

# Making the most of your workplace savings

Helping you achieve financial  
freedom through future planning



You might feel you're on track for the income you'll need, for the retirement lifestyle you'll want, or you might think you've a bit more work to do.

Wherever you are in your journey, we want to make it as easy for you as possible. So, we've created this guide to help you get the most out of your workplace savings.

You'll find simple steps to take and lots of tips to help you.

#### **Why Aegon?**

Your employer has chosen us to provide your workplace pension. We have a wealth of experience managing workplace schemes and we already support over 9,000 employers and manage the savings of around 980,000 scheme members (as at 31/12/2023).

Our mission is to help you achieve a lifetime of financial security and make financial planning simple, easy and fulfilling, something we have been doing in the UK since 1831. To find out more about us please visit [\*\*aegon.co.uk\*\*](https://aegon.co.uk)

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If your personal circumstances mean you need any additional support, or if you'd like a large print, Braille or audio version of this document, please visit [aegon.co.uk/support/additional-support](https://aegon.co.uk/support/additional-support) or call 03456 081 680 (call charges will vary).

# Your path to retirement

Your pension pot could be your most valuable asset when you reach retirement. Actively engaging with your plan can help you make the most of your savings and increase the chances of seeing your pension pot grow over time.

Regularly reviewing your retirement goals and considering your options in advance can also help you feel more in control – which can help to give you reassurance your retirement plans are on track.

## Here's what you can do to make the most of your workplace savings



### Review your contributions

Knowing how much you're saving and regularly reviewing your contributions can help make sure they're in line with the income you'll need for the retirement lifestyle you'll want.

See page 5



### Review your investment funds

The funds you choose to invest your savings in will have a direct impact on the amount you'll have to live on in retirement.

See page 8



### Find out if combining your pension pots is right for you

Combining different pension pots isn't for everyone. But if it's the right thing for you, it can make managing your pension savings much easier.

See page 9

## ★ Top tip

Review your pension savings regularly, at least once a year. This can help you manage your retirement goals and stay on track for the retirement lifestyle you'd like to achieve.



☆ **Top tip**

Remember, the more you pay into your pension pot, and the earlier you pay it in, the more potential it has to grow in value.

## Your pension contributions

**If you haven't taken a look at your pension savings for a while – the sooner you do the better. Planning now could potentially help you save more for your future.**

Knowing what lifestyle you're aiming for in retirement will help you to make more informed decisions. Even if your current finances aren't in the best shape, that doesn't mean they have to stay that way.

### **Review your contributions regularly**

Just like you may do with your other finances – such as bills, insurance premiums or savings accounts – we recommend that you take a look at your pension contributions too. It's good practice, and by doing this, you can check that your savings are in line with your goals as your needs and finances change.

There might be times that prompt you to review your contributions, such as getting a pay increase at work, changing financial circumstances or even new hopes for how you'd like to spend your retirement.

### **Know if you're saving enough**

The amount of money you contribute to your pension pot will directly determine the type of lifestyle you could have in retirement – that's why it's important to estimate how much money you're likely to need. This will depend on your personal circumstances, any other income you may receive and the way you'd like to live.

Take a look at our retirement income calculator at [retiready.co.uk/retirement-income-planner/retirement-income-calculator.html](https://retiready.co.uk/retirement-income-planner/retirement-income-calculator.html) – it helps you to understand what the impact on your future income could be, if you changed your current contributions.



## How you could boost your pension pot

If you find you aren't on track, or could afford to save more, there are a few ways you could boost your pension pot.

- By making one-off contributions, such as if you've had a bonus or unexpected income.
- Increasing your regular monthly contributions.
- Using part of your salary, known as salary sacrifice.

The value of an investment can fall as well as rise and isn't guaranteed. The final value of your pension pot when you come to take benefits may be less than has been paid in.

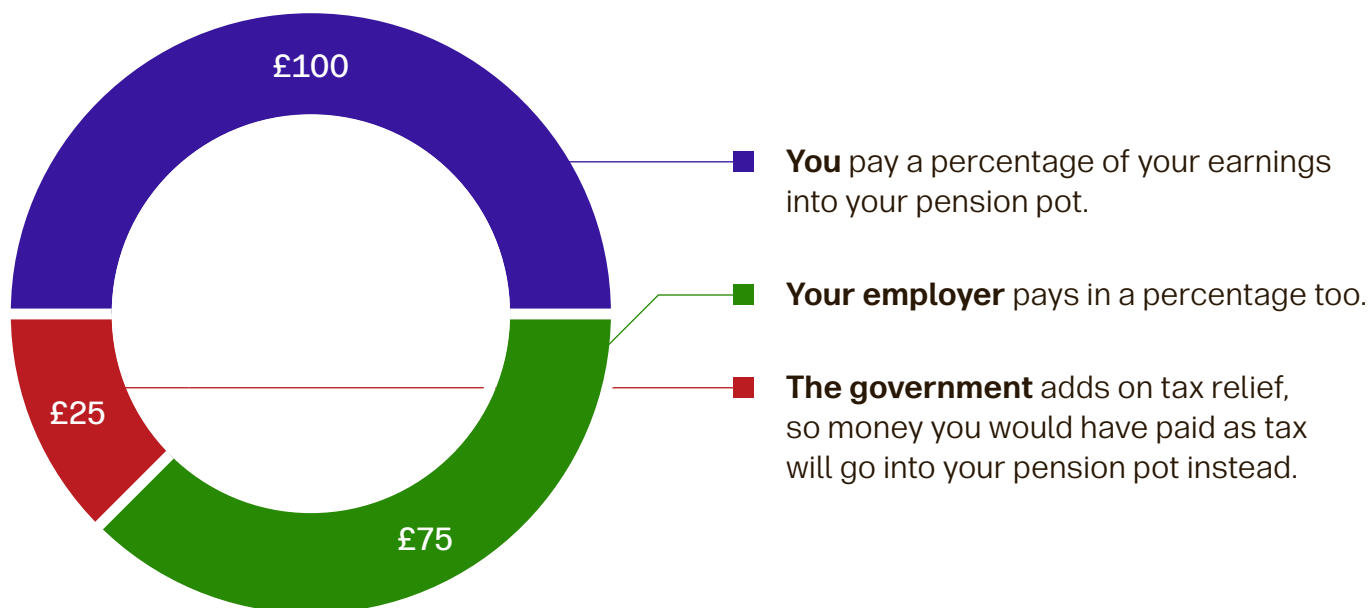


### ☆ Top tip

Whichever option you go for, remember to regularly review your investments - it's easy to do on [retiready.co.uk](https://retiready.co.uk).

# How your pension contributions stack up

Imagine a piggy bank that turns every £100 you put in each month, into £200. Well, something similar is happening with your workplace pension. Here's how it stacks up:



This example is based on a gross monthly salary of £2,500, where the employee contributes 5% and the employer contributes 3%. The employee contribution is £125, made up of £100 deducted from post-tax pay and £25 tax relief from the government.

This example is based on our understanding of current taxation law and HMRC practice, which may change. The value of any tax relief will depend on individual circumstances.

## Salary sacrifice

Your employer might offer a different way of making contributions to your pension plan called salary sacrifice. It's an arrangement between you and your employer, where you exchange part of your gross salary (your salary before tax and National Insurance deductions) for a non-cash benefit – such as an employer pension contribution.

When your gross salary is reduced, you automatically pay less tax and National Insurance – although this may not be the case for everyone.

The value of the reduction in tax and National Insurance will depend on your individual circumstances, and could change. Salary sacrifice isn't always suitable for everyone. You should think about other things linked to your level of salary such as statutory maternity/paternity pay, sick pay, working tax credit, child tax credit or the amount of mortgage you can borrow. If you want more information on the suitability of salary sacrifice, you should get financial advice. For more information go to [aegon.co.uk/salary-sacrifice](https://aegon.co.uk/salary-sacrifice).

Speak to your employer to find out if your scheme offers salary sacrifice.

# Review your investment funds

**The fund(s) you invest your pension savings in can make a big difference to the amount you'll have to live on in retirement.**

That's why it's so important that you're happy with the investment fund(s) you choose and that you regularly review them, especially as your circumstances change

and you get closer to accessing your retirement savings. We want to make it as easy for you as possible.

**Your workplace pension scheme offers three options:**

**1**

## **Do it for me**

Your employer will have chosen a default investment fund or strategy for your pension scheme. When you become a member of your workplace pension, this is where your contributions are automatically invested unless you tell us otherwise.

**2**

## **Guide me**

If the default fund doesn't suit you, our Workplace Target Range offers a choice of alternatives. We also offer ready-made growth and retirement solutions.

**3**

## **Leave it with me**

If you're more confident or have a financial adviser, you can choose from a wide range of funds – including those that consider environmental, social and governance (ESG) factors – to build your own investment strategy.

### **The default investment fund**

Your employer will have chosen the default investment fund or strategy they believe to be the best fit for the majority of employees. They have a duty to regularly review the investment fund or strategy to make sure it remains appropriate. If you're happy for your contributions to be invested in the default investment fund you don't have to do anything – you'll automatically be invested in this fund. However, if you want to have a more hands on approach to where your money is invested, Aegon has plenty of options for you.

Find out more at [\*\*aegon.co.uk/workplace/members/investment-choices/workplace-solutions.html\*\*](https://aegon.co.uk/workplace/members/investment-choices/workplace-solutions.html).

The value of investments can fall as well as rise and isn't guaranteed. The final value of your pension pot when you come to take your benefits may be less than has been paid in. If you're not sure if a particular fund, or if switching funds is right for you, please speak to a financial adviser. There may be a charge for this.



# Combine your pension pots

Whether you've already worked at a few places, or you're just starting out, chances are you'll accumulate a few different pension pots throughout your career.

## Why consider combining

### ✓ Control

Bringing your pension pots together will make it easier to view and manage your money, to help you reach your retirement savings goals.

### ✓ Fewer charges

Multiple pension pots could mean you're paying multiple charges. Combining into one pot means one set of charges - making it easier to see what charges you're paying and potentially saving money if your charges are higher in plans elsewhere.

### ✓ It's free

We won't charge you any transfer or set up fees for transferring your old pensions to us.

Your Aegon plan allows you to combine your other pension pots - and we're here to help.

Combining pension pots isn't right for everyone, and there are important things to consider.

At Aegon, we want to help you decide what's right for you and your future, which is why we've outlined the information you'll need. If you decide combining your pension pots is for you, we're here to help you take the next step.



### ☆ Top tip

Charges are typically shown as a % of your pension pot, for example a 0.5% charge on a pot of £10,000 means you pay £50 every year.

**Before deciding, here are important things to consider:**

1. Can I combine my pensions?
2. Is it right for me?
3. Should I speak to a financial adviser?



## 1. Can I combine my pensions?

We want to help protect you and your retirement savings and not all pensions can be combined. Your other pensions may have beneficial features, guarantees or additional benefits, and foregoing these may not be in your best interest.

If any of the following criteria apply to you, you must speak with a financial adviser:

- If you have a defined benefit pension.
- If you may lose important safeguarding benefits.
- If your pension products contain certain protection benefits.

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### How can I find this out?

You can normally find information about these benefits on your pension statement. If you need further guidance Aegon Assist are on hand to help.

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We're unable to accept transfers in these circumstances without the involvement of a financial adviser. If you'd still like to consider combining your pensions, a financial adviser will help you decide if these benefits are important to you and whether it's in your best interest to combine.

- See page 12 for more on guidance and advice.

## 2. Is it right for me?

There are important things to check before deciding if you'd like to combine your pension pots.

Explore your options and the impact bringing your pots together might have on your retirement savings. We always recommend you get guidance or advice.

## Use this checklist to help you make a decision:

### Features and benefits

Check if combining your pension pots will mean you lose valuable features, protections or guarantees you may have with other pension providers.

☒ I've checked it's in my best interest to combine

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### My investment funds

Any new investment funds you move your pension pots into will have their own set of risks that will be detailed in the fund information available to you.

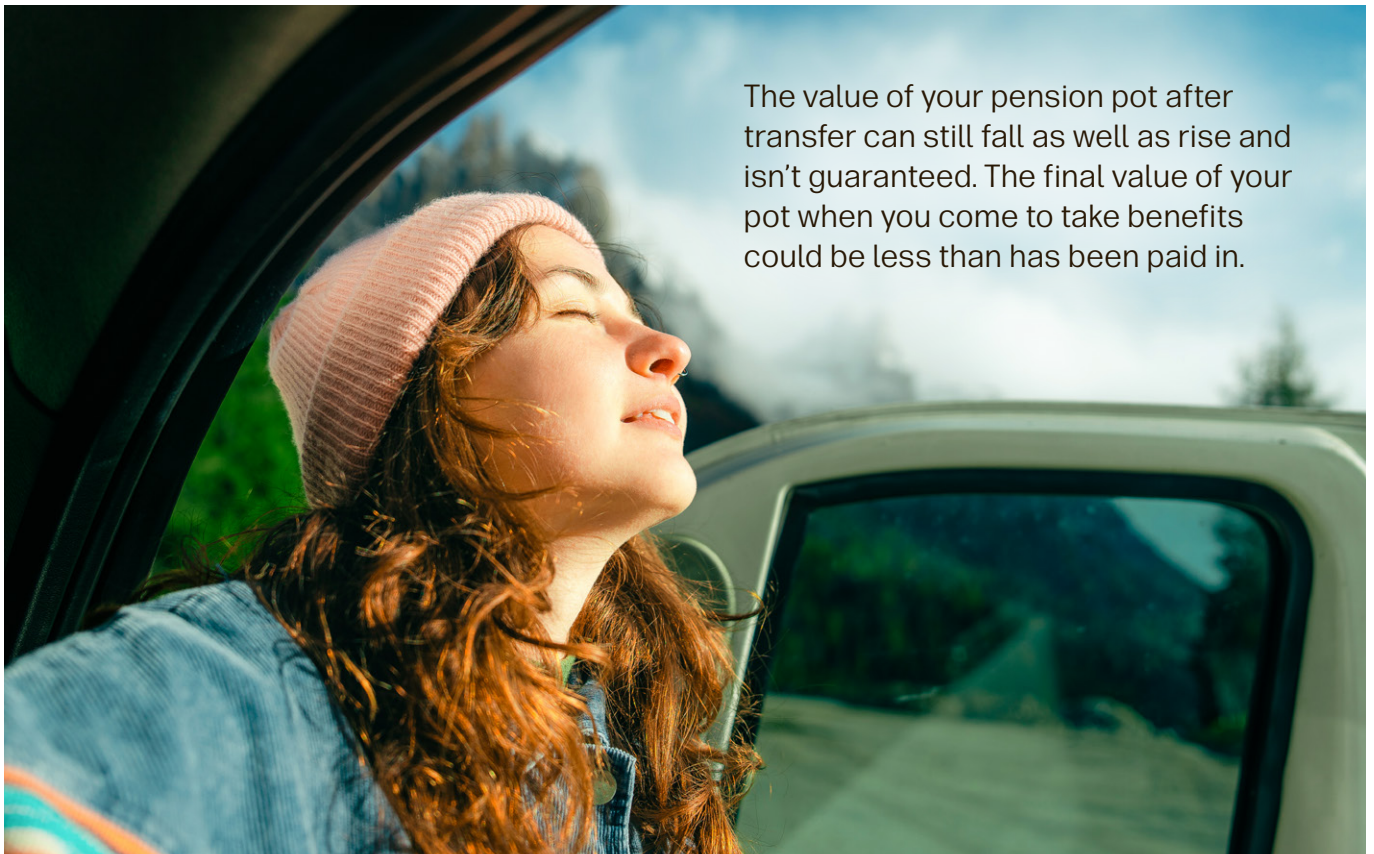
☒ I've compared my investment fund options

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### Combining related charges

Check the charges you're paying other pension providers and if you'll be paying more or less by combining them into one pot. We won't charge you any transfer or set-up fees, however check if the pension providers you're currently with will charge an exit fee if you transfer – and how much it is.

☒ I've compared my charges



The value of your pension pot after transfer can still fall as well as rise and isn't guaranteed. The final value of your pot when you come to take benefits could be less than has been paid in.



### 3. Should I speak to a financial adviser?

We always recommend you get guidance or advice to make sure you're making the best decision for you.

We also understand everyone's circumstances and needs are different. Here are some options for you to consider:

#### ✓ **Receive guidance from Aegon Assist**

Aegon Assist can help you if you need guidance and don't have an adviser if you're looking to combine your pension pots.

They won't be able to give you financial advice but they can give you information to help you make your own decisions.

#### ✓ **Speak to a financial adviser**

Check if your workplace scheme has a scheme adviser that you can get in touch with.

Financial advisers can provide you tailored advice, although they may charge you.

They can also help you determine if you're eligible to combine your pensions.

#### ✓ **Access additional support**

To help you make the best decision, we've created some additional resources online for further information.

#### **Call Aegon Assist on:**

03456 03 05 09

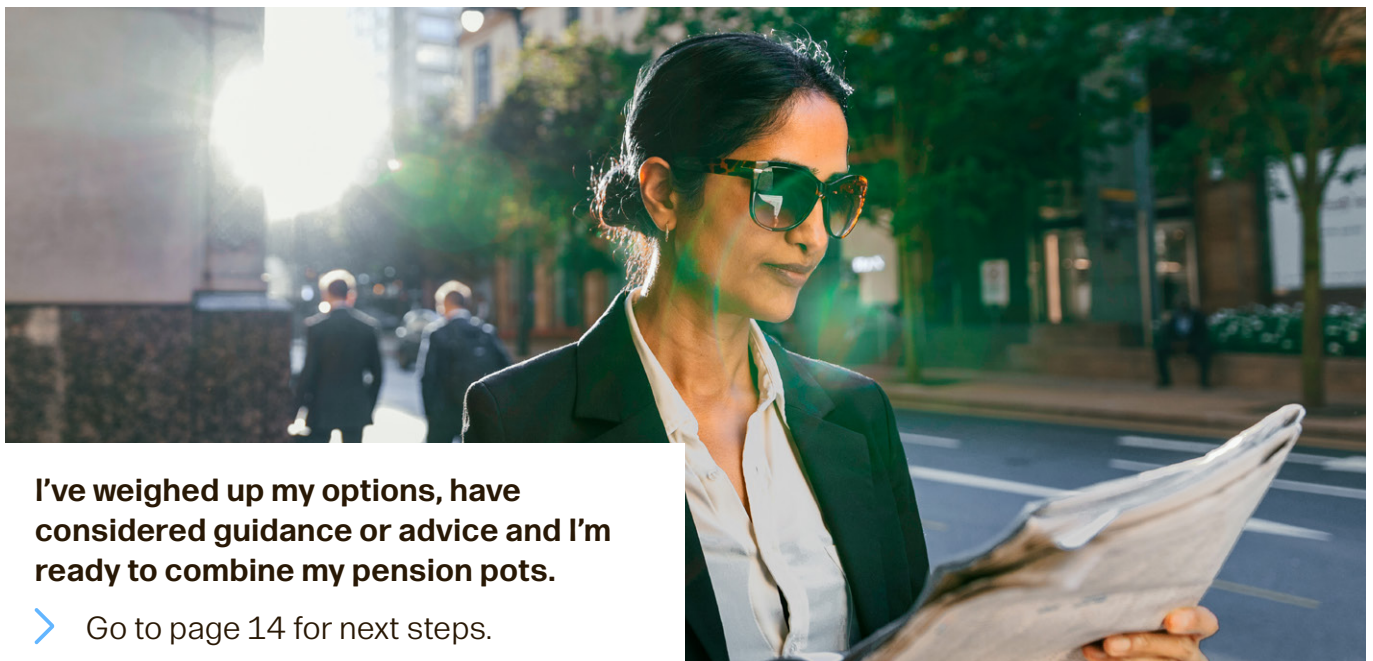
Call charges will vary.

#### **To find an adviser visit:**

[moneyhelper.org.uk/  
choosing-a-financial-  
adviser](https://moneyhelper.org.uk/choosing-a-financial-adviser)

#### **Please visit:**

[aegon.co.uk/customer/  
learn/guides/combining-  
your-pension-pots](https://aegon.co.uk/customer/learn/guides/combining-your-pension-pots)



**I've weighed up my options, have considered guidance or advice and I'm ready to combine my pension pots.**

➤ Go to page 14 for next steps.



## Why should I choose Aegon?

We've developed a simple approach for you to combine your pots with us and help to potentially grow your savings in one account.



Manage all your savings in one place to get a more realistic overview of your retirement income



Take control by using your online account and see all your investments in one place



Easier to see what charges you're paying and potentially save money

### You can trust us

We've been helping people plan for retirement since 1831 and over 4 million customers\* in the UK trust us to provide savings solutions. We've helped thousands of people to combine their pensions and we can help you take control of your pensions by combining them into one, manageable pot.

\*As at 31/12/2023



## I'm ready to combine, what's next?

If you've checked your old pension statements, you're sure you don't have any of the benefits or features described in the previous sections, and with guidance or advice, have decided that combining your pensions with Aegon is right for you, we're here to help.

### ☒ 1. Confirm you're eligible

We want to help you achieve your financial goals. That's why we want you to make sure you're not losing out on any guarantees or benefits that are valuable to you.

You must speak to a financial adviser if:

- You have a defined benefit pension.
- You may lose important safeguarding benefits.
- If your pension products contain certain protection benefits.

### ☒ 2. Let us know you'd like to combine

→ Login to [retiready.co.uk](https://retiready.co.uk) and complete the online application

It will be helpful to have this information to hand before you start:

- ☒ National Insurance number
- ☒ Bank account details

You might also find it helpful to capture the details for your other pensions.

Take a look at your pension statements to find the information – don't worry if you can't fill in all the details.

Scheme name	Plan number	Date	Type of pension	Provider	Contact details

### ☒ 3. Leave it with us

If you've checked your old pension statements, you're sure you don't have any of the benefits or features described in the previous sections, and with guidance or advice, have decided that combining your pensions with Aegon is right for you, we're here to help.



