

Other Information

State Benefits

State benefits Your basic State pension will be due in addition to your benefits from the Plan. If you reached State Pension Age before 6 April 2016, you may also receive the State Second Pension. [If you were contracted out of the State Second Pension for any period of your scheme membership, this will be reduced.] The Government introduced changes to State pensions from April 2016, including the introduction of a single flat rate State pension. If you reach State Pension Age on or after 6 April 2016 you will receive the new State pension. [If you were contracted out of the State Second Pension for any period of your scheme membership, this may be reduced.] The new State pension is due from State Pension Age. For the 2023/24 tax year, the full State pension is:

» £10,600.20 a year.

Payment of a full State pension depends on your record of National Insurance (NI) contributions. There are transitional provisions for those who have built up qualifying years to 6 April 2016. State pension age is currently 66 for both men and women. It will increase in stages to reach age 68 by 2046, although this is currently under review and may be brought forward. For more information on your State pension and the proposed changes, including details of how to get a State pension estimate – go to www.gov.uk/browse/working/state-pension.

Lifetime allowance

Up until 5 April 2024, this was a limit on the total value of pension benefits that you could build up tax-efficiently during your Lifetime. Any benefits taken from the Plan up to 5 April 2024 will be checked against your available Lifetime allowance. The Lifetime allowance for the 2023/2024 tax year was £1,073,100. Following the Spring Budget 2023, the Lifetime allowance charge was abolished from 6 April 2023. Therefore, if your total benefits are more than the Lifetime allowance during the 2023/2024 tax year, you will have to pay tax at your marginal rate of income tax on the benefits in excess of the Lifetime allowance. The Lifetime allowance takes into account all of your UK pension benefits, including those built up with other employers or in other pension plans, so it's important that you keep track of all the benefits you are building up. From 6 April 2024, the LTA was abolished and replaced with a new lump sum and death benefit allowance in respect of benefits taken after 5 April 2024.

Annual allowance

The level of pension savings you can have each year that benefit from tax relief is known as the 'Annual allowance'. If your pension savings in all your pension arrangements in a given tax year is more than the Annual allowance, you will pay a tax charge on the amount over the Annual allowance, called the Annual allowance charge. The Annual allowance for the 2023/2024 tax year is £60,000, but is reduced for individuals with a 'threshold income' over £200,000 and an 'adjusted income' over £260,000. A reduction of £1 for every £2 of income in excess of £260,000 will apply, with a maximum reduction of £50,000 to £10,000. Income will also include

employee and employer pension contributions plus any taxable income other than from employment. The amount of pension savings in a particular scheme is worked out for a period known as the 'pension input period' (PIP) which is aligned with the tax year. The total pension savings amount includes savings made in all your pension arrangements for any given tax year. If the pension savings exceed the Annual allowance you may be able to use any unused Annual allowance available from the previous three tax years to increase the allowance available for the current tax year. This is known as 'carry forward'.

Any tax will be charged at your marginal rate of income tax and you must notify HMRC directly on your self-assessment tax return if you are liable to pay the Annual allowance charge.

If your pension savings in the Plan exceed £60,000 for the 2023/2024 tax year, you will automatically be sent a separate statement showing the pension savings in the Plan, together with the equivalent amounts for the previous three years.

If you have pension savings in more than one pension scheme and you think that your total pension savings from all your pension schemes will exceed the Annual allowance, you may request a pension savings statement for the Plan by contacting the administrator.

From 6 April 2015 the Government introduced increased flexibility over how members can take their benefits. This allows members the option of taking all or part of their account as a lump sum or using a 'flexible-drawdown' arrangement. This is available. If you take your benefits in this way, your Annual allowance in relation to your defined contribution benefits will be restricted to £10,000. You must tell us if you have taken any benefits in other schemes using these new flexible options and your provider will tell you at the time you take your benefits if this applies.

Please note that we have not looked at the effect of the Lifetime allowance or Annual allowance on your personal tax position. If you think you might be affected, you should contact an impartial FCA-regulated financial adviser.

You can visit www.moneyhelper.org.uk/en/pensions-and-retirement to help you find a suitable financial adviser.

Find out more about how you can use your money

If you are over age 50 and you want to know more about your options at retirement, you can also get help from Pension Wise, a free service from the government. Call them on 0800 138 3944 or visit www.moneyhelper.org.uk/pensionwise. This statement points you to information on our website. If you visit the website, you'll be shown how to get the information you need. If you can't access the website, or would like some of this information in writing, get in touch, and we'll post it to you.

Beware of pension scams

If you are thinking about transferring your pension benefits, please read the Financial Conduct Authority's online 'Scamsmart – Avoid investment and pension scams' information leaflet which is available on the Trustee website www.gskpensions.co.uk. More information on Scamsmart can be found at: www.fca.org.uk/scamsmart.

The Pensions Administration Team

If you have any questions, please contact the GSK Pensions Administration Team.

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Alternatively you can visit www.epa-lowers-watson.com/accounts/gsk/