

FUNDING YOUR FUTURE



SUMMER 2024

INSIDE

- Full review to make our pension plan even better!
- Soaring prices slam into retirement funding
- It's time to re-think the way we see the future

AB INBEV UK LTD PENSION PLAN

SAB SECTION

IN THIS ISSUE

Chairman's report	3
Will you have a comfortable retirement?	6
Time to rethink your future	8
Who looks after your pension?	10

If you have any questions at all about your pension,

such as obtaining figures or changing your personal details, please contact **Aegon**, your pension provider via:

- **helpline** 01733 353 437
- **email**

mypension@aegon.co.uk
for access to TargetPlan

Here to help

Who	What	Where
Money and Pensions Service (MaPS)	Free and impartial money and pensions guidance, backed by government	www.maps.org.uk 0800 138 7777
CAB (Citizens' Advice Bureau)	Independent and impartial advice on a wide range of subjects	www.citizensadvice.org.uk local bureaux around the country
Pension Tracing Service	Help with finding a lost pension	www.findpensioncontacts.service.gov.uk 0800 731 0193
MoneyHelper	Find an independent financial adviser	www.moneyhelper.org.uk 0800 011 3797
Gov.uk	Find out what benefits you may be entitled to	www.gov.uk/browse/benefits www.gov.uk/browse/working
Gov.uk	Check how much state pension you could get	www.gov.uk/check-state-pension
Pension Wise	Helps you understand the options for your pension pot	www.pensionwise.gov.uk 0800 138 3944

If you still need help, contact our pensions team at:

- Bureau, 90 Fetter Lane, London EC4A 1EN
- The team's mailbox is pensions@ab-inbev.com

We're already good; we want to be better!

Global and UK economic changes and challenges have prompted a full review of our pension plan, to help members at every stage



David Coldwell (pictured left), Chairman of the Trustee Company.

The after-effects of two huge events in the past three or four years – Covid and Ukraine – brought a cost-of-living crisis for people around the world.

Governments at their most competent have been incapable of resolving this for their electorate, and across Europe there have

been voter swings to new or “interesting” political parties.

Where elections have been held, incumbents have been punished and replaced by whoever is the main alternative.

This has recently been the case in the UK, where a new Labour government has been entrusted with the challenge of paying for the services demanded, →

We continue to live in changing times, full of challenges, writes



In common with other countries across Europe, the UK has seen a change in government, heralding changes across the economy.

← without increasing taxes on “working people”.

Against this background, we can expect changes to the pension world, as there have been after every change of government.

Your trustees will take care of your pension plan to the best of our abilities.

To this end, we are carrying out, with the aid of consultants, a full review of what we have, to ensure that the plan is the best it can be for members at every stage of their pension journey. We will report to you on any changes we propose.

Nothing is off the table, and we are pleased that what we have currently is regarded as very good.

The range of our investments, the value for money, the default fund chosen for you, the administration and communications...all are well regarded compared

Our pension plan's current range of investments, value for money, the chosen default fund, the administration and communications: all are well regarded.

with alternative pension schemes.

So we hope to improve from a good base.

Our particular interest is to offer a smoother transition between the

“assets accumulation” stage of a person’s life, and how they choose to take income in their retirement years.

Most members currently opt for drawdown.

This is where assets remain invested, and a sum is drawn monthly to live off.

The skill is to ensure that the assets last for your entire life, and do not run out early.

Currently, members have to transfer their benefits out of the plan to an



“We want to offer a smoother transition at each stage, as you accrue assets and decide how to take your pension”

Use any spare cash to boost your pension

Your pension trustees’ biggest concern is that all members should save enough to pay for the life they expect in the days after they stop earning a full salary.

This was a theme in our newsletter last year, and is covered in more detail overleaf.

We really understand the pressures of the current cost of living, but we also feel that this may always be an issue for us all to contend with.

Please, review your pensions regularly, and where you can, increase your contributions.



individual arrangement to exercise this option.

We wish to find a way to make this easier, as the current process is rather cumbersome.

One good piece of news is that rising interest rates have had the effect of substantially increasing annuities paid by insurance companies, so this low-risk retirement option is

currently well worth considering, instead of, or in conjunction with, draw-down.

This position will always change, though.

I want to thank the trustees for their work and commitment. They all do an excellent job.

Mark, our Pensions Manager, is full of wisdom and knowledge, and is

passionate about working with members to guide them towards good choices.

Our external advisers are helping considerably, and assist the trustee board where needed.

And the Pension Council provides a good link between trustees and members, able to answer many of your questions.

Income and expenses in 2023

Assets:

- £77m at 1 January, 2023
- £79.8m at 31 December, 2023

Money going out:

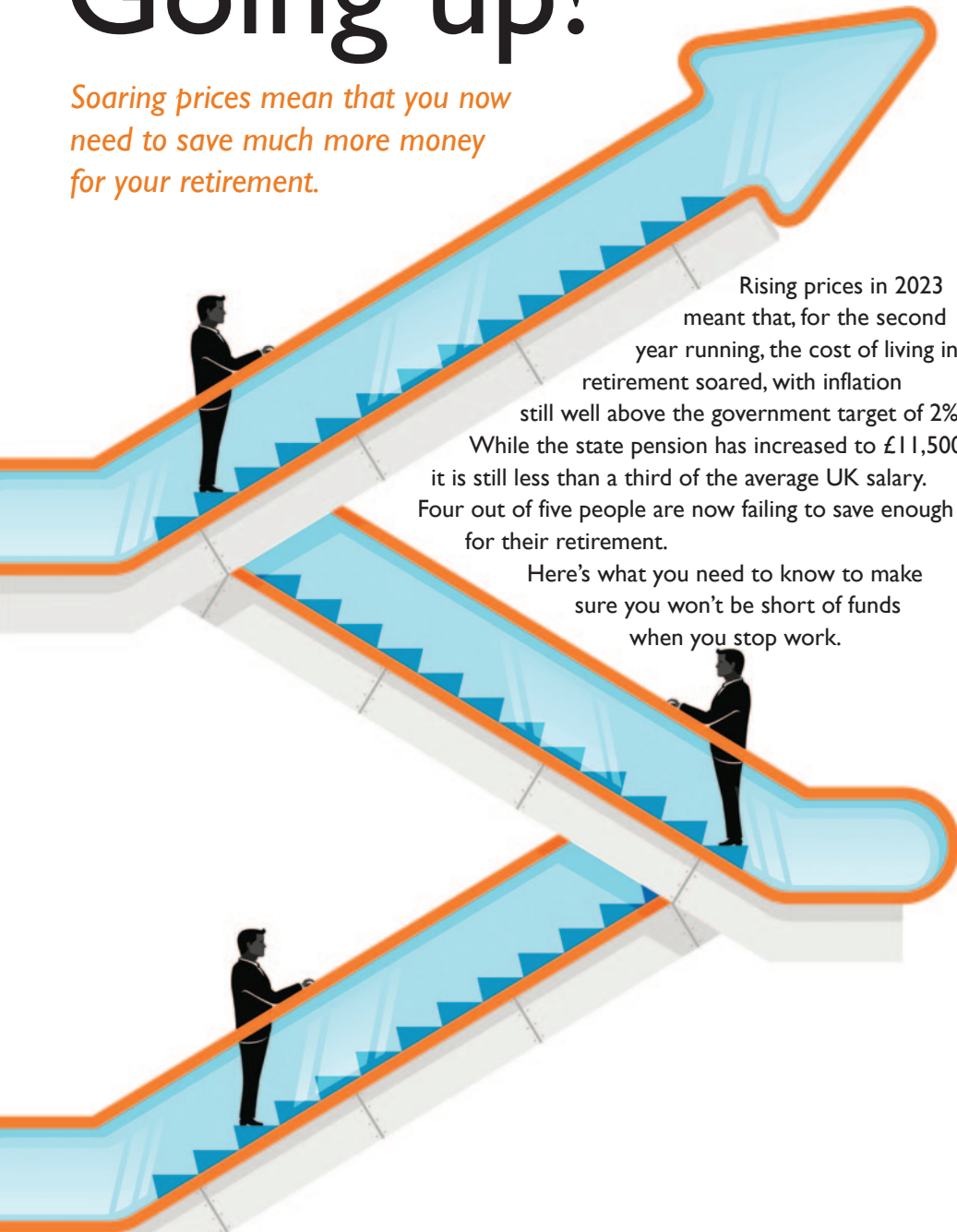
- £472,000 paid in members’ benefits
- £5.2m transfers to other pension schemes

We have . . .

At the end of 2023, we had 720 deferred members in the SAB section.

Going up!

Soaring prices mean that you now need to save much more money for your retirement.



Rising prices in 2023 meant that, for the second year running, the cost of living in retirement soared, with inflation still well above the government target of 2%. While the state pension has increased to £11,500, it is still less than a third of the average UK salary. Four out of five people are now failing to save enough for their retirement.

Here's what you need to know to make sure you won't be short of funds when you stop work.



Top floor, for comfortable living

Single person's
£635,000
pension pot

A single person now needs £43,100 a year – a rise of £5,800 or 15.5% – and a nest egg of £635,000

A couple need £59,000 – up by £4,500 – and a combined nest egg of £870,000

If you have saved enough for a comfortable retirement, you will be able to be fairly spontaneous with your spending.

For instance, you could afford a subscription to a streaming service, regular beauty treatments, a two-week foreign holiday, and several UK mini-breaks each year.

You could spend around £130 a week on groceries, and £80 per couple on eating out. Your income would provide enough for energy bills, food and clothing, and £50 each for birthday and Christmas presents.



Middle floor, for moderate living

Single person's
£461,000
pension pot

A single person now needs £31,300 a year – a rise of £8,000 or 34% – and a nest egg of £461,000

A couple need £43,100 – up by £9,100 – and a combined nest egg of £635,000

This moderate standard of living gives you more financial security and flexibility than a basic lifestyle, with the opportunity to do more of the things that you enjoy.

You could have one holiday in Europe each year, run a small second-hand car, and spend £60 a week on eating out. The figures don't include mortgage or rent.



Ground floor, for a basic lifestyle

Single person's
£212,000
pension pot

A single person needs £14,400 a year – a rise of £1,600 or 12.5%

A couple need £22,400 – up by £2,500 – and a combined nest egg of £329,700

This basic standard of living covers your needs and leaves a little over for fun, such as an annual one-week holiday in the UK, £95 a week for a couple's groceries, £100 a year for property maintenance, and eating out once a month. There is no budget for running a car.

Funding your world of opportunities

Here in the UK, we have the prospect of longer lives, with more ways of enjoying them than even before.

So it's time to rethink the way we plan for our future, embracing a whole new way of living.

Life beyond the age of 50 no longer fits the mould that previous generations have conformed to.

Rather than their standard "education, employment, retirement" route, as defined by their age, today's life's stages are based on our decisions about how we want to spend our time.

For example, some of us might choose to go to university in our 40s or beyond, start our own business, embrace new technology, or choose a completely different path in life.

If we're going to make the most of these opportunities, we need to look at later life from a different angle, taking time to think of the route we want to take and how we're going to get there.

Aegon, our pension provider, has defined five areas to guide our thinking:



Wealth

How will we fund our extra years? Consider any pensions, savings, investments and housing we may have, or what inheritance we might be expecting.



Health

We hope to have many years in good health, but it's important to be prepared for the possibility of managing more significant health issues as we age.



Work

We no longer have a "job for life" and are likely to have many career changes. We need to be flexible as we learn new skills, re-train and develop.



Family

Whether it's providing a lasting legacy or simply enabling them to enjoy special moments together, we can do our best to provide our families with financial security.



Wellbeing

Finding purpose and joy in our activities is the main goal, and this includes our finances to enable this.

Where do you want to be a year from now?



With the prospect of so many future opportunities comes the need for thinking long term.

What happens in the present day is just a snapshot of what's to come, as we live longer lives.

Think about what truly

motivates you: where your future self might want to live, perhaps, who you'll want to spend time with, and what might bring you joy and a sense of purpose.

And learn to balance managing your money now with

preparation for your long-term goals.

For instance, you could build a "transition fund" to fall back on if you have a break in your earnings.

Such considerations help

you identify goals, put practical steps in place, and give you a sense of control.

Set yourself achievable financial targets that will steer and motivate you.

Aegon, our pension

provider, suggests training yourself to think of where you want to be in three months' time, six months' time, a year's time, and so on, until you have a clear picture of your future.

Who looks after your pension fund?

An expert and tightly-regulated team of people works in the background to make sure that your ABI pension is the best it can be. We introduce everyone involved.

In house, we have our trustees ...

David Coldwell (chair)
former finance director for Whitbread/Interbrew

Chris Williams
former strategic planning director for the UK

Mike Cass
former director of finance

Jim Calvert
former commercial director

Chris Degg
former HR manager, supply operations

The **trustees** hold meetings at least once a quarter.

An **investment sub-committee**, chaired by Chris Williams, meets four times a year to review investment performance. Its key role is to ensure that the money is invested appropriately, so that every member gets his or her full benefit.

An **administration sub-committee**, chaired by Chris Degg, meets the external administration companies twice a year, to check the level of service they provide.

A **communications sub-committee**, chaired by Jim Calvert, aims to help everyone better understand their pension.

Other sub-committees – **funding, governance, accounts, death benefits, cyber** – meet from time to time.

Externally, we have our advisers ...

Aegon deals with our SAB pension section, administering benefits, making investments, and acting as manager for some of the funds. Other fund managers are also used.

Mercer gives us specific investment advice.

RSM provides us with an annual audit of the total ABI plan, ensuring that all benefits have been paid correctly.

And your Pension Council members are ...

Graham Kantorowicz
Bob Coleman
Paul Brennan

Christine Glass
Paul Fowler

Shaun Lillis
Victor Amara

Book your one-to-one pension advice session



BBG has its own in-house pensions team. If you're a **current BBG employee**, you can discuss your pension with them at

their monthly pensions clinic, which are held on the first Friday of every month.

Book your one-to-one appointment by contacting them at pensions@ab-inbev.com

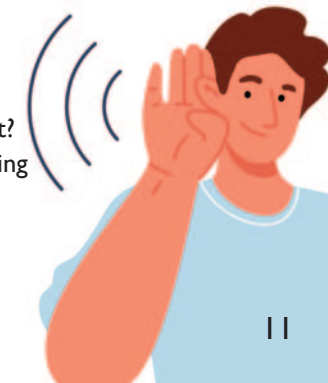
Speak to us!

"The world of pensions is dominated by people like us who think we know what you want," says Pensions Manager Mark Winfield. "We have been known to be wrong!"

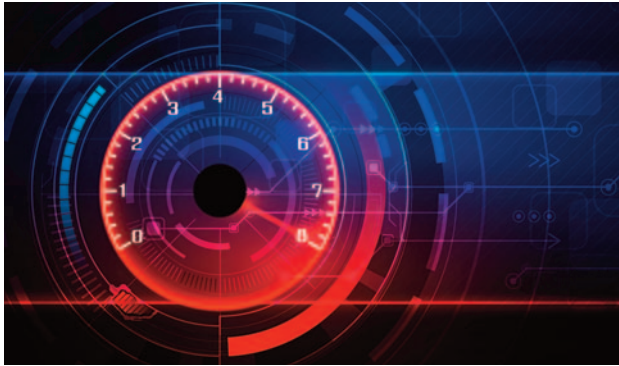
"Is there anything you'd like to

see more/less of? Are we missing something important? Or are we including something that doesn't help you?"

You can contact Mark at pensions@ab-inbev.com



Pensions dashboard will put you in control

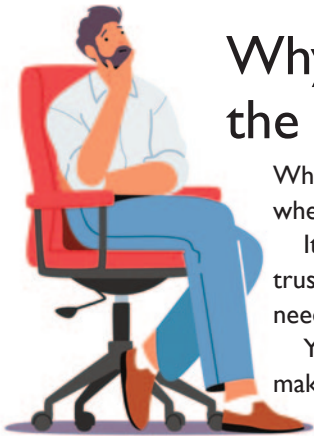


Keeping tabs on all your pensions savings will be easier when the government-backed dashboard scheme launches.

To be run by The Pensions Regulator (TPR), it will provide a link to every pension that you hold, whether ABI's or another provider.

Currently, we're preparing to upload our ABI plans' information, ready for a launch date in 2026.

No personal information will be held on the dashboard; it will act as a secure link to connect users to their different pension providers and schemes.



Why it will pay you to think the unthinkable

Who would you like to benefit from your pension savings when you die?

It might not be something you've thought about, but our trustees need to know where your money should go – and you need to be sure that it will go to the right people.

Your beneficiary nominations are held on TargetPlan. Please make sure that you keep these up to date.

Keeping tabs on charges

Our trustees are determined that all members should get the best possible value for money.

Each year, they commission an independent report to check that investment charges are as low as possible and that our pension providers are delivering the appropriate levels of service. All these areas are kept under constant review.

