



## DC Core

# Additional Voluntary Contributions (AVCs) Form

Use this form to either:

- change the rate of AVCs that you currently pay,
- start making AVCs, or
- make a one-off payment to DC Core, either from your pay or from your bonus.

## Part 1 - Your details

Please complete in **BLOCK CAPITALS**

*STRICTLY PRIVATE AND CONFIDENTIAL*

Title: _____	Member number: _____
First name: _____	Date of birth: _____
Surname: _____	Phone number: _____
Personnel number: _____	

## Part 2 - Your AVCs

I would like to make  % in AVCs (as a percentage of my pensionable earnings) each month to DC Core.

OR

I would like to make a one-off saving of:  £ from my pay

% from my bonus

% from my Holiday Pay Differential payment

**Save time –  
fill me in online**

You can fill this form in online by logging in at [nestlepensions.co.uk](https://nestlepensions.co.uk)

# Part 3 - Your investment choices

**You have two choices when investing your AVCs. You can either choose to invest your pension savings in the Lifetime Pathway or you can choose to invest in one or a mixture of our self-select funds.**

We will invest all of your additional voluntary contribution (AVC) savings (including any past AVCs to DC Core) in the way that you tell on this form. This includes any AVCs:

- made to Lane 1,
- made to DC Core in the past, and
- any AVCs transferred into DC Core, including AVCs originally made to external providers that have now been transferred into DC Core. This excludes any 'with-profits' funds with Standard Life.

## Lifetime Pathway

In the Lifetime Pathway fund, your savings are automatically divided between investment funds and switched to more stable investments as you approach retirement.

If you choose this option, we'll ask you to select a target retirement age. Your target retirement age tells us when we should start switching you into more stable investments in the Lifetime Pathway.

Read more about the Lifetime Pathway at [nestlepensions.co.uk](https://www.nestlepensions.co.uk) under Your pension and Your investments.

## Self-select funds

Self-select funds ask you to make your own investment choices.

If you prefer to manage your own investments, you can choose from a range of funds.

If you choose this option, your savings will not automatically move into lower-risk investments as you approach retirement, but you can move your investments yourself.

Read more about the self-select funds at [nestlepensions.co.uk](https://www.nestlepensions.co.uk) under Your pension and Your investments.

**Please tell us how you would like us to invest your AVCs below:**

### Lifetime Pathway

If you have chosen the Lifetime Pathway option, please select a target retirement age on the next page.  (please tick)

OR

Self-select fund choices	Selection
Equities	%
Property	%
Blended Assets	%
Corporate Bonds	%
Pre-retirement to annuity	%
Pre-retirement to cash	%
Cash	%
Ethical Growth	%
Ethical Consolidation	%
Shariah	%
	<b>100%</b>

# Part 4 - Target retirement age

**Complete this section if you chose to invest in the Lifetime Pathway fund.**

## **What is your target retirement age?**

Your target retirement age is the age you've told us you'd like to retire. We realise that this may mean different things to different people and that for some this may seem a long way off, but you can change this at any time if your circumstances or plans change. We will use your target retirement age for investment purposes (as explained below) and in your annual pension statement (as the age at which we estimate the future value of your savings and other Nestlé pension benefits). But you don't have to take your savings from this date.

Please take some time to read the notes below before you change your target retirement age.

## **Important things to consider before you change your target retirement age:**

### **Your target retirement age tells us when to switch your investments**

If you are invested in the Lifetime Pathway, your target retirement age tells us when we should start switching you into more stable investments as you approach your selected target retirement age. In the Lifetime Pathway we will start switching you out of higher-risk investments into more stable investments once you are 15 years away from your selected target retirement age. If you are already within 15 years of your current target retirement age, your investments will have already started to switch into more stable investments.

### **You can still change your target retirement age if you wish**

We'll send you a statement afterwards to show you how your investments have been rebalanced. Your target retirement age will be the same for all of your DC account investments, including any additional voluntary contributions (AVCs). If you change your target retirement age, we will use your new target retirement age for all of your DC Core account investments, including any AVCs invested in the Lifetime Pathway. We will not use it for any external AVCs or any of your DC Core account or AVCs that are invested in the self-select funds.

**Please choose a target retirement age between 55 and 75.**

**I would like my target retirement age to be:**  (whole years).

If you don't set a target retirement age we'll set it as your current state pension age.

## Part 5 - Declaration

**It's important that you understand all of the decisions that you've made on this form, as once we receive it you will have accepted responsibility for them. Please take some time to read the notes on the back page and the statements below before you sign this form.**

### **Your AVC options – if you chose regular monthly contributions**

- I understand that I'll start making AVCs as I've told Nestlé on this form from the next effective pay date.
- These savings to DC Core will be in addition to what I may already save into DC Core.
- If my pension savings take me below the National Living Wage, Nestlé will not be able to process my request and I'll need to complete this form again.
- If my combined pension savings take me below the National Living Wage I may need to adjust the amount of AVCs that I pay to DC Core.
- My future pay will be reduced by the same amount as my AVCs and under the salary sacrifice arrangements, Nestlé will pay AVCs on my behalf that are equal to the amount of the AVCs that I would otherwise have made.

### **Your AVC options – if you chose a one-off contribution from your bonus**

- I understand that this reduction in my future bonus is a change to the terms and conditions of my contract with Nestlé and I agree to this change.
- I understand that, by filling out this form and choosing to make a contribution from my bonus, I am telling Nestlé that I waive the right to my cash bonus (or a percentage of my cash bonus) in exchange for making a one-off payment to DC Core as an AVC.

### **Your AVC options – if you chose to make a one-off contribution from your pay**

I understand that this reduction in my future pay is a change to the terms and conditions of my contract with Nestlé and I agree to this change.

### **To stop paying regular AVCs**

I understand that I can ask to stop making regular AVCs at any point in the future by filling out a Stop Paying Additional Voluntary Contributions (AVCs) Form and that after I've done this, my salary will go back to including the amount I was making as AVCs from the next effective pay date.

### **The value of investments**

I understand that the value of investments can go down as well as up, so I could get back less than I invest.

### **My investment options**

I've considered my options carefully when it comes to my investment choices and would like you to invest my pension savings as I have asked you to on this form.

### **Investing in the Lifetime Pathway and my target retirement age**

- I understand that my target retirement age will affect when my investments in the Lifetime Pathway are switched from higher-risk investments to investments that are expected to be more stable.
- I understand that my target retirement age will be used for all of my DC Core account investments in the Lifetime Pathway, including any AVCs and in my annual pension statement (as a date for estimating the future value of all of my Nestlé pension benefits).
- I understand that my target retirement age will not affect my 'normal pension age' in the Fund or my contractual retirement age (if my contract states that I can retire from a specific age) and that I may still have a different 'normal pension age' for different parts of my pension depending on when I built them up.
- I understand that the change to my target retirement age will be made in the next change window (whichever is the soonest and most practical of the following months – February, May, August or November).

## Part 5 - Declaration (continued)

### Salary sacrifice

I understand that, unless I choose to opt out of salary sacrifice, my pension savings will be paid via salary sacrifice. I also understand that I can choose to opt out of making contributions by salary sacrifice if I want to.

### This will change the terms and conditions of my contract

I understand that any reduction in my future pay is a change to the terms and conditions of my contract with Nestlé and that by signing this form I agree to this change.

### Pensions and tax

I've read the notes on pensions and tax and:

- I understand that the AVCs that I make will fall into my annual allowance (including any annual allowance that I didn't use in the previous three tax years).
- I also understand that any AVCs I make will also fall into my lifetime allowance.
- I understand that if any AVCs that I make exceed either the annual allowance or the lifetime allowance, then I am responsible for any extra tax or national insurance charges.

**Signed:**

**Date:**

**Please return this form to: Nestlé Pensions, 1 City Place, Gatwick RH6 0PA,  
or send a scanned copy to [pensions@uk.nestle.com](mailto:pensions@uk.nestle.com)**

# Notes

## National Living Wage

If all of your pension savings take you below the National Living Wage, we won't be able to process your request and you will need to complete this form again.

You can read more about the National Living Wage at [nestlepensions.co.uk](https://www.nestlepensions.co.uk) under Joining the Fund and then What should I consider?

## Salary sacrifice

Unless you have previously opted out, or decide to opt out in the future, your savings to DC Core will automatically be made via salary sacrifice. This means you don't actually make contributions. Instead, Nestlé pays contributions on your behalf and you agree that your pay is reduced by the same amount. In this way, you and Nestlé make savings on the national insurance that you would have had to pay if you had made the contributions yourself. When we refer to your contributions or savings, this is what we mean.

You can read more about salary sacrifice at [nestlepensions.co.uk](https://www.nestlepensions.co.uk) under Joining the Fund and then Making contributions.

## Advice and guidance

The Trustees of the Nestlé UK Pension Fund cannot give you any advice or guidance relating to the decisions that you make on this form. The contents of this form should not be treated as guidance or advice. If you would like to get financial advice, you can search for a financial adviser at [moneyhelper.org.uk](https://www.moneyhelper.org.uk)

## Pensions and tax

There are two main allowances that you may need to bear in mind when saving into your pension. These are:

- The annual allowance which is the maximum amount that you can save into all of your pensions from all sources without having to pay a tax charge. The standard annual allowance for the 2023/2024 tax year is £60,000.
- The lifetime allowance, which is the total amount of pension benefits you can build up over your working life without having to pay a tax charge. In the 2023 Spring Budget, this tax charge was abolished with a view to scrapping the lifetime allowance itself in the 2024/2025 tax year. The lifetime allowance for 2023/2024 is £1,073,100.

If you earn over £200,000 your annual allowance may be reduced.

The annual allowance may also be reduced if you've accessed your pension savings flexibly, you will have a reduced money purchase annual allowance.

We only know about the pension savings that you have with Nestlé so it's your responsibility to tell us if your savings go over the lifetime allowance and tell HMRC if they go over the annual allowance.

If you're unsure whether any of these limits affect you, it's worth taking some time to speak to an independent financial adviser who will be able to explore your case in more detail. You can search for a financial adviser at [moneyhelper.org.uk](https://www.moneyhelper.org.uk)

Read more about tax allowances at [nestlepensions.co.uk](https://www.nestlepensions.co.uk) under pensions and tax.

## Investments

The value of your investments could go down as well as up, so you could get back less than you pay in.