Canadian High Commission Locally Engaged Staff Pension Scheme (UK) (the Scheme)

Announcement to pensioner members – a change to pension increases

We write further to the announcement issued to all pensioner members in June 2022 to inform you about the way in which your pension will be increased each year.

This follows the Trustees considering in detail the uncertainty identified in the Scheme's governing trust deed and rules about the cost of living measure used by the Scheme for revaluing deferred pensions and increasing pensions in payment.

Increases to your pension each year

Broadly speaking, the Scheme's governing trust deed and rules require your pension to be increased each year as follows:

- your guaranteed minimum pension (**GMP**) built up to 5 April 1988 and all of your pension in excess of your GMP shall increase in line with the **cost of living**; and
- your GMP built up between 5 April 1988 and 6 April 1997 shall increase in line with the Retail Prices Index (**RPI**) capped at 3%.

Before 23 June 1994, the **cost of living** was measured in the Scheme by the Consumer Prices Index as published by the United Nations (**CPI**). Between 23 June 1994 and 1 July 2022, the **cost of living** was measured in the Scheme by the Retail Prices Index (**RPI**). On and after 1 July 2022, the Scheme's measure of the **cost of living** has reverted to the CPI.

The decision to change the cost of living measure in the Scheme back from the RPI to the CPI was made after extensive discussions amongst the Trustees, with significant input from our professional advisers. Recent court judgments, historic Scheme documents and former Trustees' decisions, as well as the views of the Government of Canada, were all considered. We are confident that the decision reached is the correct one. For the avoidance of doubt no changes will be made to how annual increases to your pension have been calculated and applied using the RPI prior to 1 July 2022.

A similar change has been made to the way in which deferred pensions are revalued from the date upon which members leave a Scheme employer's employment until retirement. However, this change does not affect you.

Further information and getting in contact

You do not need to do anything in response to this letter.

However, if you have any questions about the content of this letter, would like further information about your Scheme benefits or need to update your address or personal data, please contact the Scheme administrator at:

Post: Barnett Waddingham, 3 Devon Way, Birmingham, B31 2TS

Tel: 0333 11 11 222 e-mail: CHC@barnett-waddingham.co.uk

Please quote your full name, your National Insurance number, your membership number and the name of the Scheme in any correspondence with the Scheme administrator.

A copy of this announcement will be put on the scheme website at www.highcommissionofcanada-pensions.co.uk

Trustees of the Canadian High Commission Locally Engaged Staff Pension Scheme (UK)