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Welcome to: meeting your future financial goals



About us

We are a leading financial wellbeing and retirement specialist - helping those in the workplace to improve their financial future.

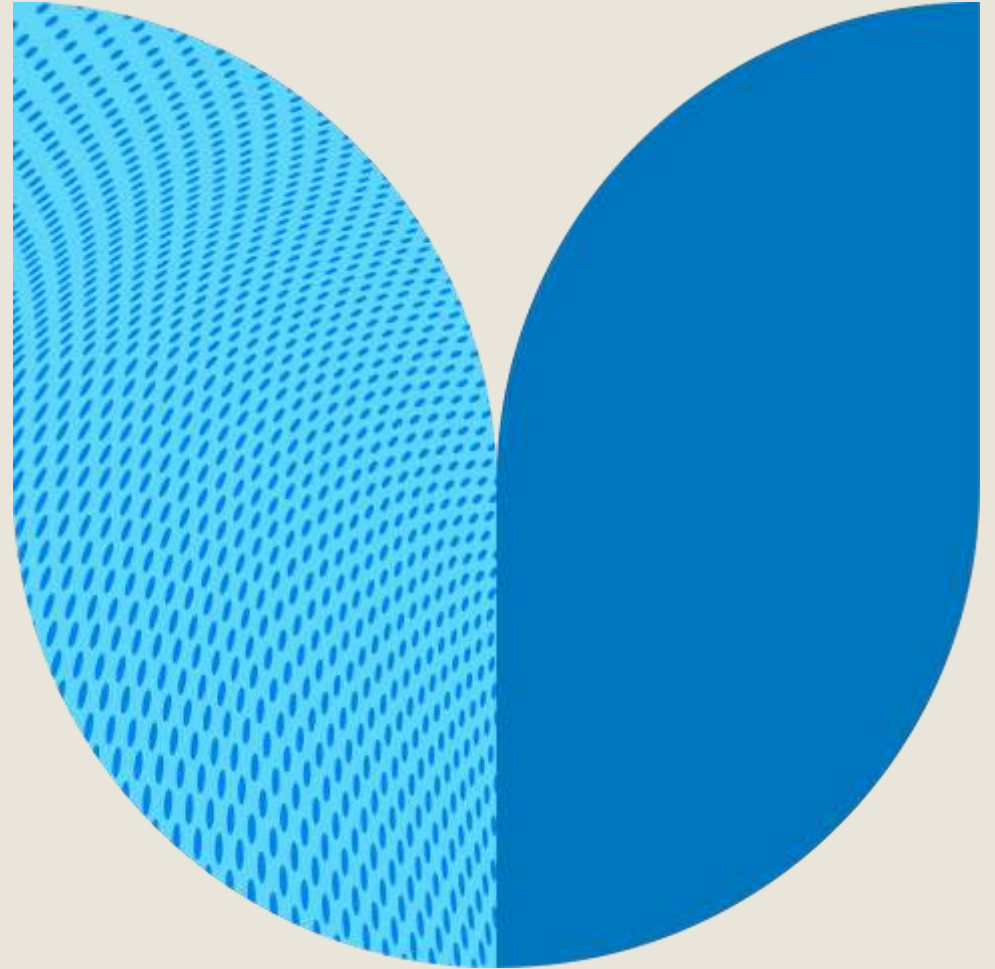
Established in 2005, we work with hundreds of organisations across both the private and public sector.

Our financial education services are delivered on a bespoke basis.

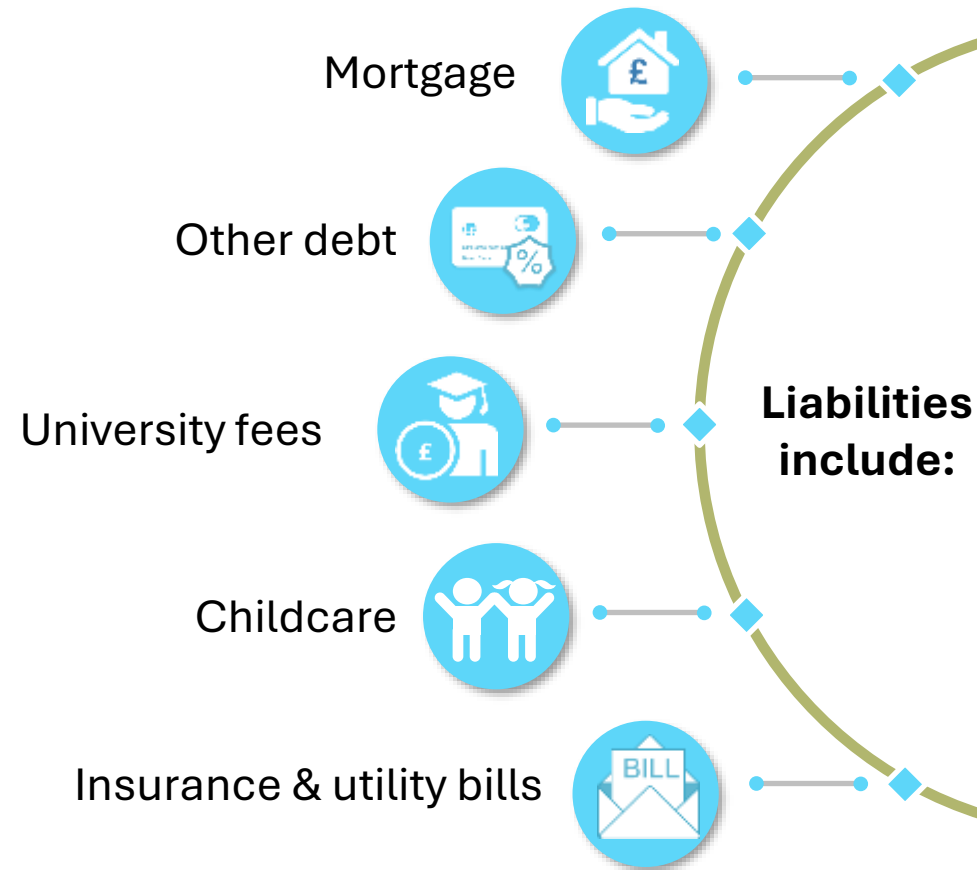
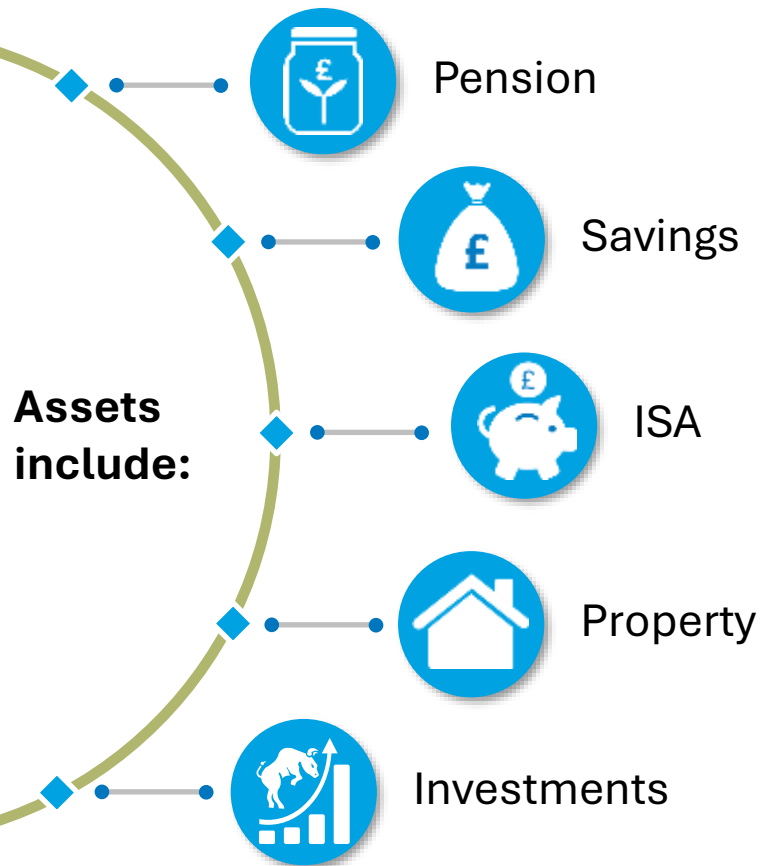
What we'll cover today

- Taking stock of your existing finances
- Debt and mortgages
- Your workplace pensions
 - The Haleon Pension Plan
- Investing in the Haleon Pension Plan
- Other savings and investments
- Tax allowances
- Estate planning
- Next steps

Taking stock of your existing finances



Your assets and liabilities



Budgeting – 4 steps



Search: 'MoneyHelper Budget Planner'

Rates of income tax

Personal Allowance

on the first
£12,570*



>£12,570*

Basic Rate Tax

on the next
£37,700



>£50,270

Higher Rate Tax

on the next
£74,870



>£125,140

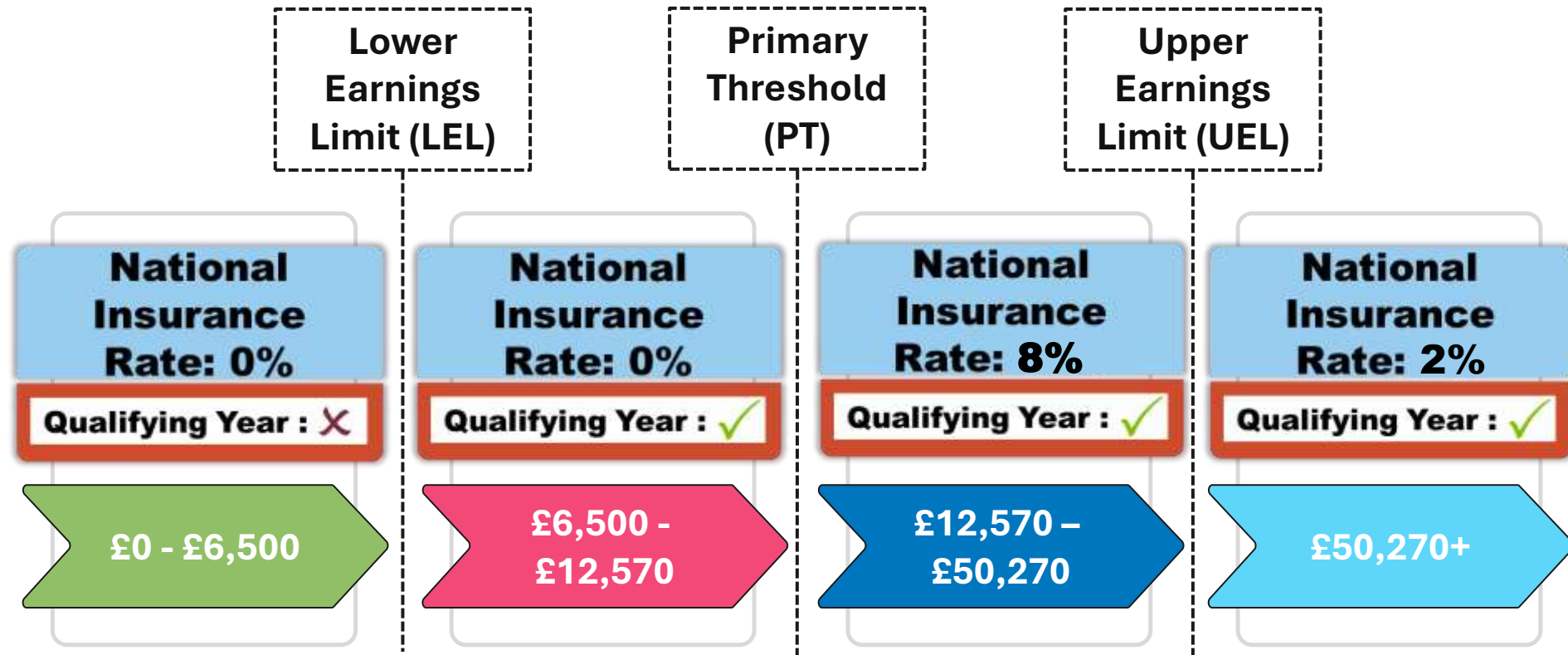
Additional Rate Tax

on earnings above
£125,140

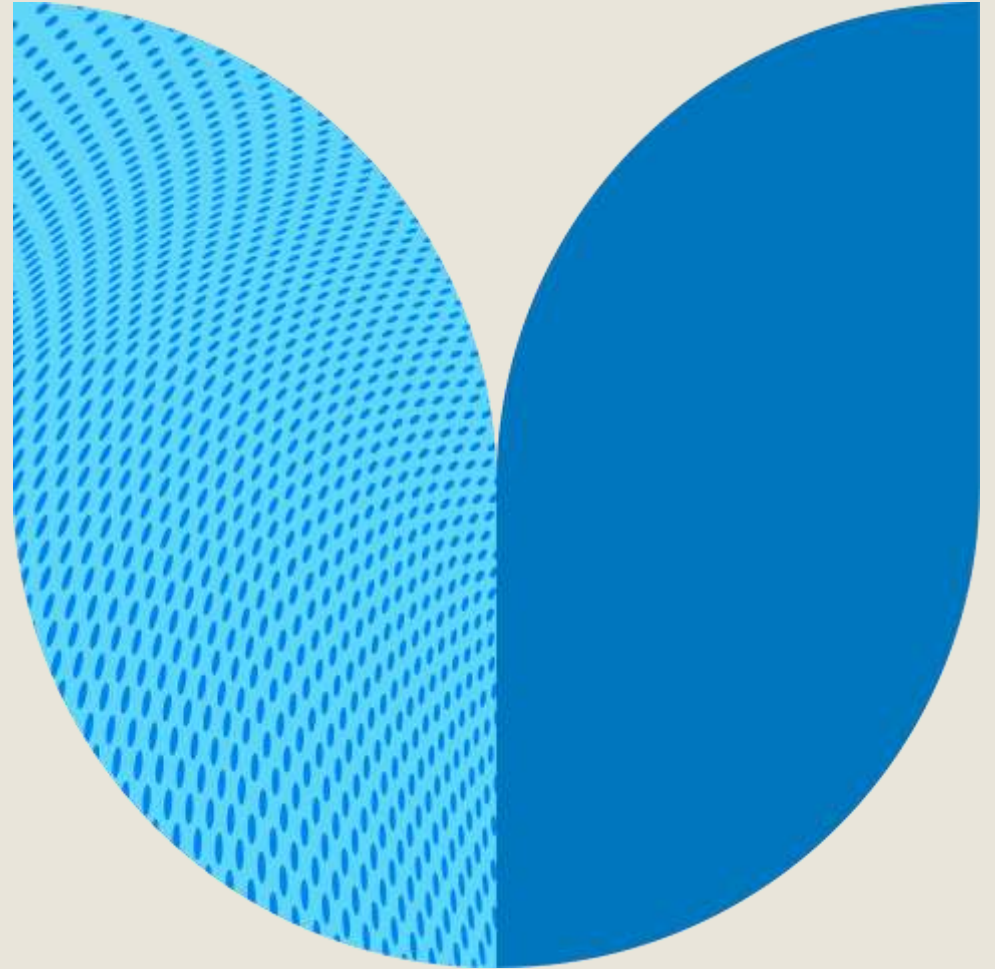


*The Personal Allowance reduces by £1 for every £2 of income above £100,000.

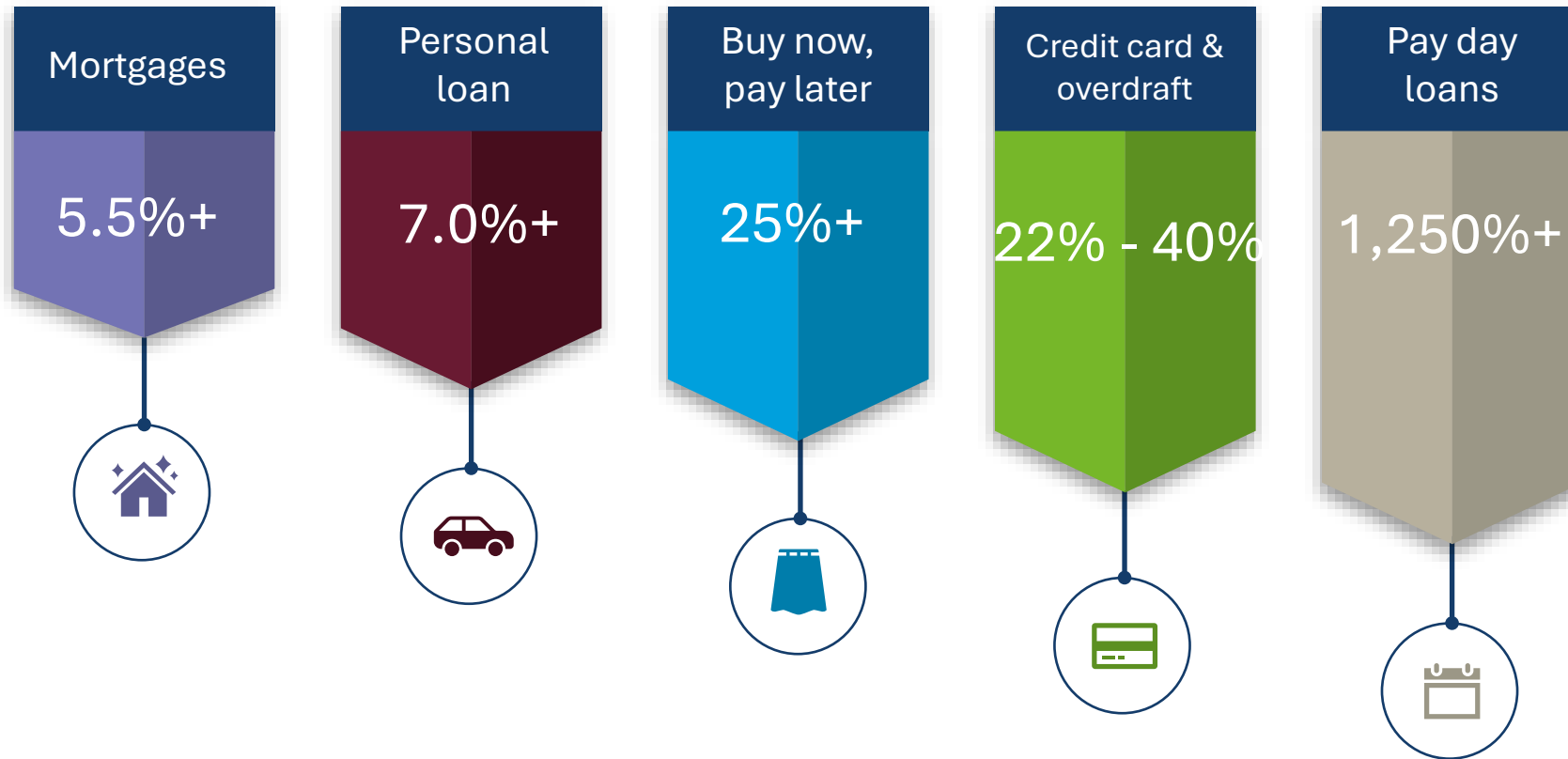
National Insurance



Debt and mortgages



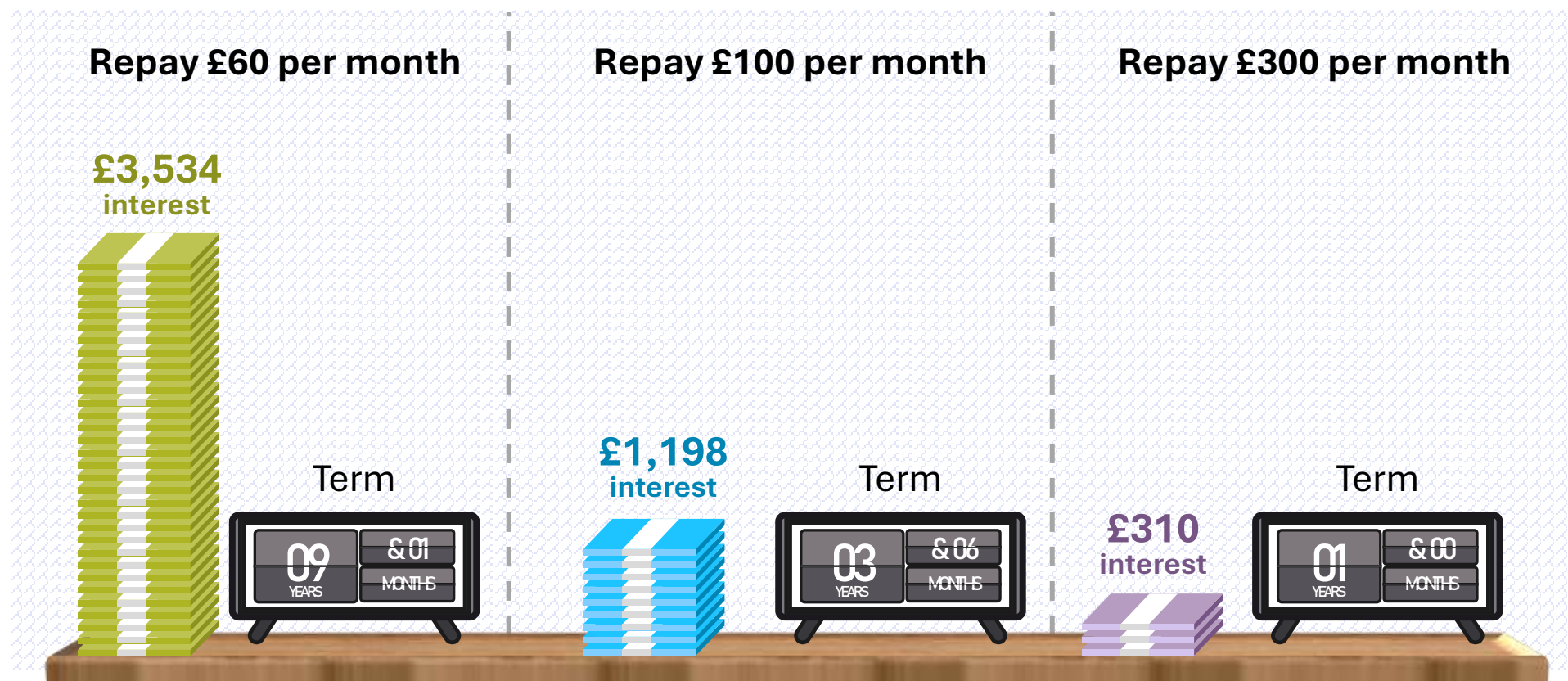
Types of debt



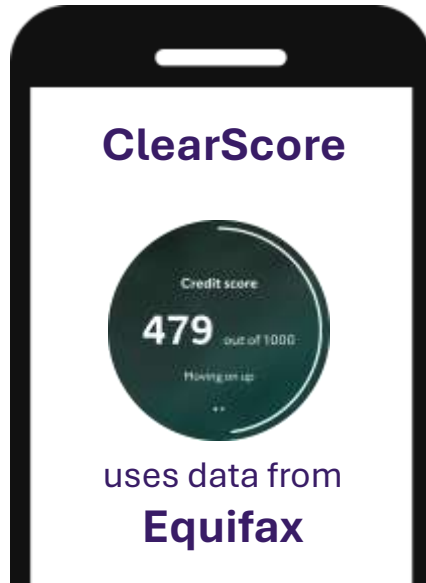
*All rates are approximate examples only.

Credit card overpayments

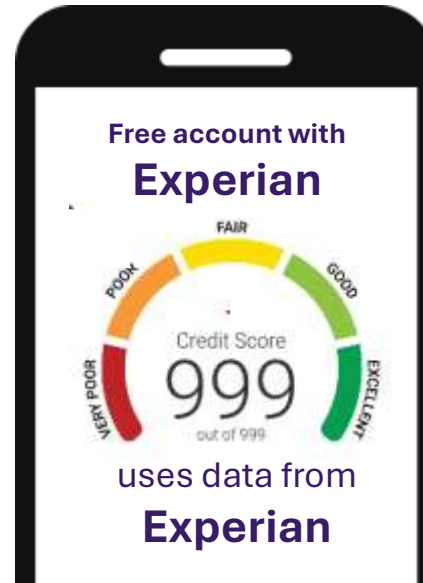
Based on a credit card debt of £3,000 and 22% APR.



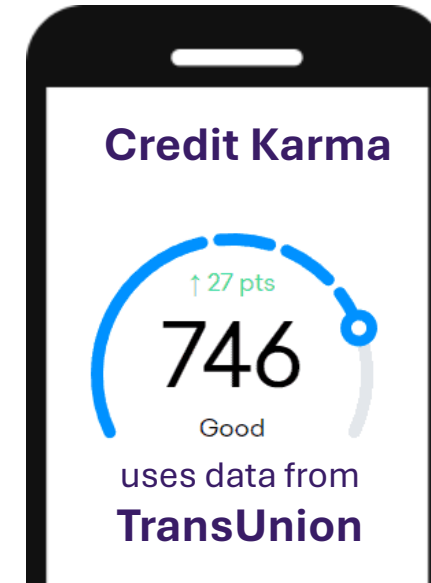
Check your credit score for free



www.clearscore.com



www.experian.co.uk

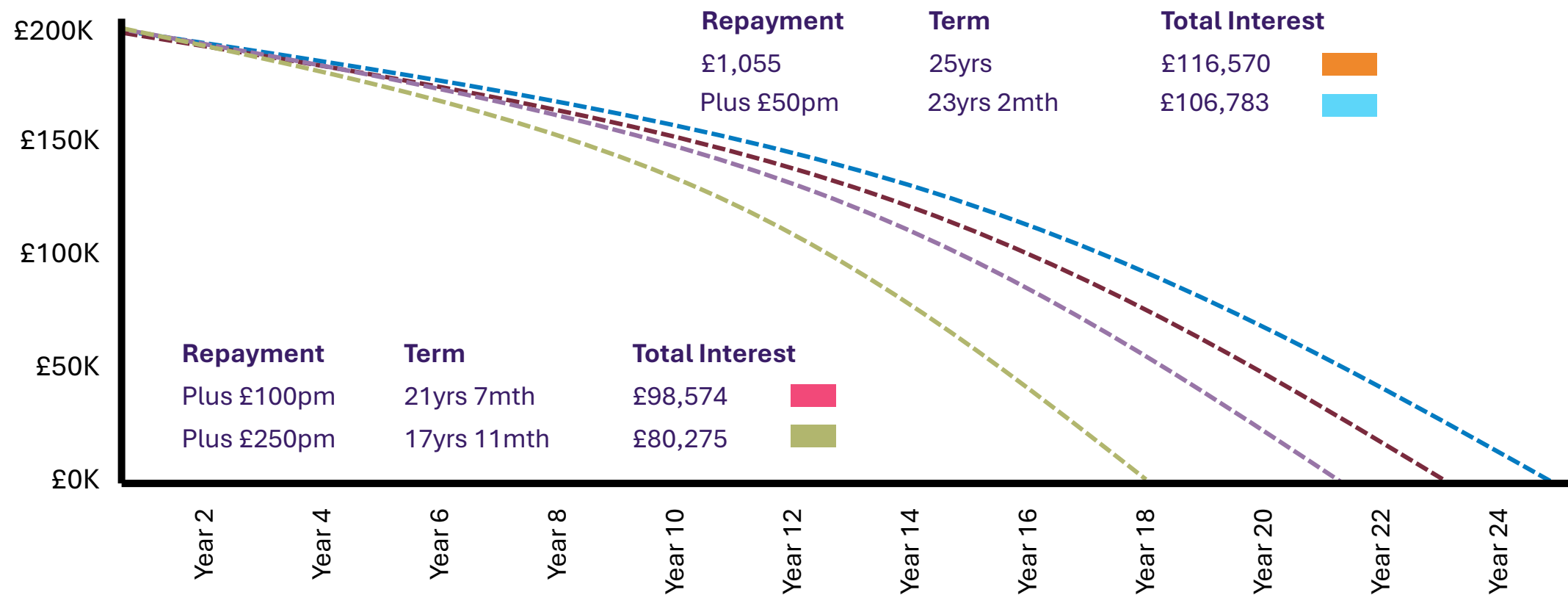


www.creditkarma.co.uk

It's worth checking your credit score with all three agencies at least once a year

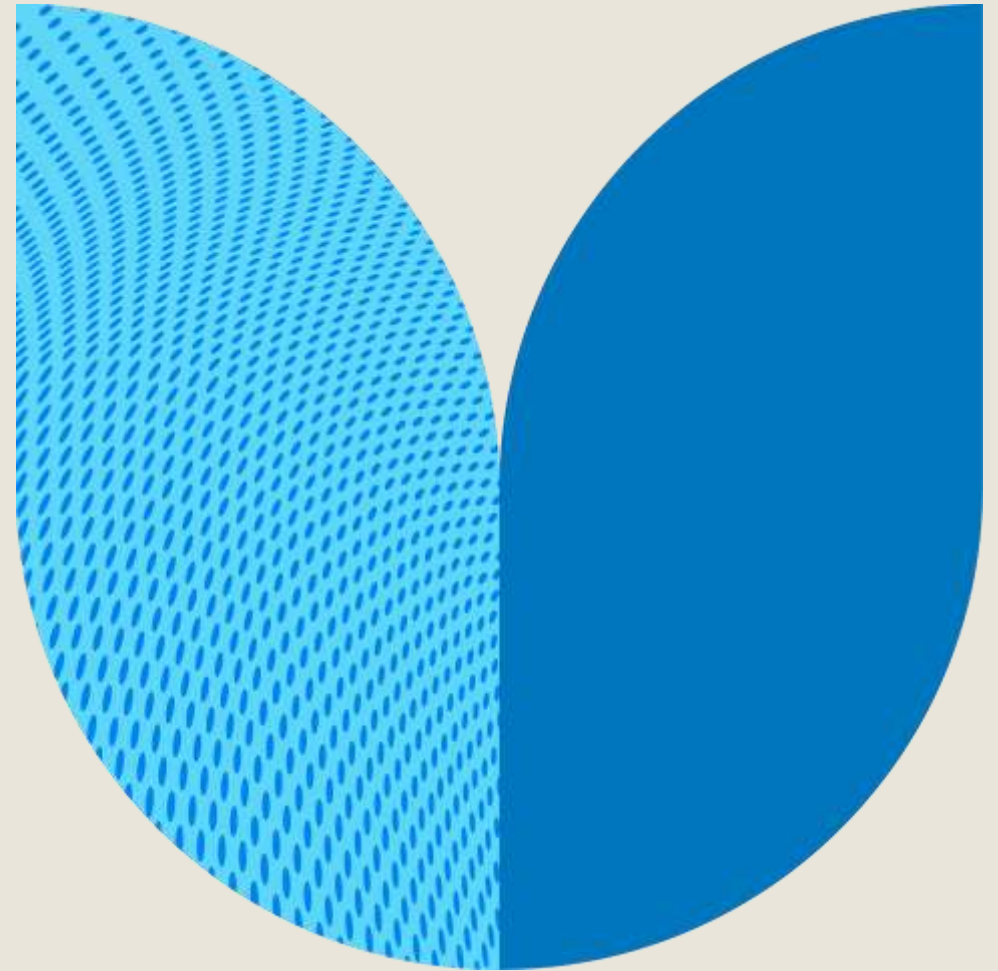
Repaying your mortgage early

Based on a £200,000 repayment mortgage with 25 year term and 4% interest rate

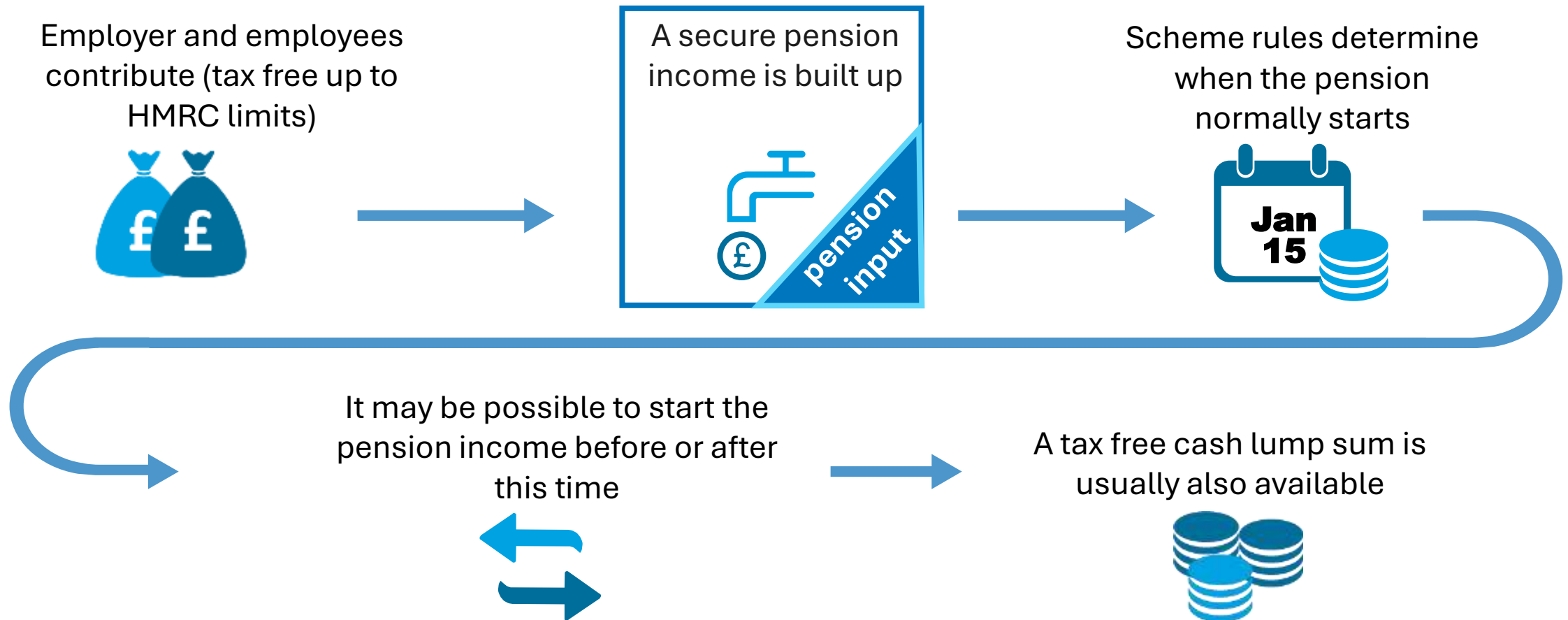


Graph shown for illustrative purposes only. Data provided by Nationwide Building Society. Any early repayment charges or changes in interest rates are not reflected in the figures shown

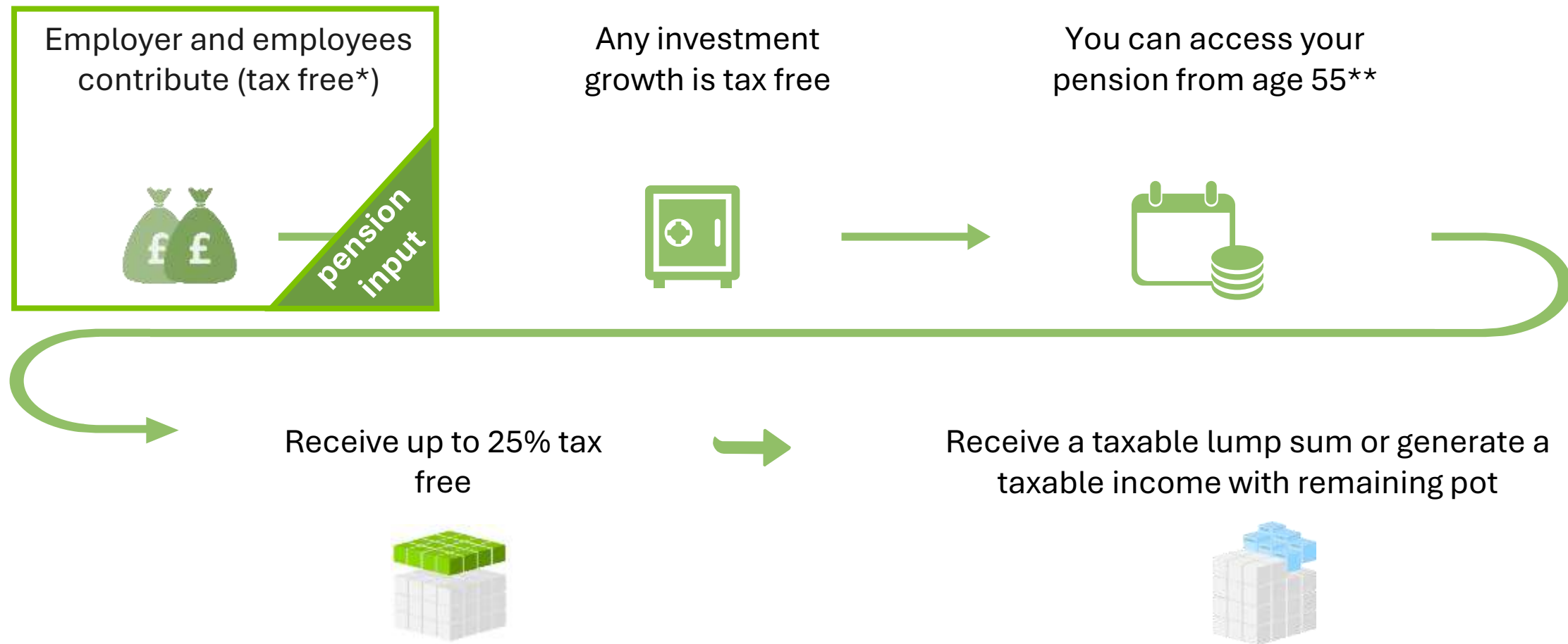
Your workplace pensions



Defined benefit (DB) schemes



Defined contribution (DC) schemes

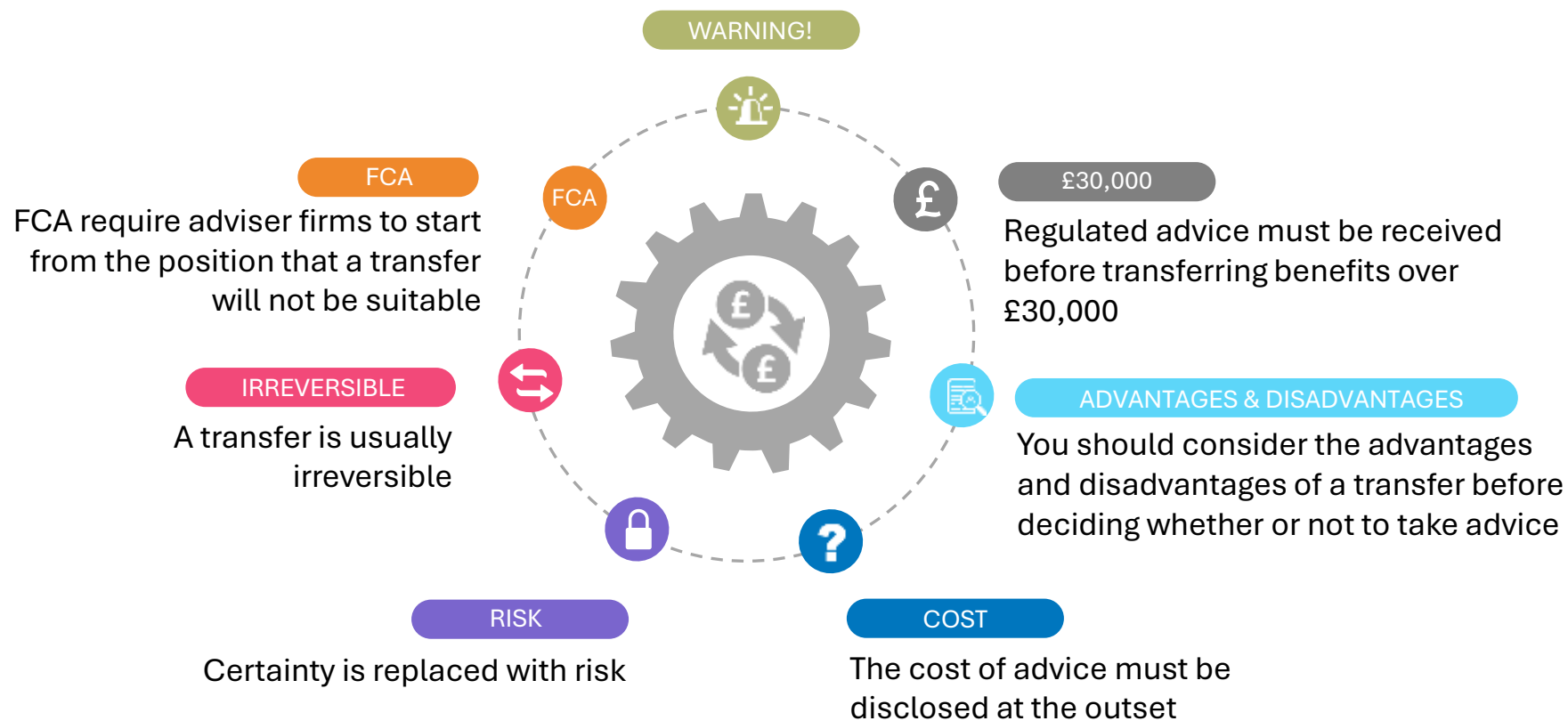


*subject to HMRC limits

**The minimum age for accessing your pension is expected to increase to age 57 from 6 April 2028. Pension savings in certain schemes may be protected from this change.

Transferring from DB to DC

WARNING - transferring out of a defined benefit (DB) scheme could damage your wealth!



Haleon Pension Plan

Contributions				
Haleon core contribution	Employee contribution	Your matching contribution	Haleon's matching contribution	Total
7%	2%	0%	0%	9%
7%	2%	1%	1%	11%
7%	2%	2%	2%	13%
7%	2%	3%	3%	15%



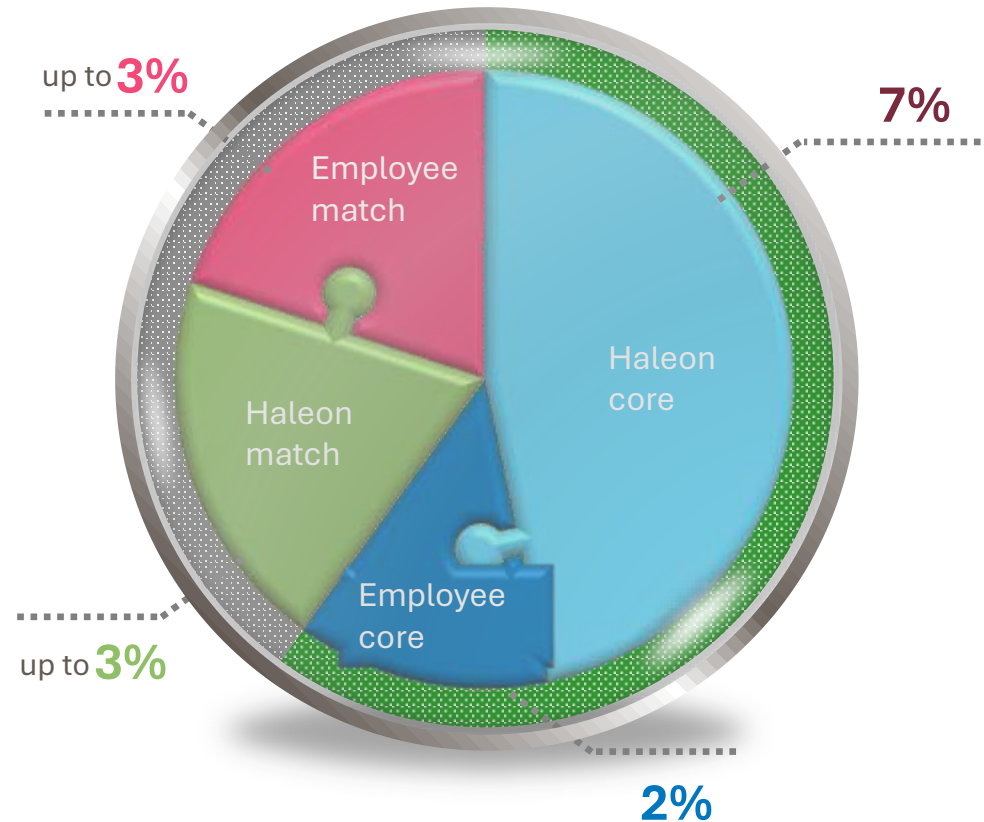
Contributions are paid via Salary Sacrifice



Default Normal Retirement Age is 65

Haleon Pension Plan

Making the most of Haleon matching contributions will result in contributions made up of:



Salary sacrifice

Annual Salary = £30,000 (basic rate taxpayer)

Employee Contribution = £1,500pa (5%)

Tax Saving = 20%

NI Saving = 8%

Personal Cost = £1,080pa

Employer Contribution = £3,000pa (10%)



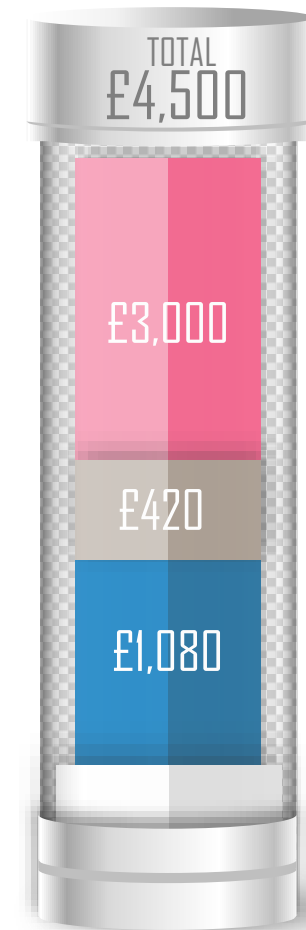
Employer matching contribution (10%)



Tax & NI savings (30%)



Employee contribution (5%)



Salary sacrifice

Annual Salary = £60,000 (higher rate taxpayer)

Employee Contribution = £3,000pa (5%)

Tax Saving = 40%

NI Saving = 2%

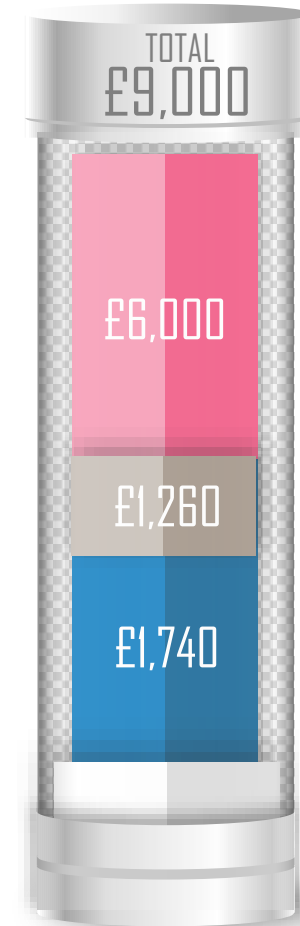
Personal Cost = £1,740pa

Employer Contribution = £6,000pa (10%)

 Employer matching contribution (10%)

 Tax & NI savings (42%)

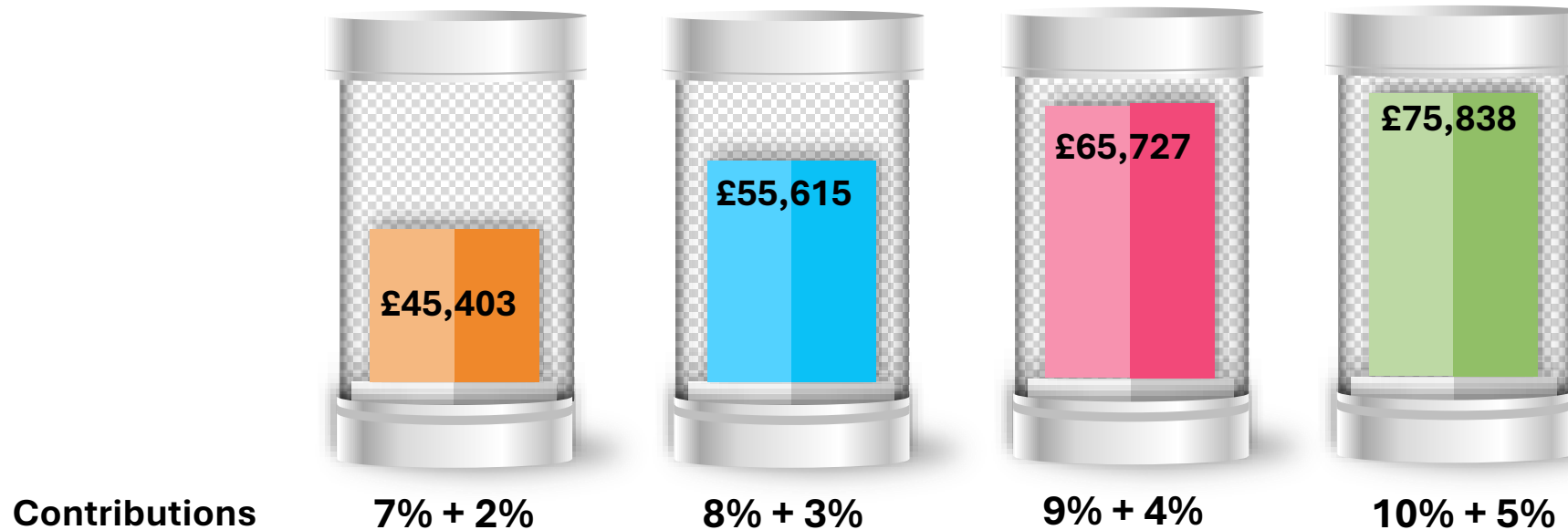
 Employee contribution (5%)



How contributions add up

The more you can afford to contribute, the more savings you are likely to have at retirement.

Age: 50 | Pensionable salary: £30,000 | Retirement age: 65



How contributions add up

The more you can afford to contribute, the more savings you are likely to have at retirement.

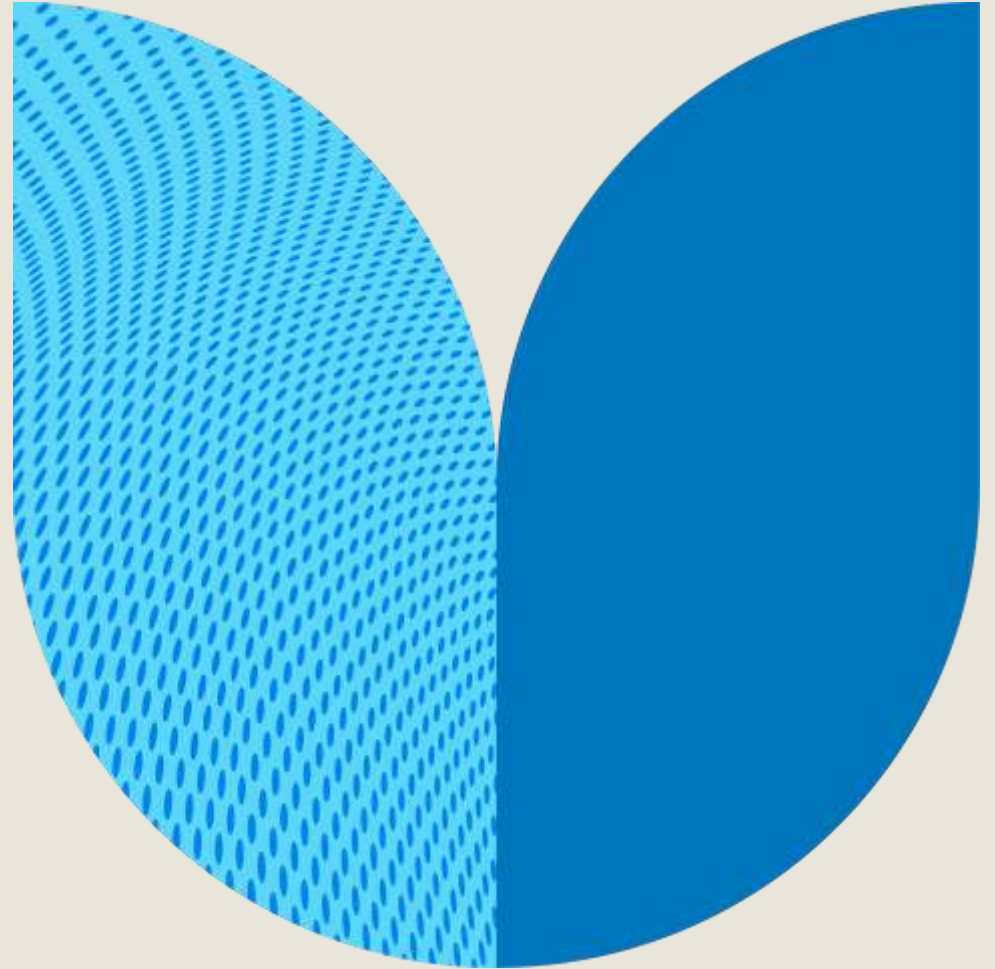
Age: 50 | Pensionable salary: £30,000 | Retirement age: 65

Assumptions made in our example:

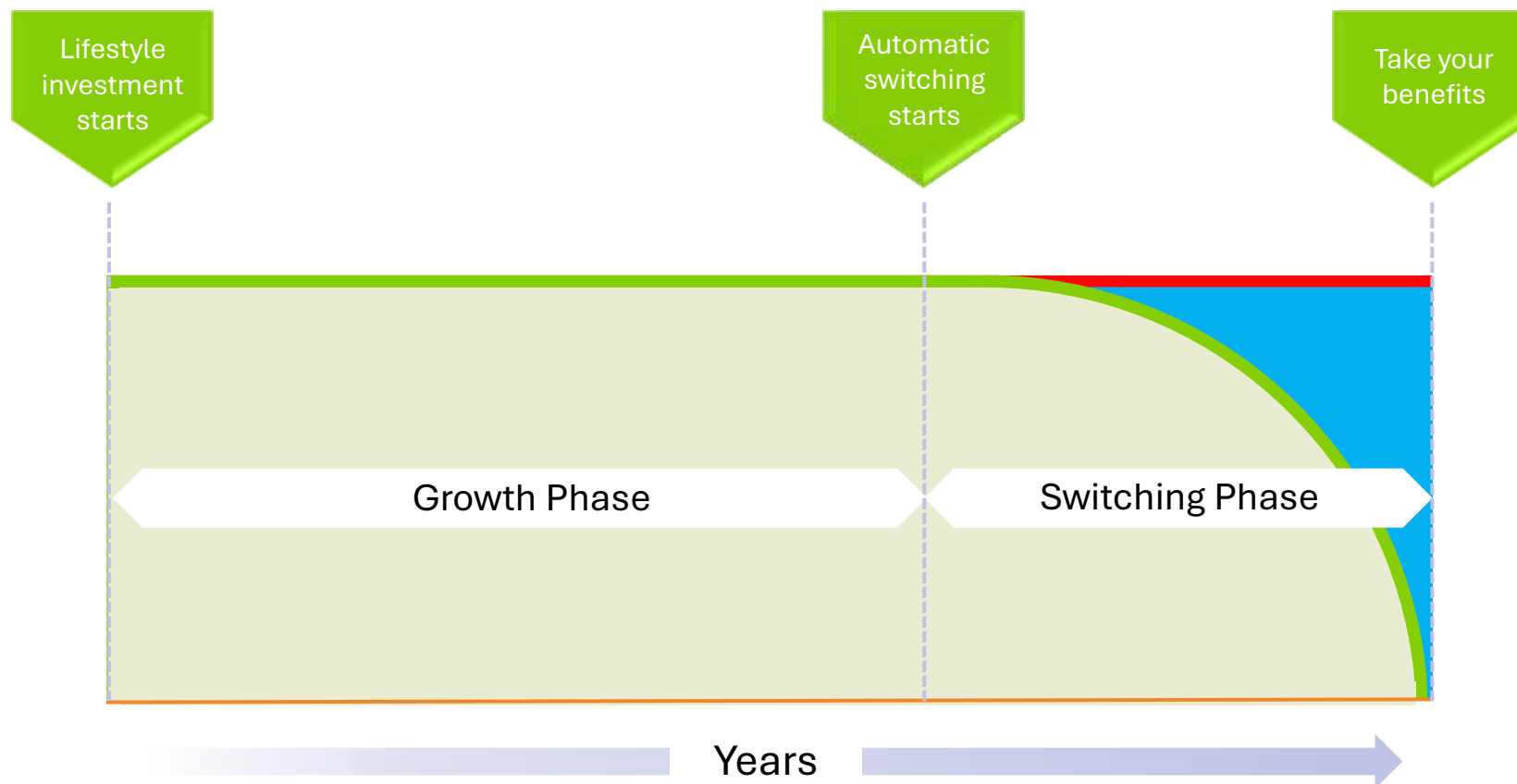
- Annual salary increases by 2.5% each year
- Annual Pension charges of 0.75% apply
- Investment growth is 5% each year
- All values are shown in today's money and assume 2.5% inflation each year
- Note that growth, inflation and charges vary and may be higher or lower

The projected pension values shown reflect the contributions that you will receive and ignore any prior pension savings.

Investing in the Haleon Pension Plan

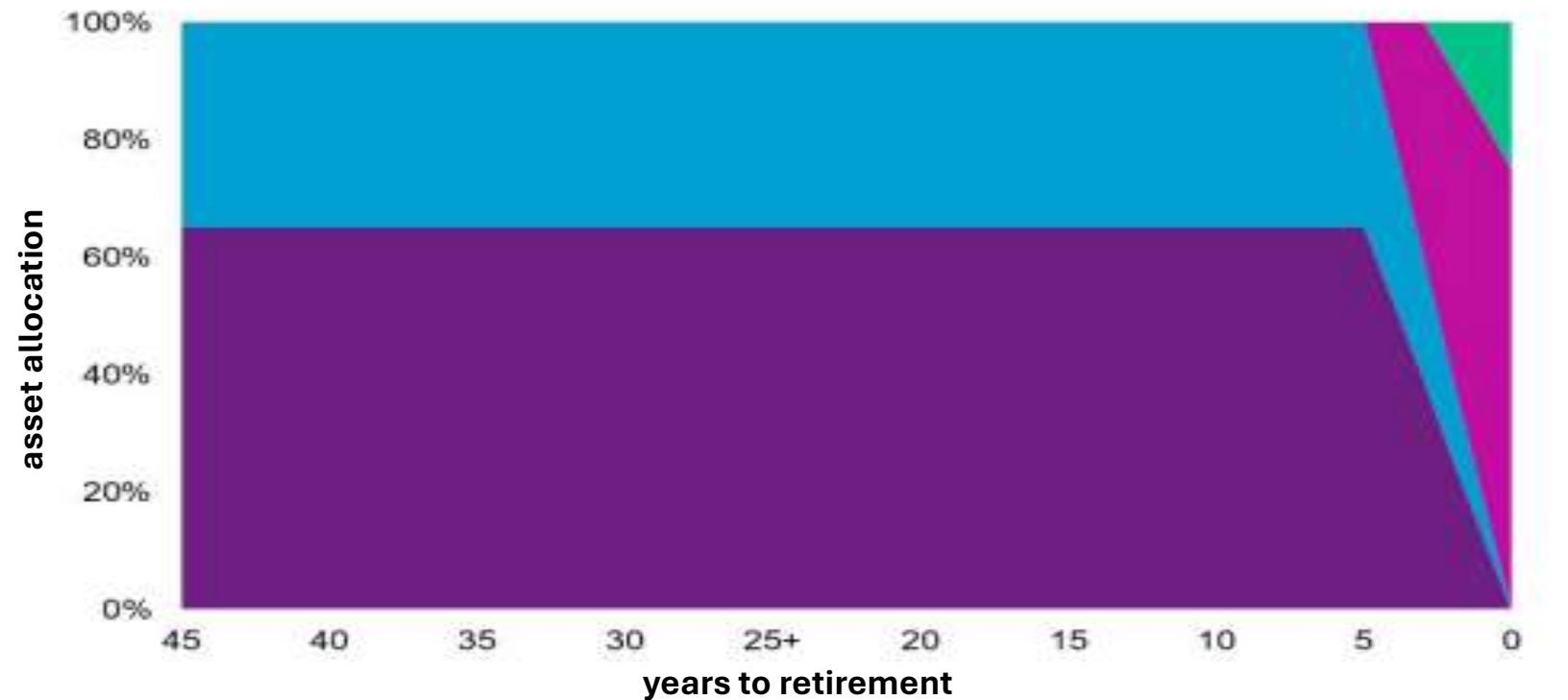


Lifestyle funds



Haleon Pension Plan

Your default pension investment option is the CH Drawdown Lifecycle strategy.



● LifeSight Equity Fund

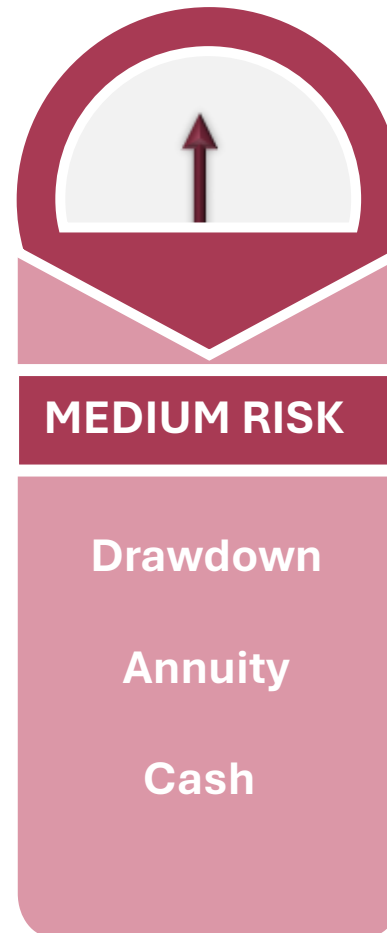
● LifeSight Diversified Growth Fund

● L&G Retirement Income Multi-Asset Fund

● LifeSight Cash

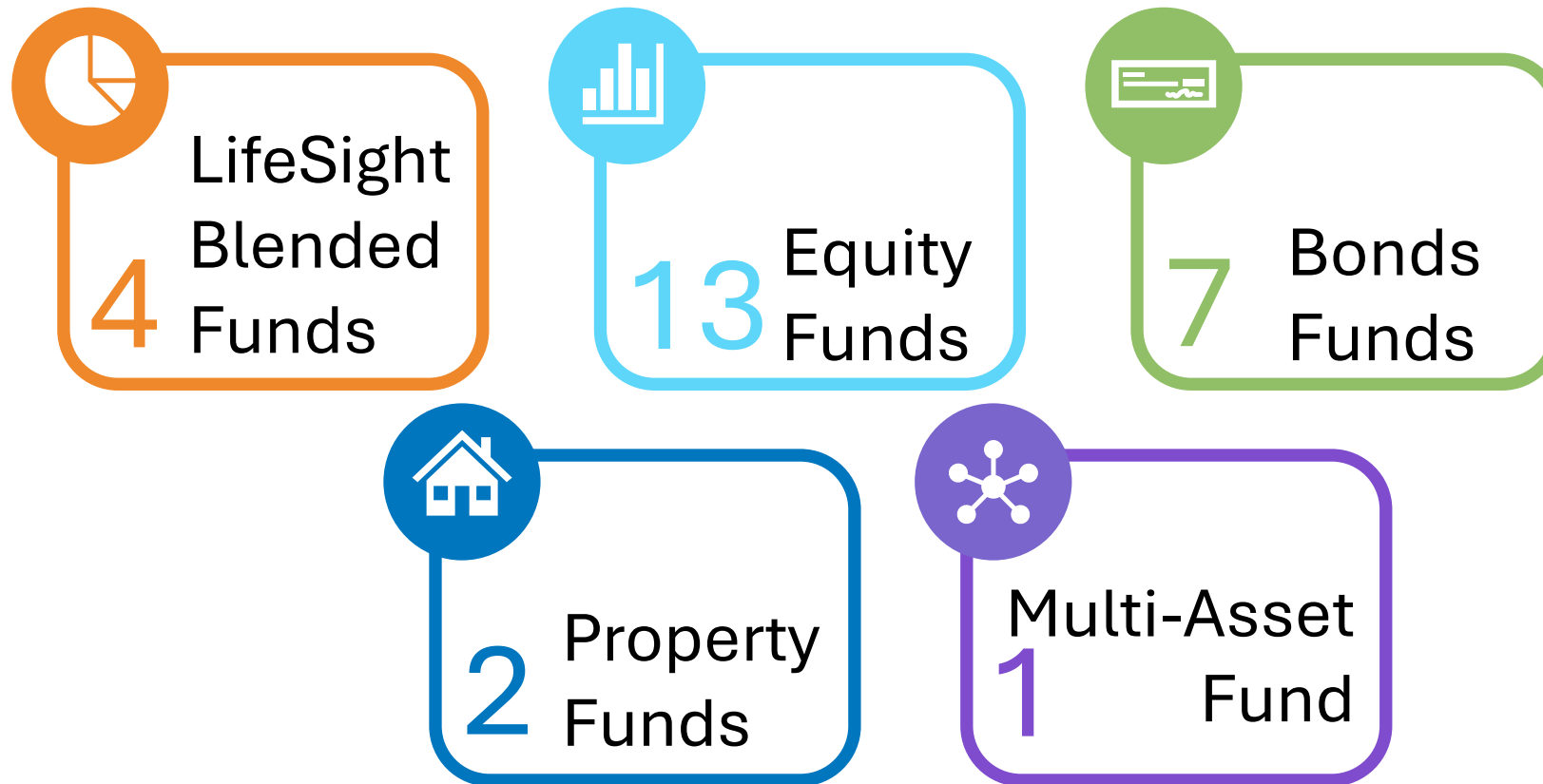
Haleon Pension Plan

You have 9 other other LifeCycle options to choose from, each targeting a different withdrawal route and risk level.



Freechoice investment options

Freechoice allows you to choose from a range of funds and select your own asset allocation.



Retirement age

There is no contractual retirement age

You have a default Normal Retirement Age (NRA) for actuarial and calculation purposes

The default NRA for the Haleon Pension Plan is 65

Check your NRA reflects your plans

Consider all your retirement savings before making any decisions

Limits on tax efficiency

Annual Allowance (AA)

- The annual allowance is £60,000*
- This may be reduced if your total taxable income exceeds £200,000 or you flexibly withdraw taxable income from a DC scheme
- Carry forward may be available from up to the 3 previous tax years

Limits on tax-free cash

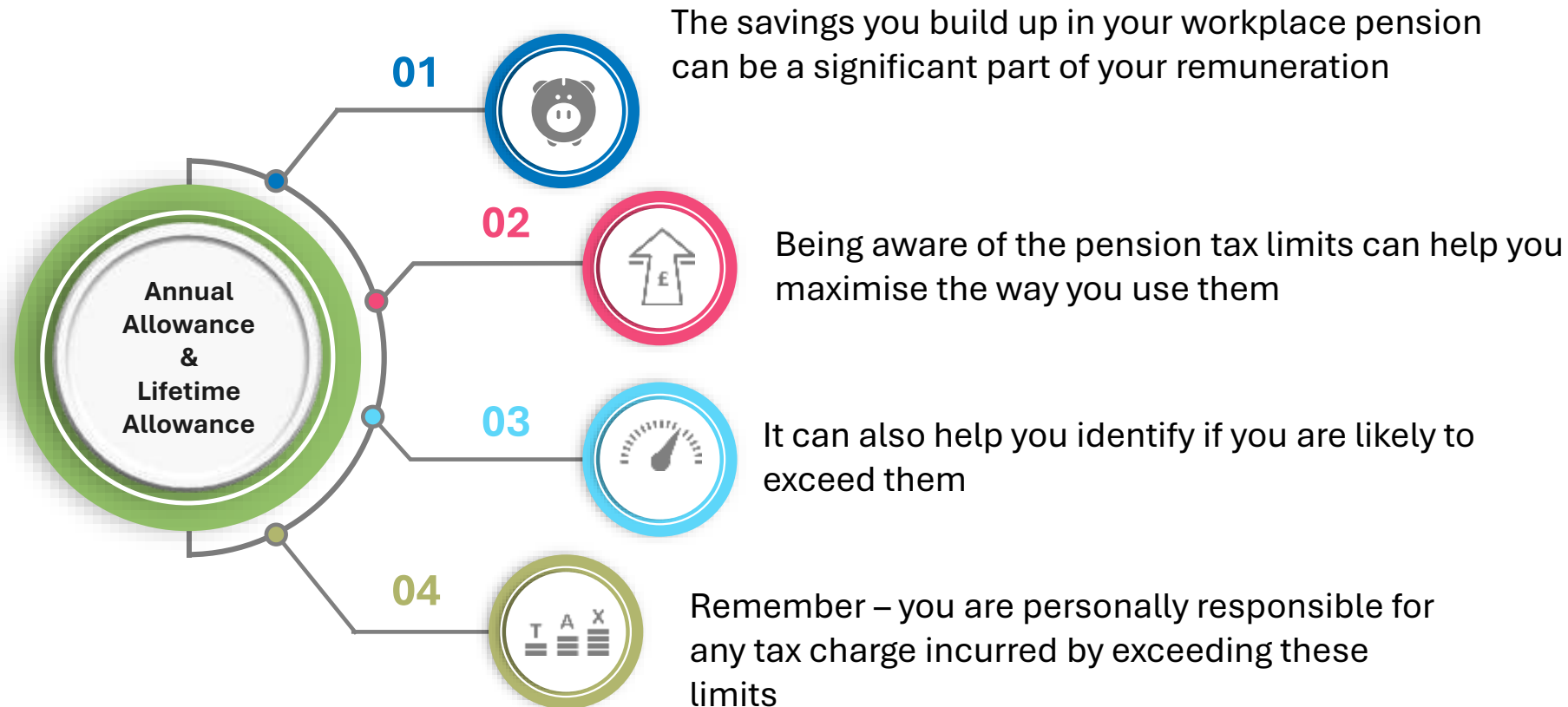
- Lump Sum Allowance (LSA): The maximum tax-free cash is limited to 25% of the pension value, subject to a total cap of £268,275 (which is set to be frozen)
- Lump Sum and Death Benefits Allowance (LSDBA): The maximum amount of non-taxable lump sums that can be taken from a pension, set at £1,073,100.
- Those individuals who hold Life Time Allowance (LTA) protection will have allowances based on their protected LTA



If you think you may be affected, ask about this on your follow up call

*Tax relief is only available on contributions up to the greater of 100% of relevant earnings or £3,600

Why these limits are important



Quiz



The maximum tax-free cash that can normally be received from a pension is:

A. 15%

B. 20%

C. 25%

D. 30%

Quiz



What is the maximum amount that can be paid into an ISA this tax year?

A. £15,500

B. £20,000

C. £40,000

D. Unlimited

Quiz



The default investment approach in the Haleon Pension Plan is:

A. 100% equity investment

B. Freechoice fund range

C. 50% equity & 50% bonds

D. A lifecycle strategy

Quiz



What is the Normal Retirement Age for the Haleon Pension Plan?

A. 50

B. 55

C. 60

D. 65

Quiz



Where can you find more information about your
Haleon Pension Plan?

A. Pension Advisory Service

B. Total Reward Online

C. The FCA

D. Money Helper

Quiz



Making pension contributions through salary sacrifice will usually save a member:

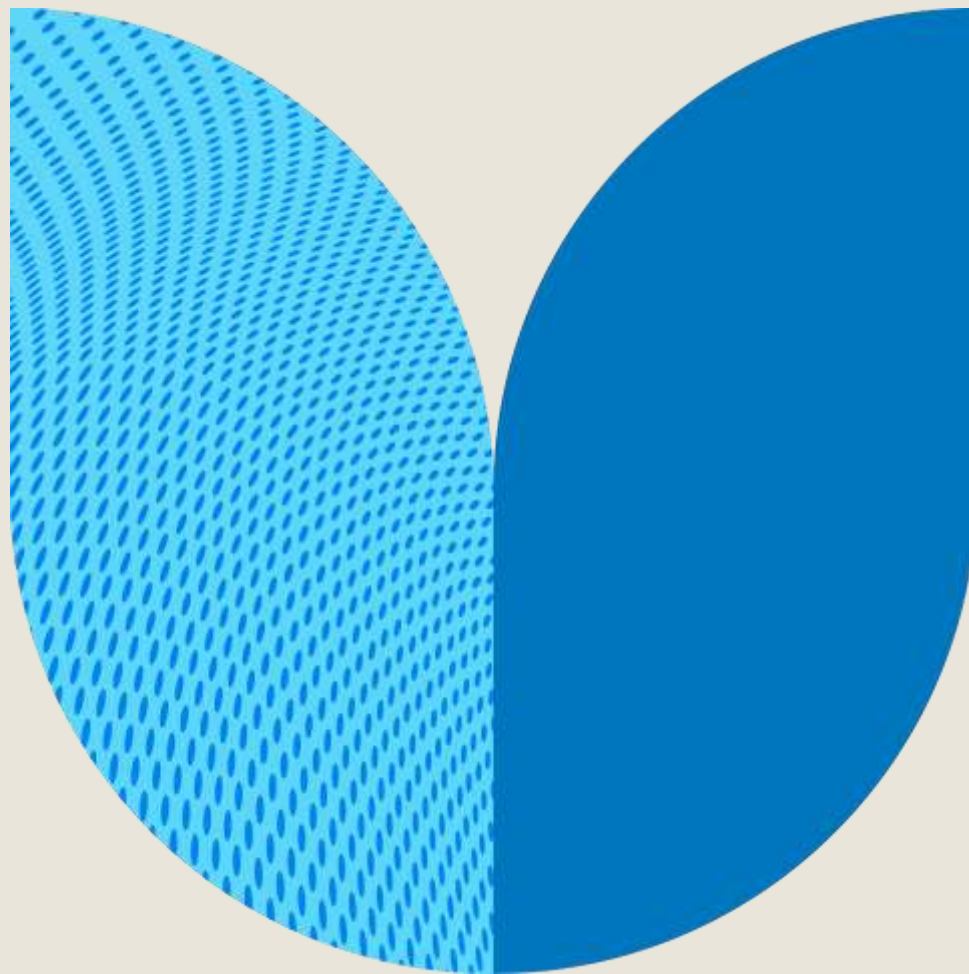
A. Tax only

B. National Insurance only

C. Tax and National Insurance

D. A fixed amount of 20%

Other savings and investments



Your objectives



Short Term

- 0 to 5 years
- Typically cash holdings



Medium Term

- 5 to 15 years
- Consider your risk / return approach



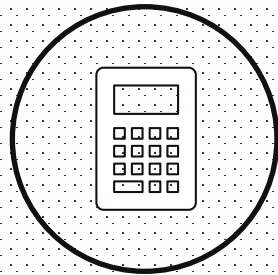
Long Term

- More than 15 years
- Consider your retirement approach

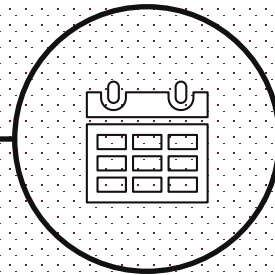
Creating an emergency fund

If you are in a position to put money aside, take these steps to create an emergency fund:

Add up your essential monthly expenditure



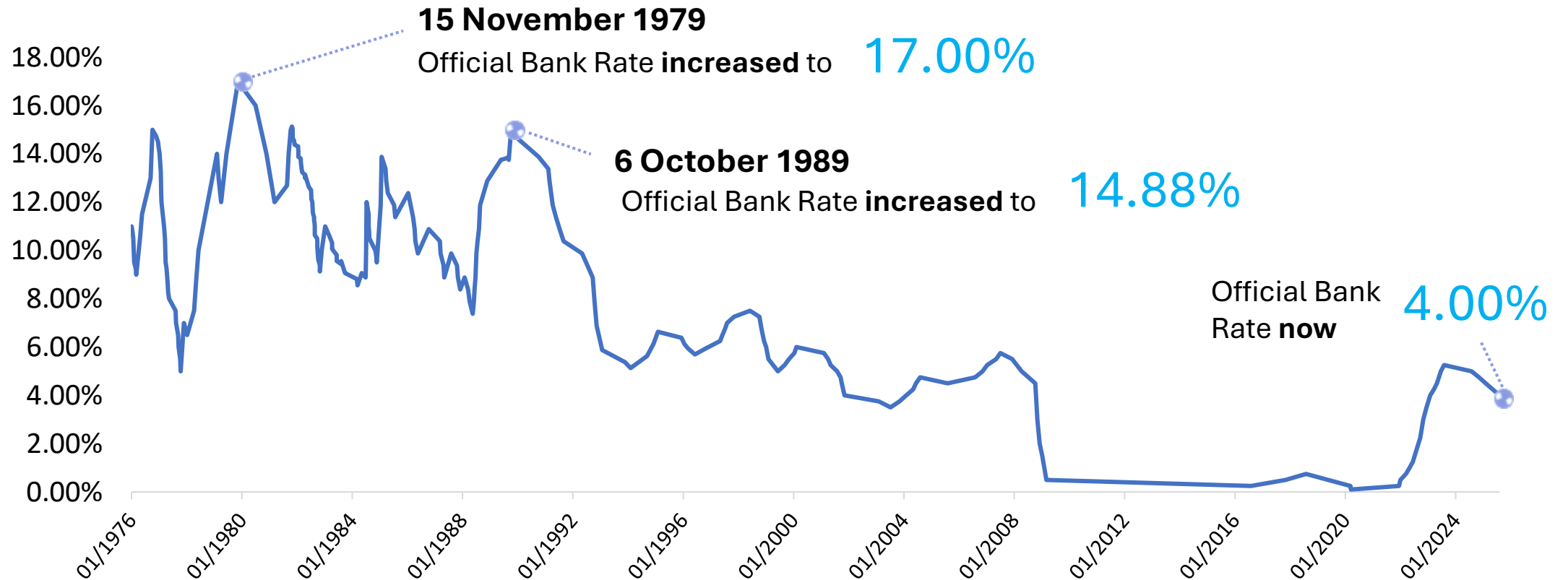
Hold this money in an instant access account



Aim to save 3-6 months worth of this calculation

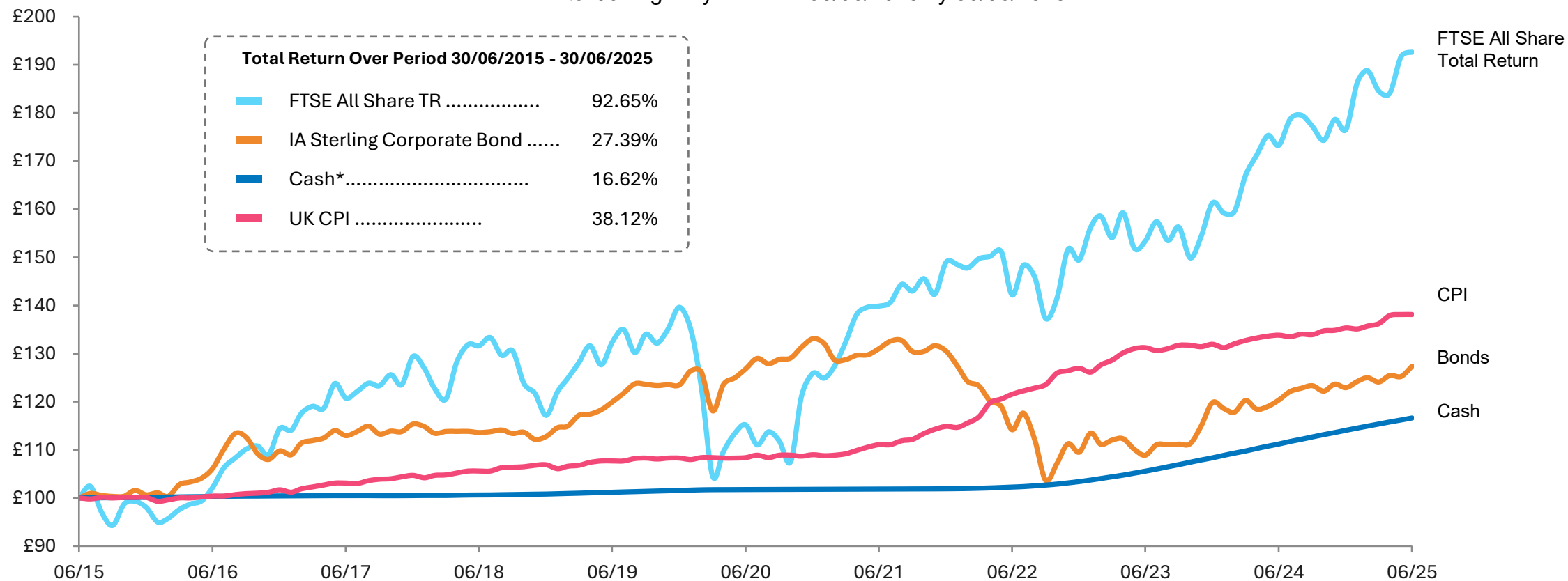
Changing interest rates

If you have longer term savings you may consider investments rather than cash.



Risk and returns: the real world

The value of £100 originally invested 30/06/2015 by 30/06/2025



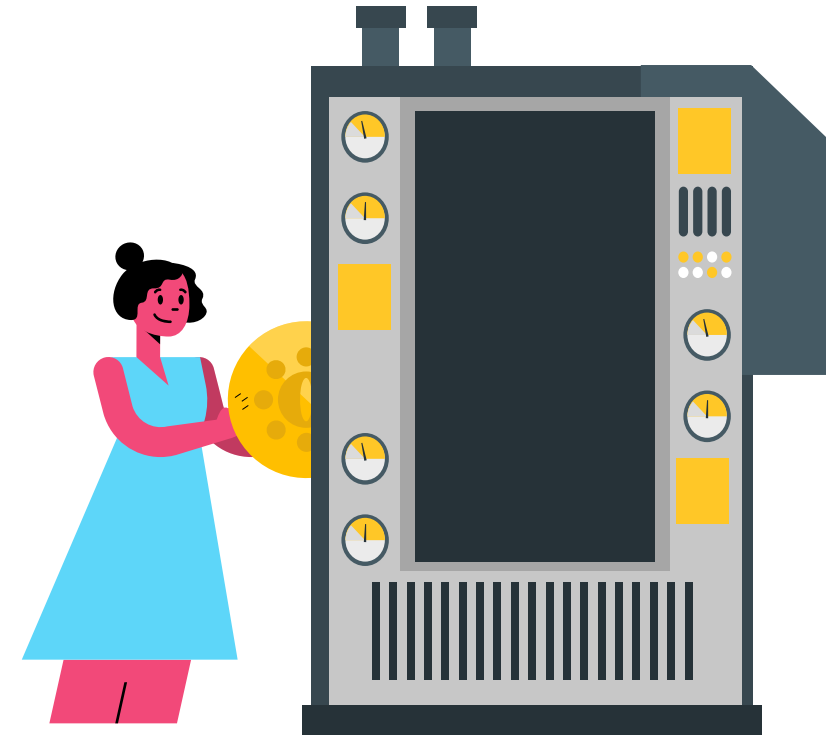
This chart shows past performance which is not a reliable guide to the future

Source: Financial Express & Bloomberg

*Cash is calculated using: FE FER Cash Proxy from 30/06/2015 to 31/12/2018 and the UK Bank of England Base rate from 31/12/2018 to 30/06/2025.

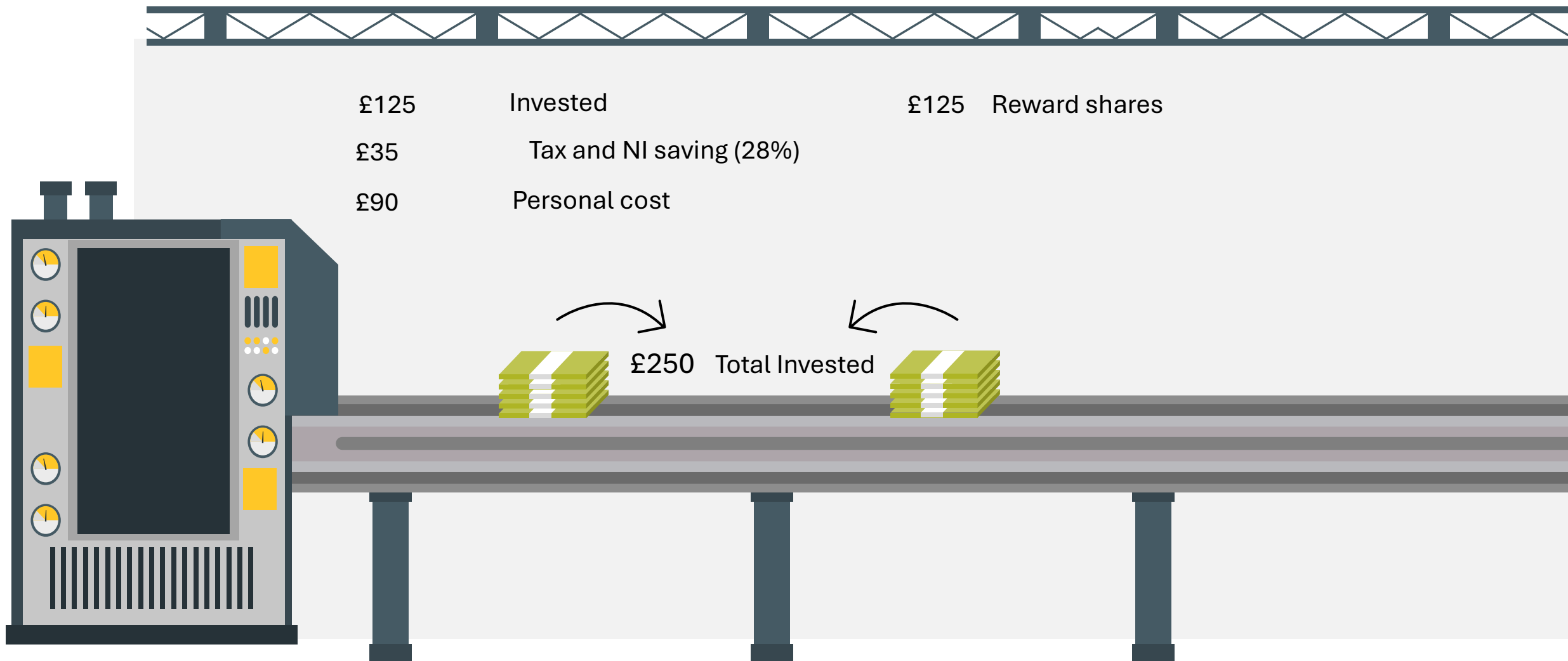
Share reward

-  Contribute 10% of salary up to £125 pm
-  1 free share for every share you buy
-  Savings on Income Tax and National Insurance
-  Dividends can buy dividend shares or can be paid as cash
-  Shares can be sold tax free after 5 yrs (dividend shares 3 yrs)
-  Shares can be transferred to an ISA, or sold and the proceeds transferred to a SIPP subject to HMRC limits



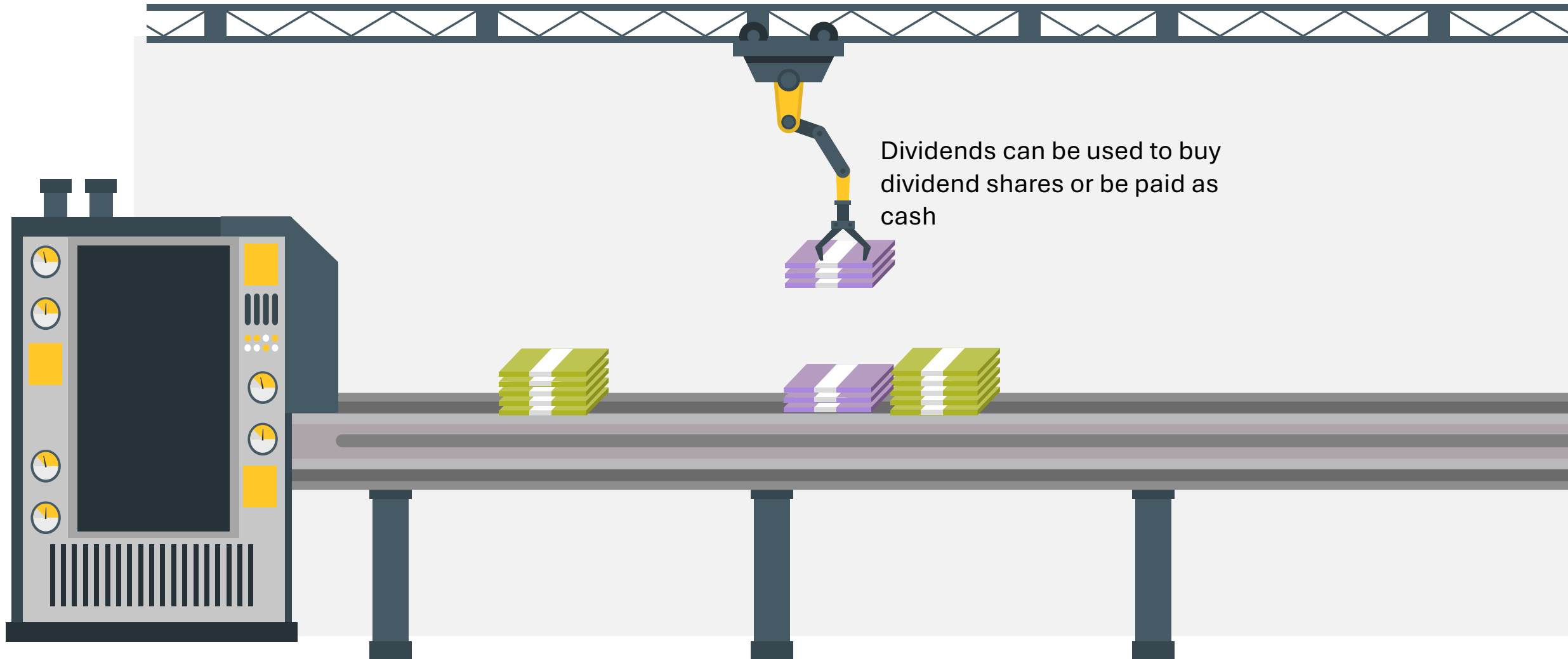
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Access dividend shares tax-free or
leave them in the scheme

After 3
years...



Access investment and reward shares
tax-free or leave them in the scheme



Share save

Save between
£5 and £500
per month

Option price is
set at the start
of the term and
will be 20%
below the share
price at that
time

At the end of
the term, buy
shares or take
savings tax
free*

Save for a 3
year period

Possible tax
free bonus at
the end of the
contract

Shares can be
transferred to
an ISA**

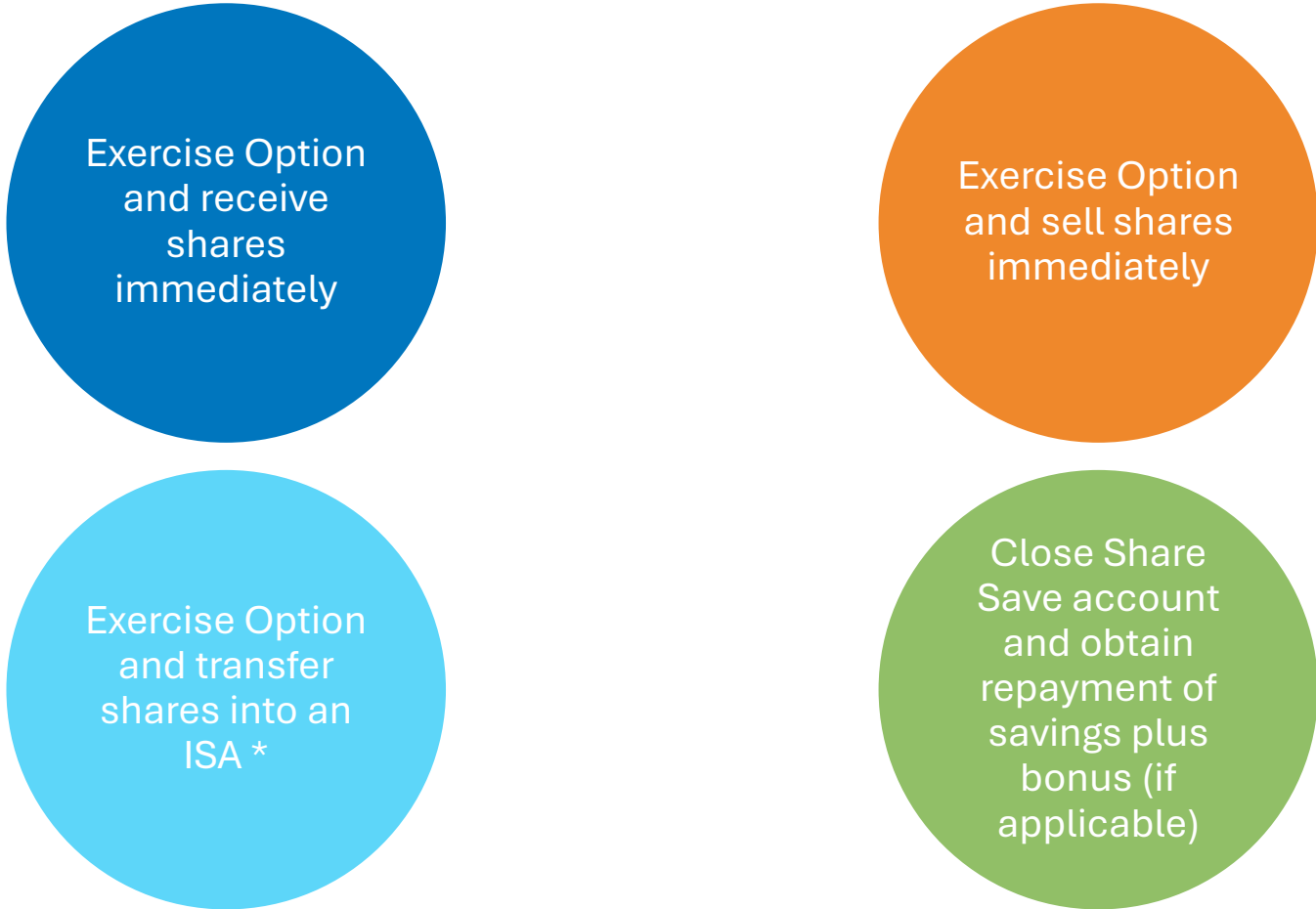
*your option can be exercised anytime within 6 months from the end of the term

**subject to HMRC limits

Share save



Share save options



Exercise Option
and receive
shares
immediately

Exercise Option
and sell shares
immediately

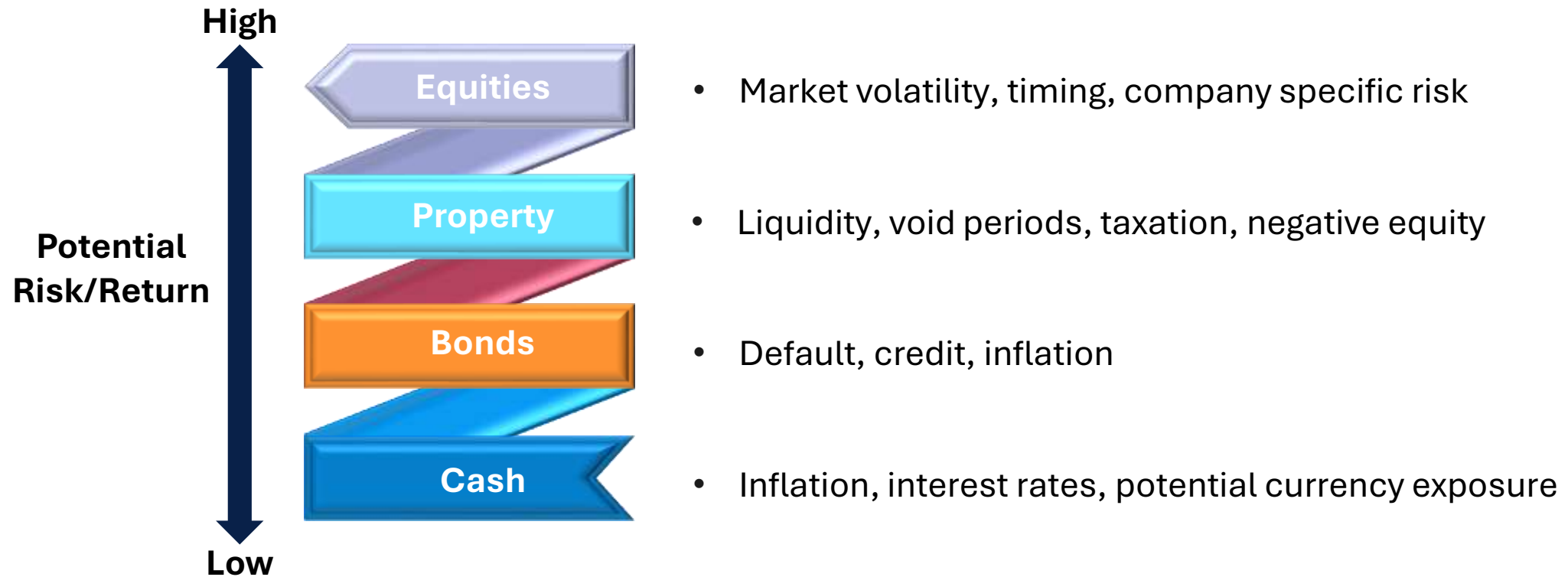
Exercise Option
and transfer
shares into an
ISA *

Close Share
Save account
and obtain
repayment of
savings plus
bonus (if
applicable)

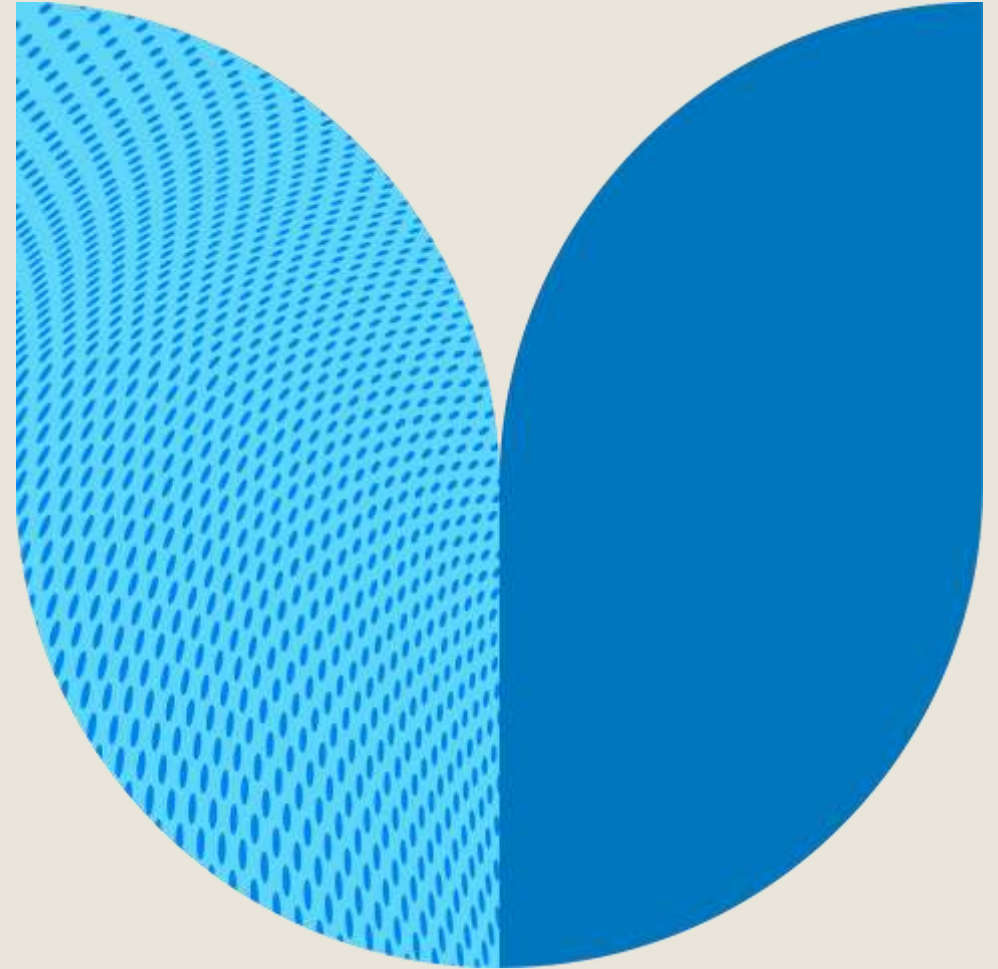
*Subject to HMRC limits

Investment risk and returns

What types of risk may you need to consider with your savings?



Tax allowances

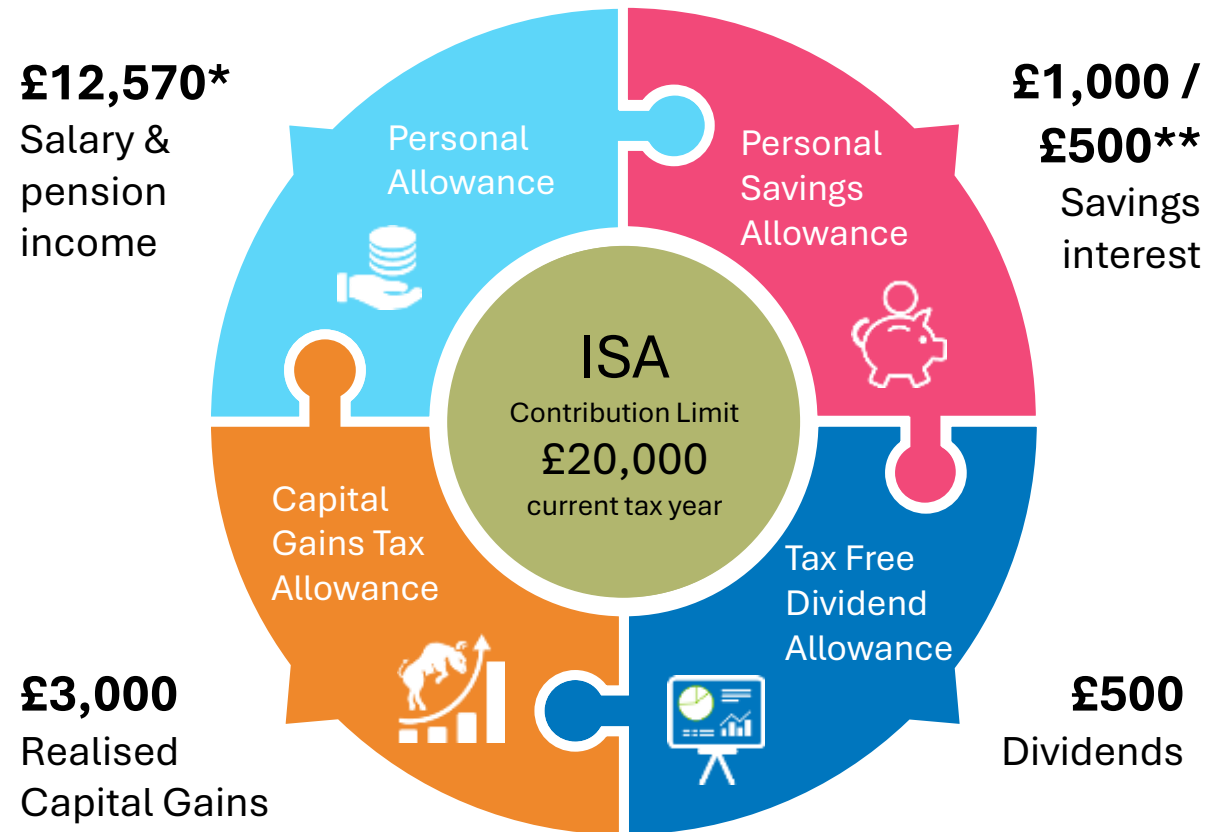


Individual savings accounts (ISAs)

- An ISA protects your savings and investments from taxation
- Interest and dividends are tax-free
- Growth is free of Capital Gains Tax



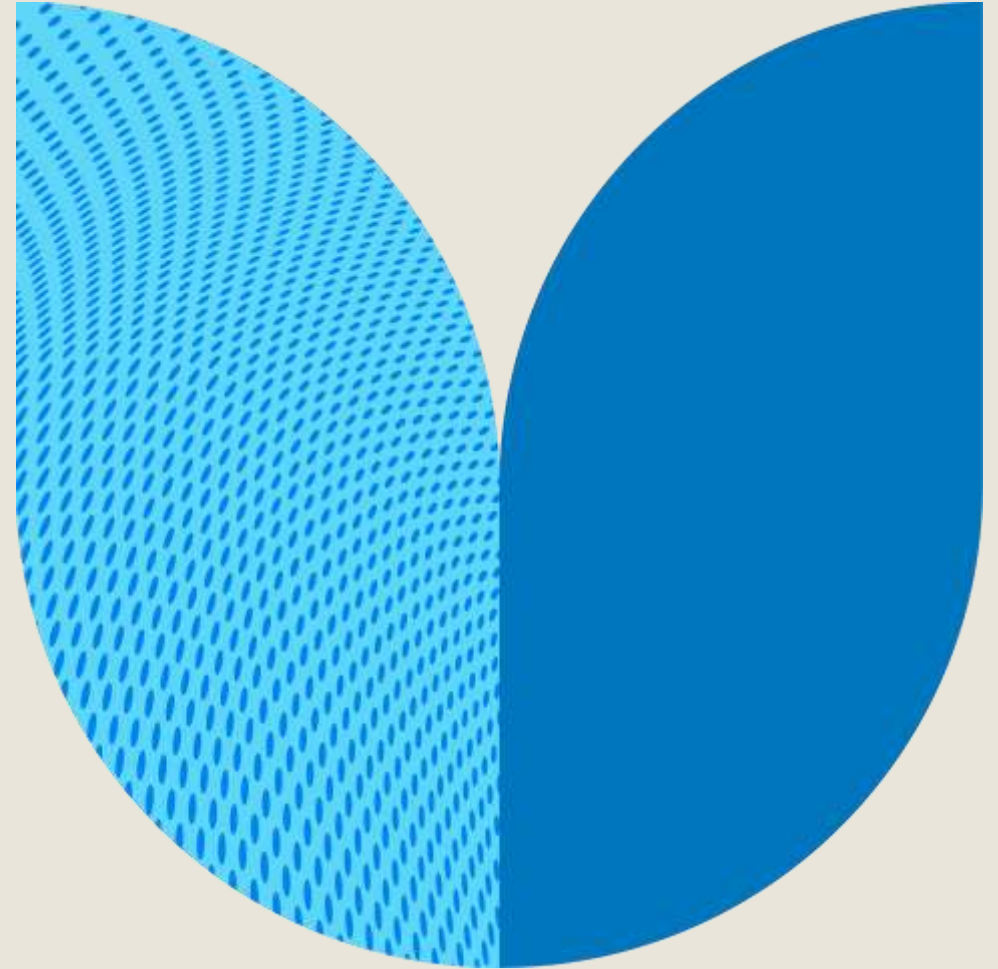
Tax allowances summary



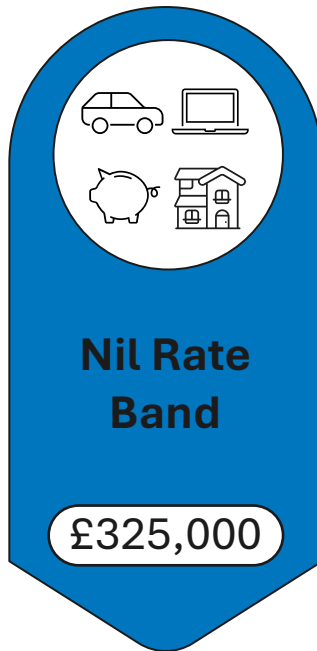
*Reduced for those with income over £100,000

**£1,000 for basic rate and £500 for higher rate taxpayers. Additional rate taxpayers do not have a Personal Savings Allowance

Estate planning



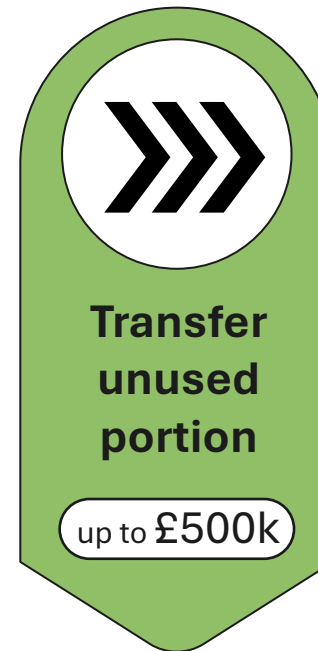
Inheritance tax (IHT)



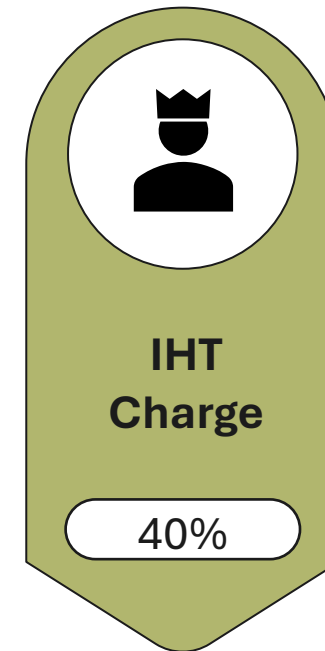
Applied to any part of an estate that is chargeable to IHT



Only applied to a home that is left to a direct descendant

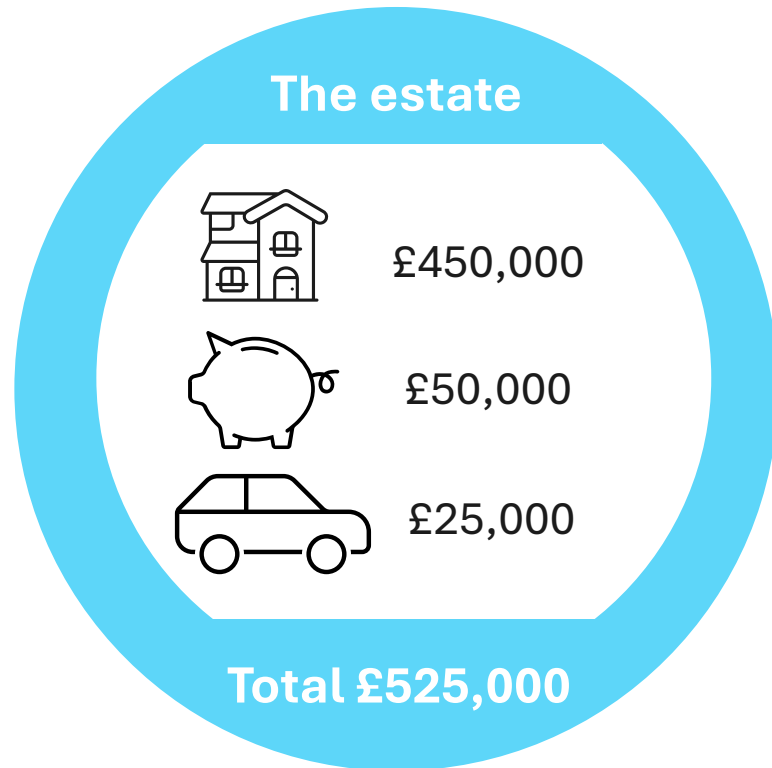


A couple could potentially pass on up to £1m before IHT becomes due*

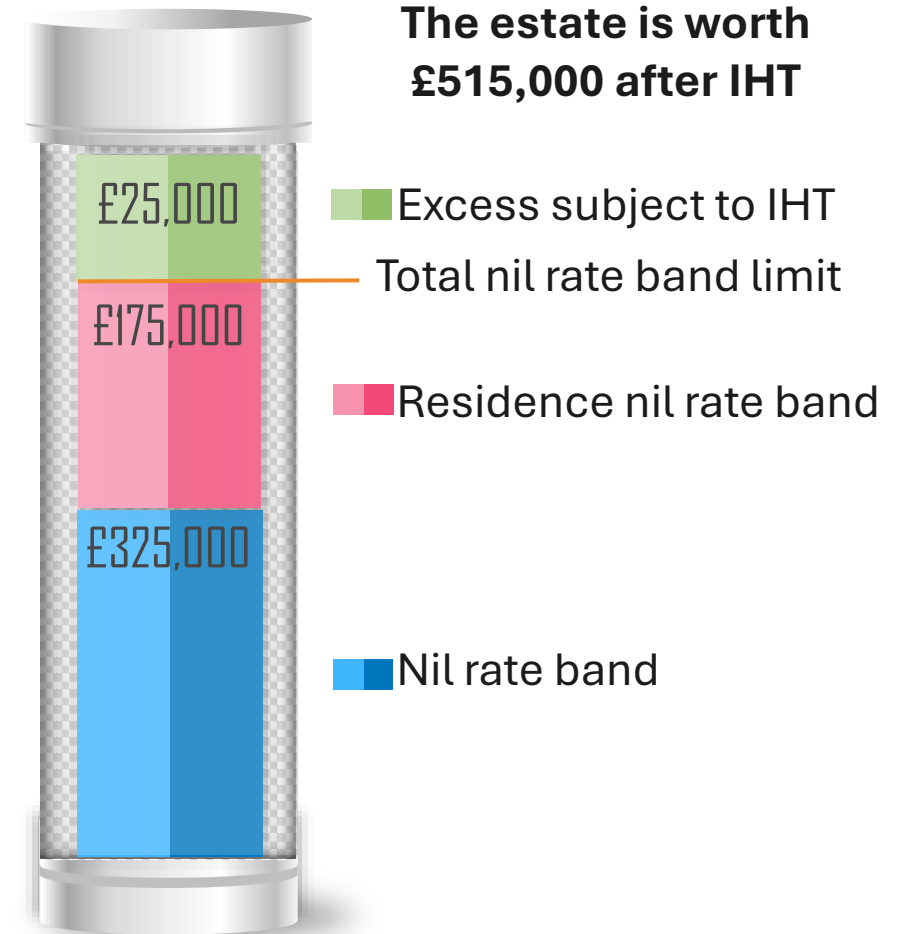


*A couple in this context is a spouse or civil partner

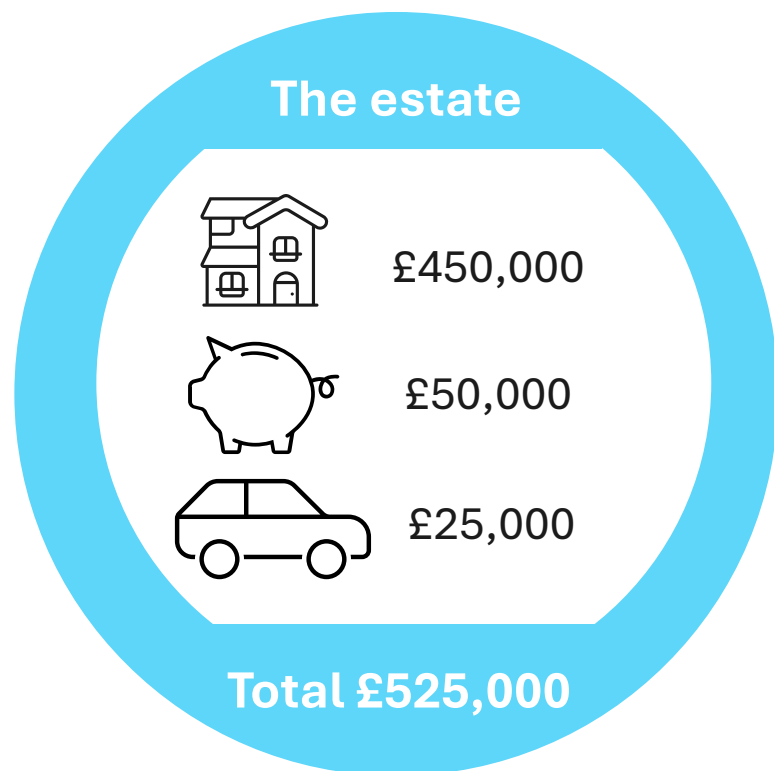
Inheritance tax (IHT) - example



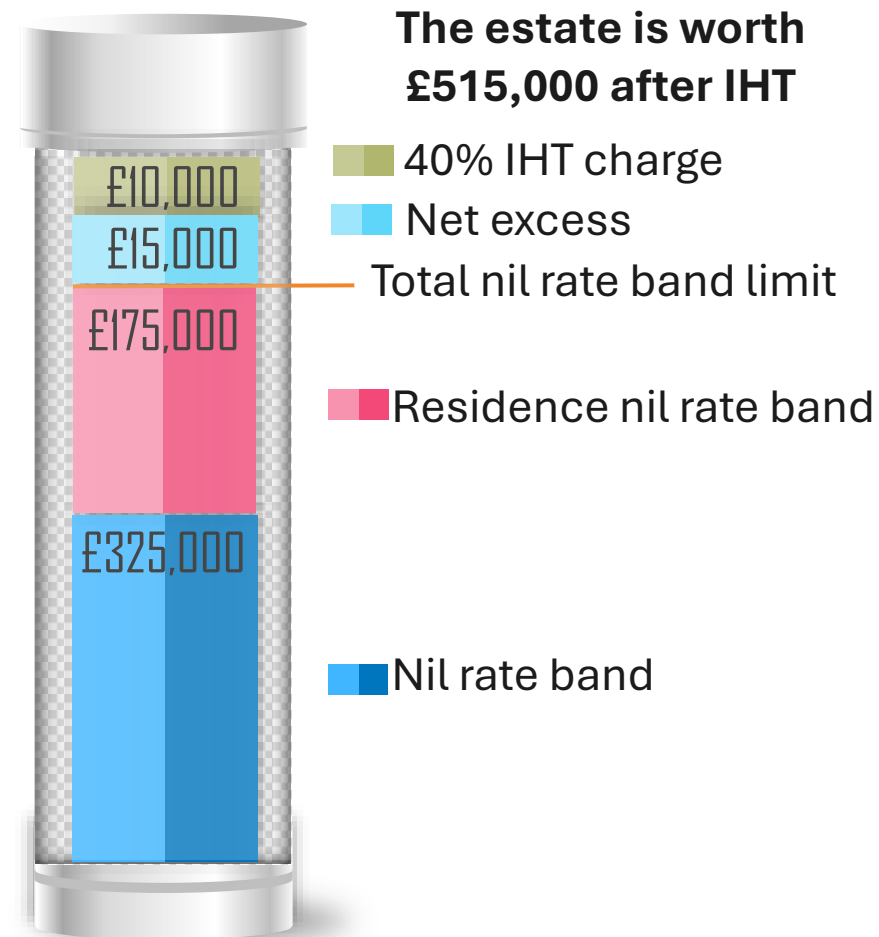
The estate is being passed to a direct descendant



Inheritance tax (IHT) - example

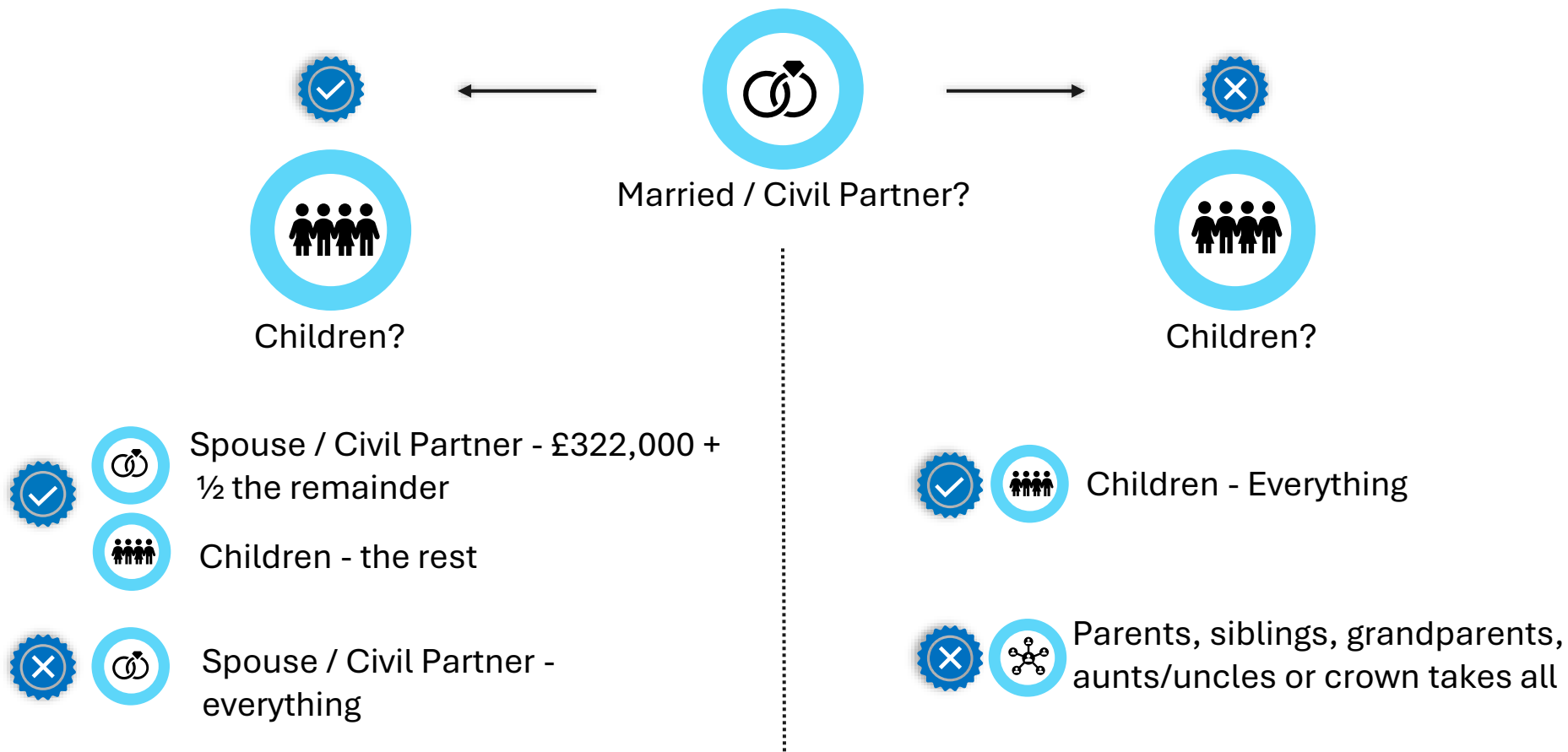


The estate is being passed to a direct descendant



Intestacy rules – England & Wales

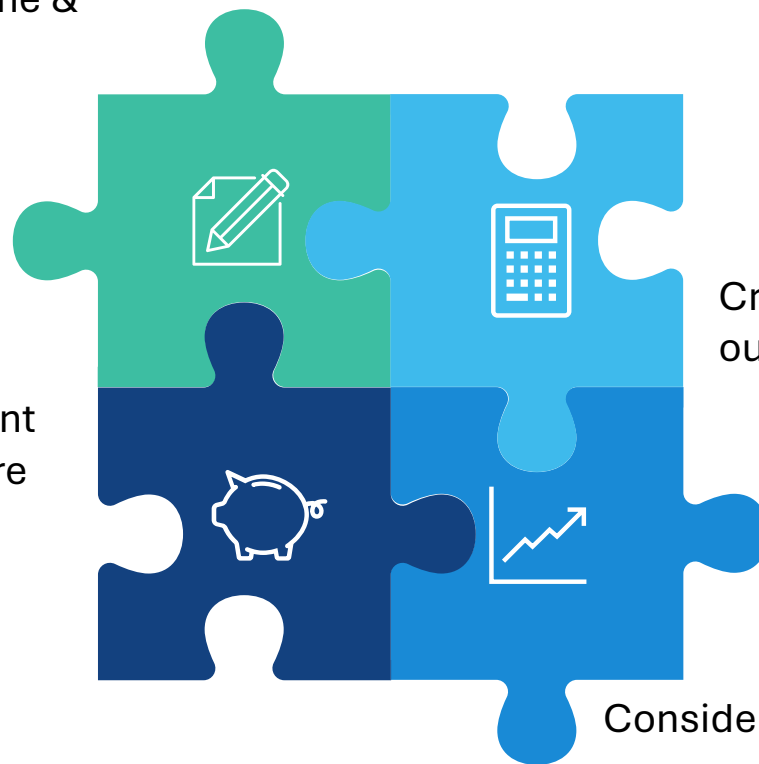
If you were to die without a valid will, intestacy rules would apply. The rules that apply depend upon your personal circumstances.



Summary

Review your income & expenditure

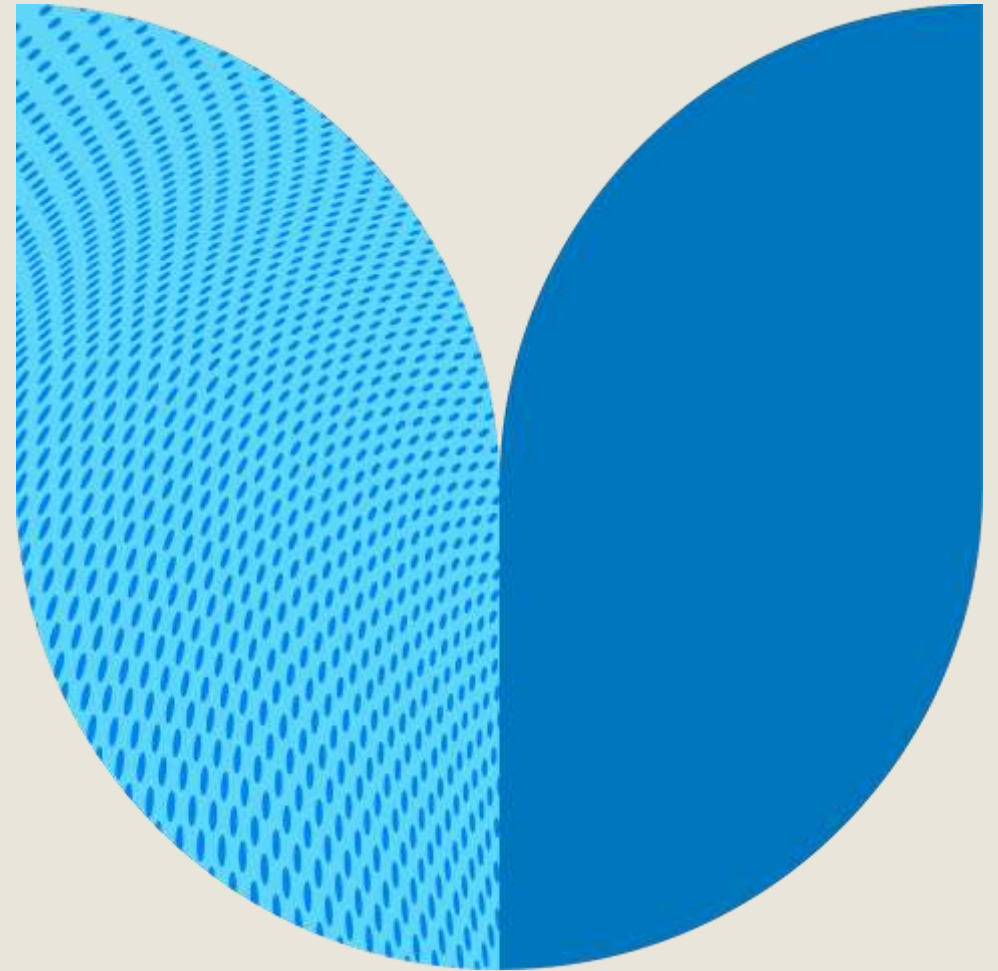
Review where your current savings & investments are being held



Create a plan to tackle any outstanding debt.

Consider your pension contributions

Next steps



LifeSight contact information



01737 230 473



lifesightsupport@willistowerswatson.com



The LifeSight Team, Willis Towers Watson,
PO Box 758, Redhill, Surrey, RH1 9G



www.lifesight-epa.com / TotalReward Online (if on the network)

Useful contacts

01

Money Helper pension calculator

www.moneyhelper.org.uk/en/pensions-and-retirement/pensions-basics/pension-calculator

02

Money Helper credit card calculator

www.moneyhelper.org.uk/en/everyday-money/credit-and-purchases/credit-card-calculator

03

General tax and National Insurance information

www.hmrc.gov.uk

04

Pension Tracing Service

www.gov.uk/find-pension-contact-details

Seeking advice

An adviser will assess your circumstances, objectives and risk profile and provide you with a personal recommendation to meet your objectives.

All regulated firms are listed on the Financial Services Register, this provides confirmation that the firm is authorised, the specific services they are authorised to provide and details of the advisers who work for them.

Financial Services Register link:

- <https://register.fca.org.uk>

Contact us

We provide a telephone helpline and a regulated financial advice service through **my wealth** - a trading name of Wealth at Work Limited which is part of the Wealth at Work group.

It helps individuals to understand their personal financial situation especially when selecting their retirement income options.

- Telephone **0800 028 3200**

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Thank you

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