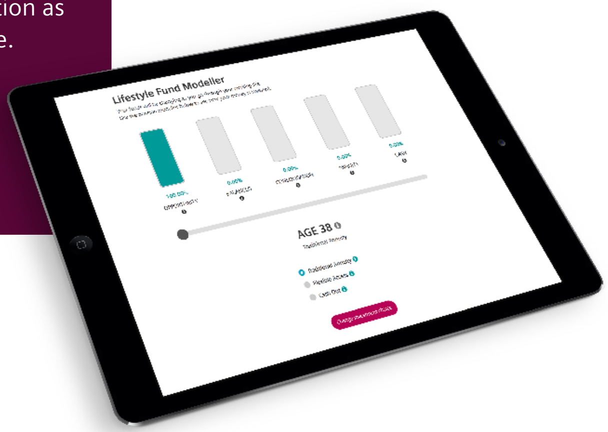
> More fund information

> More information on retirement options

Lifestyle Fund Modeller

Use the Lifestyle Fund Modeller on the My Pension website to see how the makeup of the Lifestyle funds changes as you approach your target retirement age.

> Open Lifestyle Fund Modeller



What are Freestyle Funds?

Funds that give you the freedom to choose and manage your own selections:

6

funds to grow your account over the long term

- Balanced
- Property & Infrastructure
- UK Equity - Index Tracker
- Global Equity - Index Tracker
- Opportunity
- Global Equity Active

> More fund information

4

funds to preserve your account as you near your target retirement age

- Cash
- Inflation Linked Annuity Target
- Annuity Target
- Consolidation

> More fund information

2

funds to grow your account over the long term with options to meet ethical or belief based requirements

- Ethical
- Shariah

> More fund information

What are Passive Funds?

Passive funds are also known as 'index trackers'. An index (eg the FTSE All Share) measures the movement of an investment market and a passive fund will aim to track the performance of the market to reduce the risk of performing worse than the market. However, they do not aim to beat the market even when the market falls.

What are Active Funds?

Active fund managers use their skill and judgement to choose investments they believe will outperform the market. These funds have the potential of better returns than passive funds, but they may also carry the risk of not performing as well. They typically cost more than passive funds.

Growth funds

Name	Method	No of fund managers	No of funds	Annual Management Charge (30/06/2019)*	Risk rating	Invests in	Aims to
Balanced	Active	3	4	0.442%	M1	Global equities Bonds Property Emerging markets Commodities	Achieve a moderate level of long-term growth with significantly less variability in returns than from investing only in equities
Property & Infrastructure	Active 40% Passive 60%	2	3	0.411%	M1	Traded property funds Commercial property	Provide long term growth similar to investing directly in commercial property
UK Equity-Index Tracker	Passive	1	1	0.095%	M2	UK equities	Track the performance of the FTSE All Share Index at low cost
Global Equity - Index Tracker	Passive	1	3	0.102%	M2	Global equities	Match the performance of the markets
Opportunity	Passive 92% Active 8%	2	10	0.167%	M2	Global equities Emerging market eqs Property and infrastructure	Achieve long-term growth that is similar to equities but with less variability in returns
Global Equity - Active	Active	3	3	0.602%	H	Global equities	Outperform the markets

* In addition to the fixed Annual Management Charge there are other variable fund charges. For details of these other charges please go to Fidelity, then click on the fund factsheets. The Annual Management Charge plus the other charges gives the fund's Total Expense Ratio.

Key

Risk rating

Low risk/return — Higher risk/return

L1 L2 M1 M2 H

please refer to Fidelity's fund factsheets for further details

Preservation funds

Name	Method	No of fund managers	No of funds	Annual Management Charge (30/06/2019)*	Risk rating	Invests in	Aims to
Cash	Active	1	1	0.135%	L1	Cash-like securities provided by Government and financial institutions	Match returns from bank deposit accounts
Inflation Linked Annuity Target	Active	1	1	0.135%	L2	Index-linked Gilts Corporate Bonds	Grow in line with inflation and mirror any price changes in index-linked annuities
Annuity Target	Active	1	1	0.135%	M1	Corporate Bonds Gilts	Grow in line with market interest rates and mirror any price changes in fixed rate annuities
Consolidation	Active 70% Passive 30%	4	5	0.332%	M1	Fixed interest, primarily	Achieve stable growth above inflation over the medium-term with low levels of return variability

Ethical & Shariah fund

Name	Method	No of fund managers	No of funds	Annual Management Charge (30/06/2019)*	Risk rating	Invests in	Aims to
Ethical	Active	1	1	0.300%	H	UK equities	Exclude companies which fail to meet the ethical criteria whilst including companies whose business activities are regarded as making a positive contribution to society
Shariah	Passive	1	1	0.045%	M2	Global equities	Invest consistently with specific aspects of Islamic law by mirroring the performance of the Dow Jones Islamic Titans fund

* In addition to the fixed Annual Management Charge there are other variable fund charges. For details of these other charges please go to Fidelity, then click on the fund factsheets. The Annual Management Charge plus the other charges gives the fund's Total Expense Ratio.

Key

Risk rating

Low risk/return — Higher risk/return

L1 L2 M1 M2 H

please refer to Fidelity's fund factsheets for further details

How to make changes to your investment choices

You can make changes to your investment choices through your online pension account at any time. Go to the My Pension website, the Investor Plan page, log in to your account and select 'Your Account' at the top of the page and then 'Investment Selections and Switching'.

Need to knows

- You can choose to select either Lifestyle or Freestyle.
- In Freestyle, you can choose to allocate your contributions as a % between the different funds you want to invest in.
- In Lifestyle, you can change your target retirement age; if you do, this may change how your contributions are invested.

What happens next

- Switches are not instant. The process of selling and re-investing units can take up to 7 working days to complete and 10 working days to be displayed online.
- The switch will take place at the next available opportunity, which will be once regular contributions have been invested or another switch processed. The price of the units may include an allowance for the costs incurred by the manager buying/selling investments.
- We will be unable to switch your investments whilst either your regular contributions are being invested, or another switch is being processed. In the event that you request a switch, whilst a previous transaction is being processed, the switch will be held until the previous transaction is completed and then processed at that time.

I am invested in a Lifestyle - What is my target retirement age and why is this important?

Your target retirement age is the age you are aiming to take your benefits, this is automatically set to 65.

If you are invested in a Lifestyle option, then your target retirement age will be used to work out when to switch your account into lower-risk investment options and retiring at a different time may defeat the objective of your chosen Lifestyle strategy. For example, if you're in Flexible Access Lifestyle and your target retirement age is 65, but you actually retire at 60, your account will still be invested in higher-risk options when you retire, not having had the time to switch to more balanced options. Investing in higher-risk options close to retirement puts your retirement savings at a higher risk of falling in value due to market movement.

> Access the Lifestyle Fund Modeller for more information about how your fund changes as you approach retirement age.

Retirement options

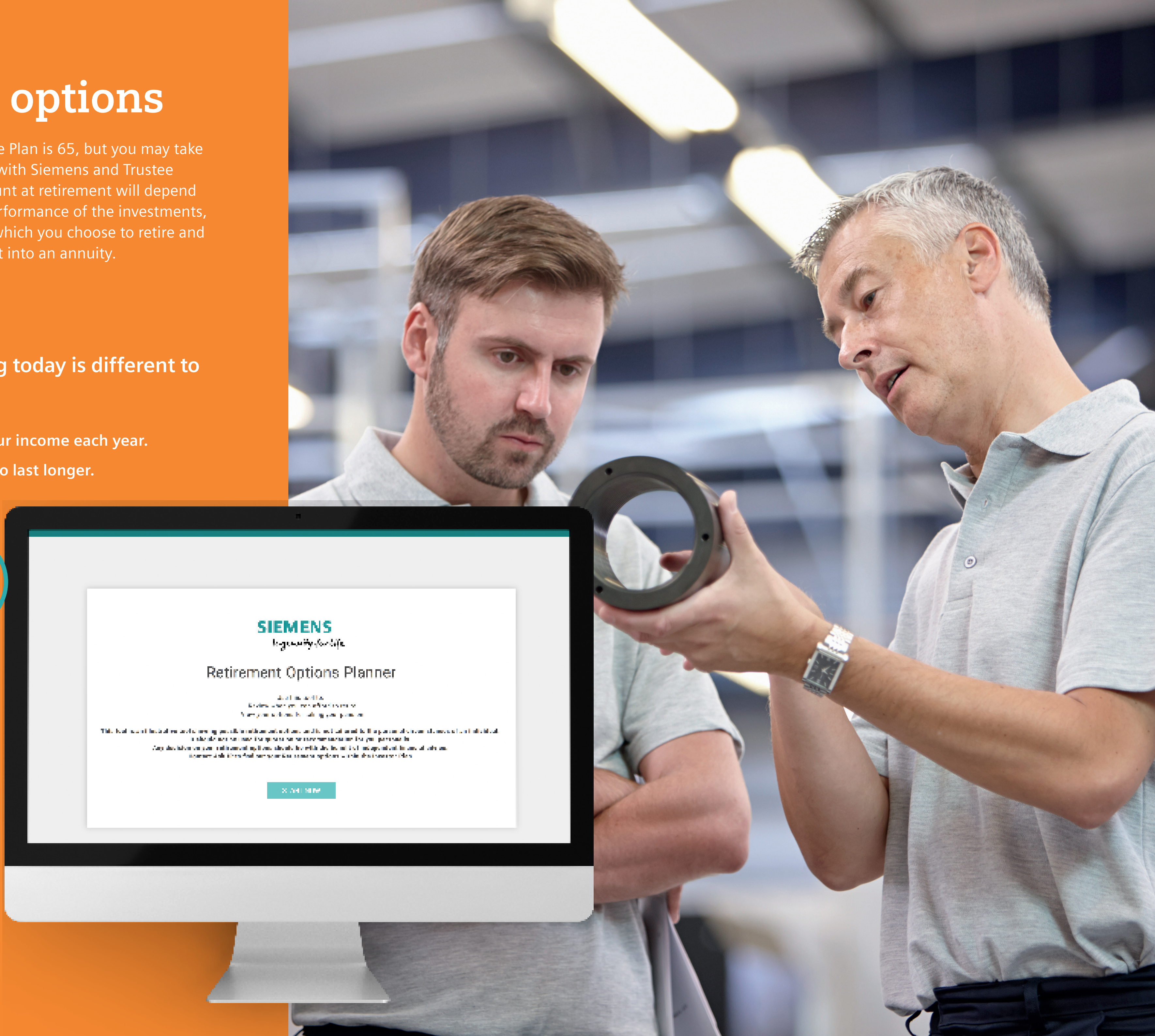
The normal retirement age for the Plan is 65, but you may take benefits earlier or later than this with Siemens and Trustee approval. The value of your account at retirement will depend on the contributions paid, the performance of the investments, any charges payable, the age at which you choose to retire and any cost of converting the benefit into an annuity.

> [Watch the explainer video]

Two reasons why retiring today is different to retiring in the past:

- You may choose to vary your income each year.
- Your fund is likely to have to last longer.

> Open the Retirement Options Planner



A summary of the different options available at retirement

Cash Out - Uncrystallised Funds Pension Lump Sum (UFPLS)

> Watch the explainer video

Do you get tax-free cash?

Yes - up to 25% of each UFPLS paid.

What happens to your savings?

Taking one or more UFPLS payments allows you to take cash from your defined contribution pension savings in lump sum form.

If you choose to use the UFPLS option and take your defined contribution pension savings as a single lump sum, you will have no defined contribution pension savings remaining. You may, however, be able to build up new defined contribution savings (subject to the money purchase annual allowance).

If you choose to take only part of your defined contribution pension savings as an UFPLS, or stagger the payments as multiple UFPLS payments, any of your undrawn defined contribution pension savings will remain invested.

Within the Investor Plan the Trustee currently permits members to take their benefits in up to five UFPLS payments (no more than one in a 12-month period). Please note, this may be subject to change following Company review.

How much income will you get?

This will depend on the amount of defined contribution pension savings you have, or choose to take in UFPLS form, and how you use your UFPLS.

The minimum amount which the Trustee currently permits to be withdrawn from the Investor Plan as an UFPLS is £10,000 or the total value of your Plan benefits, if less.

How much tax will you pay?

25% of each UFPLS will be paid tax free; and you will pay tax on the remainder at your marginal rate.

What are the risks?

Any investments you make with your UFPLS payment(s) could fall and rise in value, as could any defined contribution pension savings which remain invested.

You could live longer than expected and not have enough savings to last the whole of your life.

What happens if you die?

To the extent that you have any defined contribution pension savings which have not yet been taken as an UFPLS when you die, their treatment will depend upon the arrangement in which they are held at that time.

Any remaining defined contribution pension savings still in the Plan which have not been taken as an UFPLS, drawn from a Flexible Access Drawdown fund or used to purchase an annuity, will be paid as a lump sum, but there may be a tax charge. For example, this is likely to apply if you are over 75 when you die, or you have pension savings exceeding the Lifetime Allowance.

The lump sum will be held on discretionary trust and therefore inheritance tax does not usually apply. Whilst we can't guarantee to whom your remaining savings will be paid, the Trustee will have regard to your expression of wish form and, therefore, please ensure this is kept up to date.

1. subject to certain restrictions, the Trustee currently permits you to use a combination of the above options directly from the Plan – please contact Trafalgar House for further information;
2. the options available directly from the Plan may be subject to change at any time;
3. to have greater flexibility than the options the Scheme offers, you may need to transfer your Plan benefits to an alternative suitable arrangement;
4. taking an UFPLS, making a Flexible Access Drawdown withdrawal or starting to receive a pension from an annuity may result in a change to your marginal rate of income tax and so the Trustee recommends that you take regulated financial advice before making any decisions in relation to your Plan benefits; and
5. if you take your defined contribution pension savings in more than one way (e.g. some as an UFPLS and the rest to purchase an annuity), then you should be aware of the death benefits that will apply to each option.

Detailed information about each option can be found on pages 15-17 of this document

A summary of the different options available at retirement

Flexible Access Drawdown

> Watch the explainer video

Do you get tax-free cash?

Yes – generally up to 25% (of the amount designated for drawdown) may be taken tax-free when you designate some or all of your defined contribution pension savings for drawdown.

What happens to your savings?

Designating some or all of your defined contribution pension savings for Flexible Access Drawdown allows you to take an income from those savings which is adjustable.

Any defined contribution pension savings which you have either: (i) designated for Flexible Access Drawdown and not yet drawn; or (ii) not yet designated for Flexible Access Drawdown, will remain invested.

Within the Investor Plan the Trustee currently permits members to take their benefits in up to five Flexible Access Drawdown withdrawals (no more than one in a 12-month period). Please note, this may be subject to change following Company review.

How much income will you get?

This will depend on the value of your defined contribution pension savings and the investment return earned on them. How much you choose to designate for Flexible Access Drawdown, or drawdown from your Flexible Access Drawdown fund, is up to you.

The minimum amount which the Trustee currently permits to be drawn as Flexible Access Drawdown from the Investor Plan is £10,000 or the total value of your Investor Plan benefits, if less.

How much tax will you pay?

The withdrawal you make in excess of the tax-free lump sum will be taxed at your marginal rate.

What are the risks?

Your defined contribution pension savings which remain undrawn and invested could fall and rise in value in line with the performance of the funds you invest in.

You could live longer than expected and not have enough funds to last the whole of your life.

What happens if you die?

To the extent that you have any defined contribution pension savings which have not yet been designated for drawdown when you die, their treatment will depend upon the arrangement in which they are held at that time.

Any remaining defined contribution pension savings still in the Plan which have not been taken as an UFPLS, drawn from a Flexible Access Drawdown fund or used to purchase an annuity, will be paid as a lump sum, but there may be a tax charge. For example, this is likely to apply if you are over 75 when you die (and you had not yet designated your defined contribution pension savings for drawdown), or you have pension savings exceeding the Lifetime Allowance.

The lump sum will be held on discretionary trust and therefore inheritance tax does not usually apply. Whilst we can't guarantee to whom your remaining savings will be paid, the Trustee will have regard to your expression of wish form and, therefore, please ensure this is kept up to date.

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2. the options available directly from the Plan may be subject to change at any time;
3. to have greater flexibility than the options the Scheme offers, you may need to transfer your Plan benefits to an alternative suitable arrangement;
4. taking an UFPLS, making a Flexible Access Drawdown withdrawal or starting to receive a pension from an annuity may result in a change to your marginal rate of income tax and so the Trustee recommends that you take regulated financial advice before making any decisions in relation to your Plan benefits; and
5. if you take your defined contribution pension savings in more than one way (e.g. some as an UFPLS and the rest to purchase an annuity), then you should be aware of the death benefits that will apply to each option.

Detailed information about each option can be found on pages 15-17 of this document

A summary of the different options available at retirement

Annuity

> Watch the explainer video

Do you get tax-free cash?

Yes – generally up to 25% of your pension savings may be paid tax-free around the time of purchasing your annuity.

What happens to your savings?

You exchange some or all of your defined contribution pension savings for a secure income from an annuity provider.

How much income will you get?

This will depend on the amount of defined contribution pension savings you have, or choose to exchange for an annuity, annuity rates at the time and the type of annuity you choose at retirement.

How much tax will you pay?

After the payment of the tax-free lump sum, the pension from your annuity will be taxed at your marginal rate.

What are the risks?

An annuity is a secure income, payable for life or for a fixed number of years, depending on the annuity you purchase. However, it stops being paid when you die, unless you make provision for a spouse's or dependant's pension.

The level of income secured will depend on a number of factors, including the amount of your defined contribution pension savings which you use to purchase the annuity and the annuity rates available. You will lose out on any potential rise in value had you left your defined contribution pension savings invested.

What happens if you die?

Your annuity will cease to be paid when you die unless you purchase an annuity that specifically provides for death benefits e.g. one that provides a dependant's pension on death or pays a lump sum if you die within a certain number of years of retirement.

1. subject to certain restrictions, the Trustee currently permits you to use a combination of the above options directly from the Plan – please contact Trafalgar House for further information;
2. the options available directly from the Plan may be subject to change at any time;
3. to have greater flexibility than the options the Scheme offers, you may need to transfer your Plan benefits to an alternative suitable arrangement;
4. taking an UFPLS, making a Flexible Access Drawdown withdrawal or starting to receive a pension from an annuity may result in a change to your marginal rate of income tax and so the Trustee recommends that you take regulated financial advice before making any decisions in relation to your Plan benefits; and
5. if you take your defined contribution pension savings in more than one way (e.g. some as an UFPLS and the rest to purchase an annuity), then you should be aware of the death benefits that will apply to each option.

Detailed information about each option can be found on pages 15-17 of this document

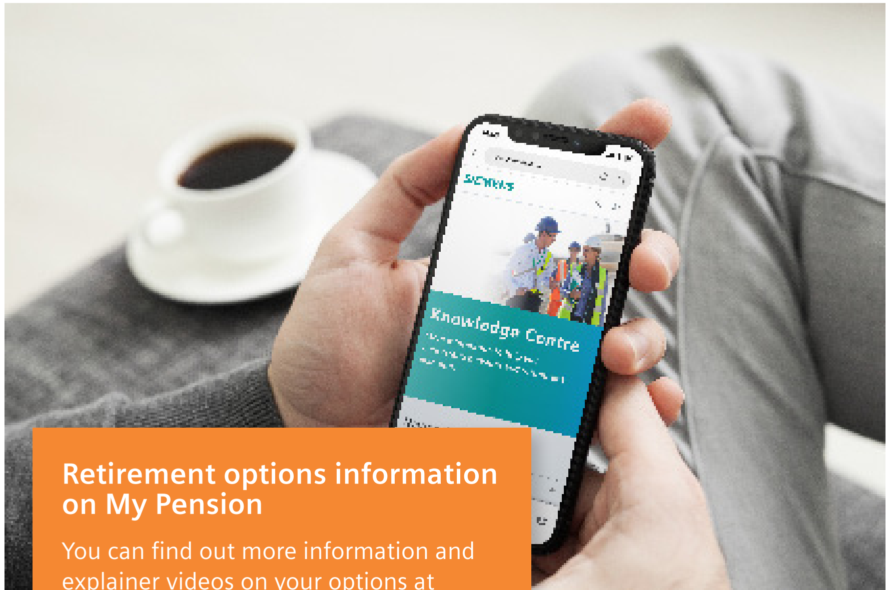
Pre-retirement need to knows

- You don't have to take benefits at your target retirement age.
- You don't have to stop work to take benefits.
- You can use one option or a combination of options.
- You can normally take up to 25% of the fund as a tax free cash lump sum.
- After taking all of your tax free cash, the rest of the fund will be treated as your income and will be taxed at your marginal rate.
- Estimate how long your fund will need to last. > More information
- You have the option of transferring your pension to a new provider, but beware of pension scams. > More information

Two reasons why retiring today is different to retiring in the past:

- **You may choose to vary your income each year.**
- **Your fund is likely to have to last longer.**

I'm in a Lifestyle fund	Time before target retirement age	I'm NOT in a LIfestyle fund
Funds automatically start moving to less volatile investments	25 years	Review your investment choice at least annually
Review which retirement option you might take – are you in the right lifestyle fund?	10 years	Think about moving some of your funds to less volatile investments (see page 13)
Consider seeking advice from Pension Wise or a financial adviser (see the last page)	1 year	Consider seeking advice from Pension Wise or a financial adviser (see the last page)
You will receive a Retirement Options pack	8 months	You will receive a Retirement Options pack
You need to return your form to indicate your chosen option	1 month	You need to return your form to indicate your chosen option



Retirement options information on My Pension

You can find out more information and explainer videos on your options at retirement on the My Pension website.

Pension wise

Pension Wise offer free and impartial government guidance about your defined contribution pension options.

As you approach your target retirement age, you are eligible to receive free, impartial guidance from Pension Wise to help you understand your retirement options.

Pension Wise can explain what options are available and helps pension scheme members think about how to make the best use of pension savings. It provides information about the tax implications of different options, and has tips on getting the best deal, including how to shop around.

The Pension Wise service can be accessed online by visiting www.pensionwise.gov.uk, and by telephone on 0300 330 1001, between 8am and 10pm every day). You can book a face to face appointment online or over the phone (face to face appointments will normally be held at your local Citizens Advice Bureau).

Pre-retirement need to knows

Please note that if you are planning to take your pensions savings using a combination of options, then you should be aware of the death benefits that will apply to each option. If you are considering using a combination of options, please contact Trafalgar House for more details.

There will be a tax charge on any remaining benefits in the Plan if you are over 75 when you die. Other circumstances where you may have a tax charge are if your pension savings exceed the Lifetime Allowance or the Annual Allowance.

Inheritance tax does not usually apply as death benefits paid from the Plan are held on discretionary trust. Whilst you can't guarantee to whom your remaining savings will be paid, the Trustees will have regard to your expression of wish form and, therefore, we recommend that these are kept up to date.

Should you die after starting to draw benefits from the Investor Plan there may be a tax charge. Examples will include; if you are over 75 when you die or you have pension savings exceeding the Lifetime Allowance.

If you have previously drawn part of your benefits from the Plan, the minimum death benefit payable upon your death will be six times your Death Benefit Salary minus those benefits previously drawn revalued by 5% per annum compound to your date of death. For example, if you flexibly accessed £20,000 of your plan, upon your death this figure would be increased by 5% per annum to your date of death. This re-valued amount would then be deducted from the 6 x Death Benefit Salary figure to provide the death benefit value.

You can nominate your beneficiaries by visiting the Investor Plan page of the My Pension website then logging in.

"I'd like to retire early"

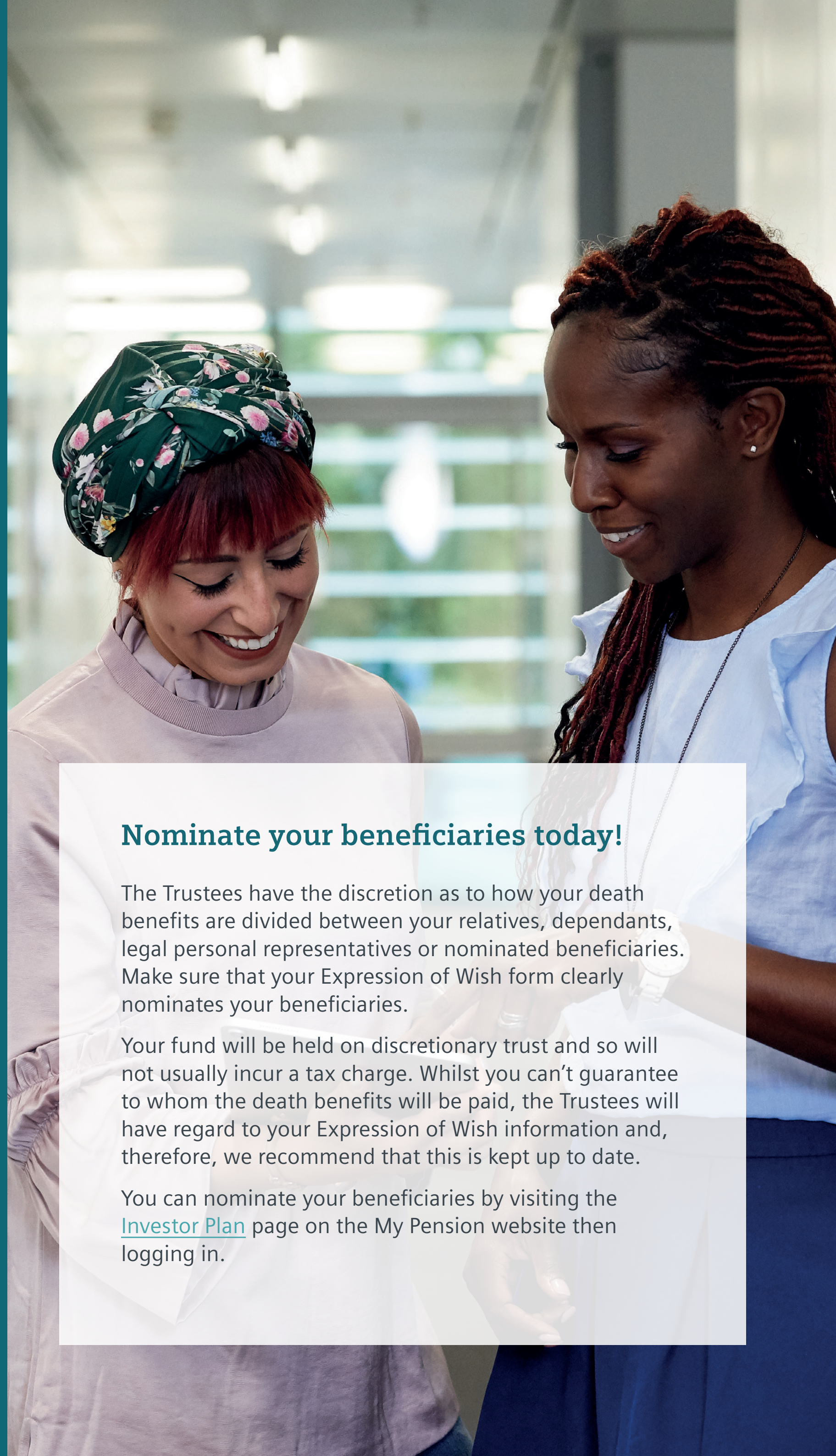
You can currently access your savings from age 55.

"I'd like to retire at an age other than 65"

You can leave your fund invested. If you're thinking of retiring later than age 65, consent from Siemens may be required.

"I'm in ill health"

If you can't do your job and are an active member, Siemens may make an extra contribution on your behalf and you may be able to access your savings before age 55.



Nominate your beneficiaries today!

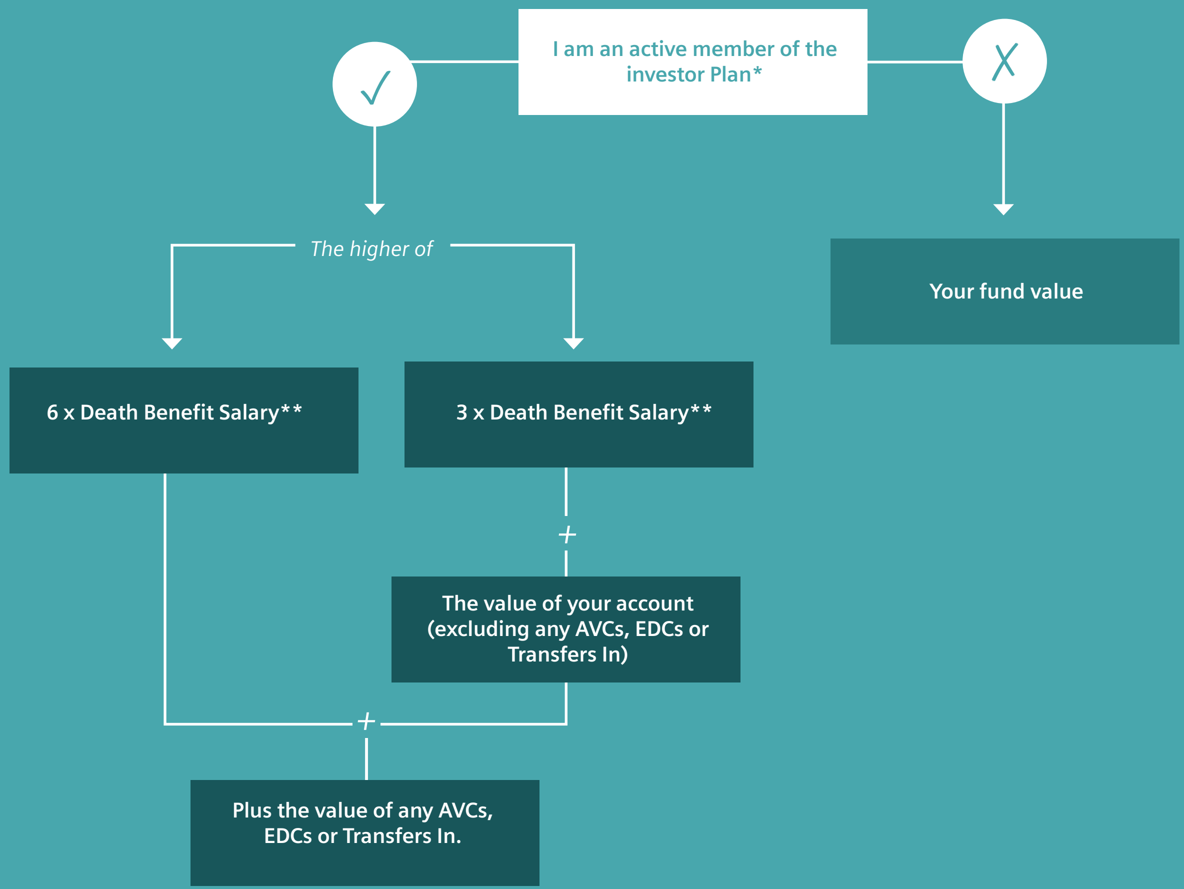
The Trustees have the discretion as to how your death benefits are divided between your relatives, dependants, legal personal representatives or nominated beneficiaries. Make sure that your Expression of Wish form clearly nominates your beneficiaries.

Your fund will be held on discretionary trust and so will not usually incur a tax charge. Whilst you can't guarantee to whom the death benefits will be paid, the Trustees will have regard to your Expression of Wish information and, therefore, we recommend that this is kept up to date.

You can nominate your beneficiaries by visiting the Investor Plan page on the My Pension website then logging in.

Death benefits

Please follow the appropriate path...



The Trustees may decide to use part or all of the death benefits to provide a pension for a dependant.

*If you are made redundant, remain unemployed and die within 12 months of being made redundant, you will still be covered for the death benefits detailed, provided that you keep your benefits within the Plan.

** Death Benefit Salary is your basic fixed annual pay (excluding overtime) at date of death or leaving pensionable service, if earlier, and the bonus and commission payments received in the 12 months before date of death, or leaving. Alternatively, it could be the same calculation in any previous period of 12 consecutive months in the last 10 years, if that produces a higher amount. For members of 'My Benefits' it also includes an amount equal to the reduction in your pay as a result of the salary conversion process.

Change in circumstances

What happens if I leave Siemens before I retire?

If you stop being an active member, provided you have at least 30 days' Pensionable Service you can either:

1. leave the fund invested until you are ready to take benefits (See page 14 for details of the retirement options available to you); or
2. transfer your fund to another registered pension arrangement at any time. Go to the Investor Plan page of the My Pension website, log in to your online pension account and then select the Transfer Out quote option.

* Further information in relation to transferring benefits out of the Plan, or your options for deferred benefits, are available from Trafalgar House.

Are you retiring through ill-health?

If you have to retire because of ill-health, you may be entitled to receive your retirement benefits early.

If you are an active member/still employed by Siemens and you are retiring because your illness prevents you from undertaking any form of work in the future, Siemens will credit your account with between 4% and 6% of the pensionable salary you earned in the previous 12 months for each year between your ill-health retirement and age 65.

The exact percentage will depend on the contributions you made in your last 12 months of pensionable service. If you had contributed 4%, Siemens credit would be 4%, if 5% it would be 5%, and if you contributed 6% or more, it would be 6%.

If you are retiring because your illness means you could not carry on doing your current job, but might be able to do another job, Siemens will credit your account with 4% of the pensionable salary you earned in the previous 12 months, for each year between your ill-health retirement and age 65.

You then use your account to take your choice of retirement benefits in the same way as for normal retirement at age 65.

Serious ill-health: if your life expectancy is seriously reduced, the whole of your account (including Siemens credits) may be paid as a cash sum. Please note, this would not be taxed in the same way as the cash lump sum option at retirement and, if paid before you reach age 75, will be tax free providing the amount is below the Lifetime Allowance. If it is paid after age 75, a 45% tax charge will apply.

I'm not leaving Siemens, but I'd like to leave the Plan

You can opt-out of the Plan at any time but don't forget you will be giving up valuable benefits, so you might want to take independent financial advice. You may choose to re-join the Plan at any time. Government legislation requires us to 're-enrol' you every 3 years; you can of course opt out again.

I'm on paid family leave, what happens to the Plan?

You pay contributions based on your actual pay. Siemens will pay the balance between your actual contributions and those you would have made before the period of absence (including matched contributions up to 10%). This is to ensure that the total amount credited to your account will remain what it would have been if you had not been absent.

I'm on unpaid leave, what happens to the Plan?

No contributions will be paid, but if Siemens allows you to make up your contributions on your return to work, Siemens will pay matched contributions.

Auto enrolment

The law requires that every employer must automatically enrol workers into a workplace pension scheme if they are aged between 22 and State Pension Age and earn more than £10,000 a year.

Once you have been automatically enrolled into the Investor Plan, Siemens will write to you to confirm this and will provide instructions on how to opt out if you prefer. You will have one month from the date we notified you to opt out under the legislation. If your opt out request is received within the one month deadline, your membership from the plan will be unwound and your contribution will be refunded to you through payroll.

Legislation requires that all Schemes have a defined re-enrolment date, which must occur every three years and for the Investor Plan this is July. Therefore, in July every three years (NB. The most recent re-enrolment date was July 2019), Siemens will issue communications advising that employees 'may' be in scope to be assessed during that July pay-run for the three yearly pension enrolment. This date applies regardless of the individual employee's opt-out anniversary.

Please note that this legislation also means that employees who are auto-enrolled cannot be given the opportunity to opt out before they have been opted in, which is why it is standard practice that a member would receive a deduction in the month they are re-enrolled. This is not a Siemens decision.

In August, after being re-enrolled, an employee can opt out of auto-enrolment again. Provided that they return the Auto-Enrolment Opt Out form within the time-frame of one month, they can receive a refund.

If you require any further information on Auto-Enrolment, please contact Trafalgar House.

Change in circumstances

What does the Plan cost?

All administration costs are currently met by Siemens but you will meet the costs of the investment option you choose. Each option has an Annual Management Charge and this is stated in the Investment section on pages 11 and 12 of this guide.

Please note charges can change at any time, for the latest information please go to Fidelity, then click on the fund factsheets.

Is there a cost to switch investment choices?

Siemens currently meets all administration charges. However, the Trustees reserve the right to introduce charges for members who make frequent changes. In unusual circumstances (such as when many people want to move out of a particular fund), switching funds may incur indirect costs. This is because investment managers can reflect the costs of buying and selling assets in the fund's pricing.

What happens if I'm getting divorced?

Pension rights are normally taken into account as part of a couple's assets. There are a number of options available to the court in dealing with pension rights. We will comply with any instructions from the court. If you need more divorce related pension information, please contact Trafalgar House.

What if there is a major stock market event before my investment fund switch is processed?

The Trustees and Siemens cannot be held liable for the adverse impact of market movements that take place at any time.

What is the Trustees' role?

The Trustees' role is to run the whole of the Siemens Benefits Scheme, making decisions on behalf of members, ensuring that the Plan is operated in accordance with the rules and within the law.

The Trustees are also responsible for selecting and monitoring the investment funds available in the Investor Plan and making changes to these where appropriate. However, as a member of this Plan, it's up to you to choose how much you contribute and how you invest your contributions within the range of options available to you.

What should I do if I have a complaint?

If your complaint cannot be resolved by Trafalgar House, there is a two-stage formal process for resolving disputes:

1. Write to the Secretary to the Trustees at Pension Services, PO Box 131, Blyth, NE24 9FB. You will receive a response within a month.
2. If you are not satisfied with the Secretary's decision, you can write to the Trustees at the above address. You must write within six months of the Secretary's decision. Your complaint will be considered at a Trustee Board Meeting and these are held quarterly. You will receive a letter following the meeting explaining the outcome. So, when you can expect a response depends on when your complaint is received.

If you are not satisfied by the result of the internal procedure you can contact The Pensions Ombudsman. Their contact details are on the last page of this guide.

What is Pensionable Salary?

Your basic pay plus any bonuses and commission paid, plus for members of 'My Benefits' an amount equal to the reduction in your pay as a result of the salary conversion process. Overtime is not included in the calculation of pensionable salary.

What is Pensionable Service?

Any continuous period in years and complete months during which you were an active member of the Investor Plan. Pensionable service ceases at your date of leaving or opting out of the Plan.

What are EDCs and AVCs?

These are contributions you choose to make into the pension Plan. They stand for Employee Directed Contributions and Additional Voluntary Contributions. More information on these is available on 'My Benefits'.

What is the Plan's status?

The Plan is registered with HM Revenue & Customs, so the advantages shown above apply under current regulations. In return for these tax concessions, HM Revenue & Customs sets rules that apply to pension benefits and contributions. The Annual Plan report can be supplied to you on request.

Change in circumstances

What is the Annual Allowance?

This is the amount by which your pension savings can increase in value each year without HMRC imposing a tax charge. For the Plan, both your contributions and Siemens contributions count towards the Annual Allowance.

The Annual Allowance is normally £40,000, but if you earn over £200,000 or have flexibly accessed your pension savings it could be less. For higher earners, the standard Annual Allowance is tapered down from £40,000 to £4,000 if your income is £312,000 or more. Broadly, this is achieved by applying a £1 reduction to the Annual Allowance for every £2 of income over £240,000 (such income being calculated before deduction of your pension contributions but then increased by employer pension contributions). If you exceed the Annual Allowance, any excess will be taxed at your marginal rate, however, you may be able to carry forward unused relief from previous tax years.

Any pension "input" (which includes not only pension contributions but also benefit increases accruing under a defined benefit scheme) in addition to contributions to the Plan will also count towards the Annual Allowance. This is a complex area so we would suggest speaking to a financial adviser if this affects you. More information

What are equities?

Equities are also known as shares, because they are a share of the ownership and profits of a company. UK equities are shares in companies listed on the UK stock exchange, whereas Global equities are a share in an overseas company that could be based anywhere around the world.

What are gilts and corporate bonds?

They are fixed or index-linked interest investments, which are loans to Governments and companies in exchange for a return. Gilts are loans to the UK Government; corporate bonds are loans to companies.

Am I able to transfer other pension savings into the Plan?

As an active member, you may be able to transfer-in benefits from another occupational pension scheme or from a personal pension. To find out more information, contact Trafalgar House or go to the Investor Plan page of the My Pension website, then log in to your online pension account.

What is the Lifetime Allowance?

HMRC imposes a limit on the total value of pension benefits that you can build up without incurring a tax charge during your lifetime, including your Plan benefits and benefits from other pension arrangements, except those from the State.

When you take any benefits from the Plan, their value will be checked against your available Lifetime Allowance. The Lifetime Allowance is £1,073,100 and has been frozen at this level until tax year 2025/26.

Benefits built up above the Lifetime Allowance will be taxed, currently at an overall rate of 55% if paid out as a lump sum. If you think that you may be affected by the Lifetime Allowance charge, we recommend that you speak to a financial adviser.

Thinking of making a contribution above 10%?

If you would like to pay more than 10% then you can:

Contribute up to 35% of your pensionable salary by making Employee Directed Contributions (EDCs), you can choose to do this on 'My Benefits'.

You can also make regular or lump sum contributions at any time up to your full monthly earnings (less National Insurance and any other deductions). These are known as Additional Voluntary Contributions (AVCs). You can make or change Additional Voluntary Contributions through 'My Benefits'.

Visit the 'My Benefits' website for further details. For more details please refer to page 6 of this guide.

Where to get help

The My Pension website has lots more information about the Plan. However, if you have a specific question or need help with retirement planning generally you can contact.

Member Services Team

Email: siemens@thpa.co.uk

Post: PO Box 131, Blyth, NE24 9FB

Telephone: 0203 985 3079

Financial Advice

www.moneyadviceservice.org.uk

Neither the Trustees or Trafalgar House are authorised to give financial advice or to advise you on what might be best for your personal situation. If you are unsure about what to do, you should think about speaking to a financial adviser. The Money Advice Service can help you find a qualified adviser near you. Go to their website and search for 'Financial Advice'. Please be aware that a financial adviser may charge you for their services.

The Pensions Regulator

www.thepensionsregulator.gov.uk

The Pensions Regulator regulates UK work-based pension schemes. It aims to protect the benefits that members build up and promote the good administration of work-based pension schemes. The Pensions Regulator may intervene in the running of schemes where trustees, managers, employers or professional advisers have failed in their duties.

Email customersupport@tpr.gov.uk, phone 0345 600 7060, or write to Napier House, Trafalgar Place, Brighton BN1 4DW.

The Money and Pensions Service

www.moneyandpensionsservice.org.uk

The Money and Pensions Service is available at any time and can help members and their beneficiaries with any questions about any pension arrangement they may have, or any difficulty that they have failed to resolve with the Trustees or administrators of that arrangement. Phone 0800 011 3797, or write to Money and Pensions Service, 120 Holborn, London EC1N 2TD.

The Pensions Ombudsman

www.pensions-ombudsman.org.uk

The Pensions Ombudsman may investigate and determine certain complaints or disputes about pensions that are referred to the Ombudsman in accordance with the Pension Schemes Act 1993. E-mail enquiries@pensions-ombudsman.org.uk, or phone 0800 917 4487, or write to 10 South Colonnade, Canary Wharf E14 4PU.

ICO (Information Commissioner's Office)

www.ico.org.uk

The ICO is the UK's independent authority set up to uphold information rights in the public interest, promoting openness by public bodies and data privacy for individuals. Email: casework@ico.org.uk, phone 0303 123 1113, or write to Head Office: Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.

Retirement Guidance

www.pensionwise.gov.uk

From age 50, you are eligible for free, impartial guidance from Pension Wise. Phone 0800 138 3944 (8am to 10pm every day). You can also book a face-to-face or telephone appointment.

Your privacy is important to us!

Siemens Benefit Scheme – Full Privacy Notice

This statement explains how we collect, use, share and store your personal data.

> View the statement

SIEMENS

Contact us

Email: siemens@thpa.co.uk

Post: PO Box 131, Blyth, NE24 9FB

Telephone: 0203 985 3079

Visit www.siemens.co.uk/mypension