

pensions update

The magazine for deferred members
of the M&S Pension Scheme

Edition 25, Autumn/Winter 2017

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We value your feedback

Complete our survey at
[www.surveymonkey.co.uk/r/
mandspensionscheme2017](http://www.surveymonkey.co.uk/r/mandspensionscheme2017)

As a thank you, you'll be
entered into a prize draw to
win a £100 M&S voucher

M&S

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Welcome...

...to the Autumn/ Winter 2017 edition of Pensions Update



In this edition, you'll learn more about the changes to our administration system, being introduced to help us provide a better service to all members.

We introduce Abdul Nabi, our newest Trustee Director, and ask him a few questions about his experience on the Trustee Board so far.

We also have some broader pension news, including further changes to the State Pension Age and Specified Adult Childcare Credits (which may be of interest to those of you who care for young children while their parents are working).

As usual at this time of year, you can read about the Scheme's financial health with our financial summary and the Summary Funding Statement.

We hope you find this edition of Pensions Update interesting. If you feel that there are other topics you would like to read about in the future, please let us know. You can find our contact details on the back page, or you can visit the Scheme website at

www.mandspensionscheme.com/useful-information/contact-details

Graham Oakley

Chairman of the Trustee

Keeping up to date with the Scheme's financial health

Reading about the Scheme's financial health will give you a better idea of how we manage the money set aside to pay members' benefits and give you comfort in how we pay every pension due.

Turn to pages six and seven to see how much money the Scheme has so far,

where we invest that money so that it grows and how many members there are.

The enclosed Summary Funding Statement can help you understand how the money set aside matches up with the amount needed to pay each pension.

Improvements to your Scheme administration service

We're investing in up-to-date technology and replacing the administration system we've had for many years. The new system will make sure we keep up with innovations in technology, but it will also make it easier for you to keep in touch with us.

The Pensions Administration Team will have the tools to provide a better all-round service to you and in the future you'll be able to do more online. We will of course keep you updated as new features are made available.

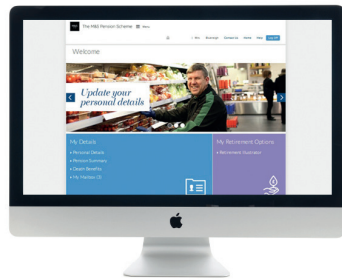
Here's an overview of what's changing:

- **Our postal address.** Please make a note of the new address shown on the back page. (Don't forget to let us know if your personal details change.)
- **Barcodes on important letters and forms.** This makes it easier to keep track of the progress of your requests and instructions when you return letters and forms to us.
- **Refreshed information.** This will help make your options at retirement easier to understand.

Your brand new online portal

Next year we'll be launching a portal which you'll be able to find via the Scheme website. This new portal will let you:

- Update your personal details quickly and easily.
- Get instant retirement or transfer estimates, helping you to plan your retirement more effectively. (This will be available for most members.)



There'll be more information at your fingertips, which you'll be able to access any time of day, so you won't have to wait to find what you need.

If you want to be the first to know when the new portal is live, make sure we have your email address by completing the online form at www.mandspensionscheme.com/go-digital

Interview with Abdul Nabi – our newest Trustee Director

We'd like to introduce you to our newest Company-nominated Trustee Director, Abdul Nabi, who joined the Trustee Board in February.

My background

I am Head of Group Tax and have worked at M&S for 13 years. I lead the tax team which is responsible for the management of M&S' worldwide tax affairs. Last year in the UK alone M&S paid more than £880m of taxes such as VAT, PAYE, corporation tax and customs duties.

I am a chartered accountant and member of the Institute of Taxation. I was previously a trustee for M&S' Irish pension scheme.

What's the most rewarding and challenging part of the role?

The sheer size of the pension scheme can be somewhat daunting (its assets are worth more than some FTSE 100 companies!). But the Trustee is guided by a great executive management team and a highly skilled set of advisers which gives us assurance that the Scheme's assets are being managed in a way that protects members' benefits.

What's the most important thing that you think members of the M&S Pension Scheme need to be aware of?

The world of pensions has become increasingly complex with lots of options for members.

A lot of members are not only in the Scheme, but have also joined a defined contribution scheme either with M&S or through other employment. I think it's important that all members take the time to think carefully about their retirement options under the various schemes to make sure they're making decisions that are right for them.



Noticeboard

The latest news about the Scheme and pensions in general

Increases to the State Pension Age

The Government has recently published its review of the State Pension Age, which was delayed by the snap election in June 2017.

Originally, it was planned that the State Pension Age would increase from age 67 to 68 between 2044 and 2046; this has now been brought forward to 2037 and 2039, seven years earlier than current legislation.

The Government explained that it took this decision due to affordability and continued improvements in life expectancy. You can find out what your expected State Pension Age is at www.gov.uk/state-pension-age

Specified Adult Childcare Credits

If you're under your State Pension Age and helping to care for a young relative while their parent(s) work, you may be eligible to claim National Insurance Credits which could be worth more than £230 a year when you retire.

To find out more information, please visit www.gov.uk and in the search box enter Specified Adult Childcare Credits.

Pension scams – a reminder

Please remember to be vigilant about pension scams, especially if you've been contacted suddenly about a pension transfer. You can read more about pension scams on our website at www.mandspensionscheme.com/deferred/transferring/pension-scams

Did you know?

You can find out more about the benefits payable in the event of your death on the Scheme website at www.mandspensionscheme.com/deferred/what-if-i-die

Summary Report and Accounts

2016/17

Here's a snapshot of the Scheme's finances for the year to 31 March 2017.

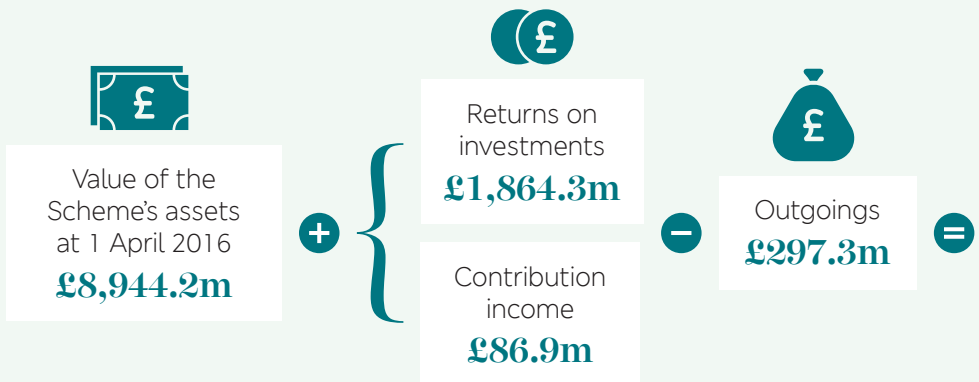
You can find a more detailed summary at

<https://www.mandspensionscheme.com/about-the-scheme/governance>.

For the full details you can request the Scheme's Annual Report and Accounts using the contact details on the back page.

Value of the Scheme's assets

This is a summary of how the value of the Scheme's assets has been calculated as at 31 March 2017.



Value of the Scheme's assets at 31 March 2017

£10,598.1m

The Scheme's accounts for the financial year ended 31 March 2017 have been audited by KPMG LLP.



Although the Scheme's value has increased from last year, it's important to note that the value of investments can go down as well as up.

Scheme membership

This chart shows a comparison of the Scheme membership at 31 March 2016 and 31 March 2017.

Active members

2017: 0*

2016: 11,020

Deferred members

2017: 62,273

2016: 53,460

Pensioner members

2017: 51,326

2016: 50,898

*The number of active members reduced to zero following the closure of the Scheme on 31 March 2017, which meant that employees could no longer build up future benefits in the Scheme from this date.

Investment of the Scheme's assets

As at 31 March 2017 and 31 March 2016, the Scheme's assets were split as follows:

Bonds and low risk investments



2017 76.9%
(2016 78.4%)

Shares and higher risk investments



2017 23.1%
(2016 21.6%)

% allocation

Contact details

How to contact us

If you need information about the Scheme, such as your options for taking your pension, or you want to download past editions of Pensions Update, visit

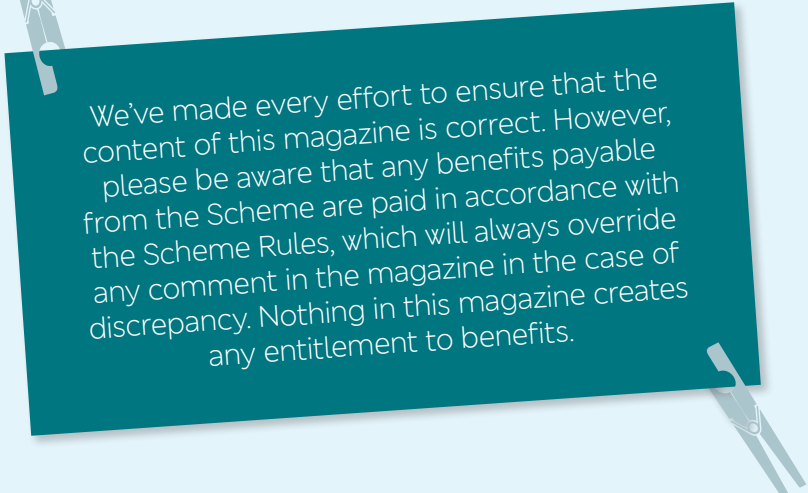
www.mandspensionscheme.com

You can email us at pensions@marks-and-spencer.com

You can call our helpline on **0345 304 7474**

Or you can write to us at

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We've made every effort to ensure that the content of this magazine is correct. However, please be aware that any benefits payable from the Scheme are paid in accordance with the Scheme Rules, which will always override any comment in the magazine in the case of discrepancy. Nothing in this magazine creates any entitlement to benefits.