Welcome from the Chairman

Welcome to your 2017 Newsletter. I became Chairman of the RBS Group Retirement Savings Plan (the Plan) in June replacing Robert Waugh. I would like to thank Robert for his hard work and support over the last seven years, particularly over the last 12 months as we’ve introduced a new default investment and moved to a new administration and member support service with Legal & General. The Plan is looked after by six Trustee Directors, four of whom are appointed by the bank and two of whom are Member Nominated. Click here to find out more about the Trustees. I hope you enjoy this 2017 Newsletter.

What’s new?

The new Plan website went live in August and so far more than 7,500 members have accessed Manage Your Account to check how much they’ve saved, update their nominated beneficiaries and to check that things are on track to support their retirement savings plans. It’s simple and safe to use. Click here to log in.

From July, the Trustees introduced the Drawdown Lifestyle as the new default investment fund for the Plan. Click here for a reminder of how this works and see the whole range of funds you can choose from.

On hand to help you

Our dedicated Plan Member Helpline is ready to answer your questions and guide you through how the Plan works so you get the most out of it:

Legal & General Helpline: 0345 072 0266

Legal & General Email: rbsrsp@landg.com
Check your latest statement

Go to Manage Your Account to access your latest statement. See how much your savings are worth now and an illustration of how much they may be when you come to access these.

This quick guide provides a simple explanation of what all the numbers in your statement mean.

Why manage your account?

More than 7,500 members are already using Manage Your Account – there must be a reason why! Here they can check the value of their savings, update who they want to benefit from the Plan in event of their death, review their target retirement age and see how their savings are invested.

Forgotten how to?

Click on the Plan website, register for Manage Your Account using your Policy Number that was issued with your membership certificate. Don’t worry if you’ve mislaid this - call 0345 072 0266.

You now have instant access to your Plan savings account. Keep on track of it and start saving so that the Plan works for you.

Your checklist for Managing Your Account

- If you are employed by the bank think about paying in a little bit extra each month
- Remind yourself how your savings are invested and check if you are in the right lifestyle. If this is now not right for you its easy to change
- Tell us who you want to receive your death benefits that may be payable
- Check what date we’re holding as the date from which you want to start using your Plan savings. It’s very easy to change this if your plans have changed
- If you are a deferred member and have recently changed address tell us your new one.
Are you saving enough?
This depends on how much retirement income you’ll need and want, when you plan to start accessing your savings, when you plan to stop or reduce paid work and other personal circumstances.

Use our new retirement planner through Manage Your Account, to help think about what you’ll need to spend in retirement. This tool helps you create a savings goal to work towards. Finding extra money to put into your pension pot can be difficult. Even if it’s only a little bit more, increasing what you pay in can make a big difference to your savings.

Saving a little more can make a big difference?
Saving in the Plan is easy - start saving or increase what you pay each month by going to RBSelect.

The beauty of saving into a pension is not all of it comes from you! The Taxman helps you by reducing the tax and national insurance contributions you pay. That means saving a little more may cost less than you think. See these examples:

- For a basic rate taxpayer paying £100 into the Plan, actually only costs you £68 a month.
- For a higher rate taxpayer the same £100 going into the Plan only costs you £58 a month.

Some interesting facts about our Plan
55% of members working with the bank have more than 3% of their Value Account paid into the Plan for them each month.

20% of members working with the bank have 10% or more of their Value Account paid into the Plan for them each month.

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As a new feature, we are excited to introduce RBSelectOnline! This tool allows you to access your benefits from anywhere at any time.

To see all the great RBSelect benefits, visit RBSelectOnline. Click here to learn more about the RBSelect benefits and how they work.

What is RBSelectOnline?
RBSelectOnline gives you access to the bank’s benefit choice programme.

Personalised & Secure
When you log in, you will see personalised benefits available to you.

Anywhere Access
Manage your benefits using any mobile device from work or home.

RBSelectOnline is the perfect tool for busy professionals and it’s easy to use. Just log in to access your benefits today!

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RBS Group Retirement Savings Plan (the Plan)
Free money for life after work

Bob earns £20,000 each year
He wants to pay in £100 each month to the Retirement Savings Plan

Julie earns £50,000 each year
She wants to pay in £100 each month to the Retirement Savings Plan

£100 every month

Actual cost to Bob
£68 per month

£12 because he doesn’t pay National Insurance, on the £100 contribution
£20 because he doesn’t pay Income Tax, on the £100 contribution

Actual cost to Julie
£58 per month

£2 because she doesn’t pay National Insurance, on the £100 contribution
£40 because she doesn’t pay Income Tax, on the £100 contribution
But what if I can’t afford to save more?
A small lifestyle change can make a big difference when it comes to saving. Take a look at the case study below.

Case studies: less pizza, more pounds for life after work

- Steve - 30 and a basic-rate taxpayer
- Steve likes a pizza on a Friday evening
- Spends on average £20 per week
- Decides he can live without a pizza once a month
- Saves £20 per month and puts it in the Plan

He does this every month until he’s 68
Steve has built up a pot of £14k* from missing a pizza a month!

- Jane - also 30 and a basic-rate taxpayer
- Jane also likes a pizza on a Friday evening and spends on average £20 per week
- She can’t live without a pizza a month!
- But she realises she can get an 11% discount with her pizza provider of choice through RBSselect Offers
- Saves c£9 per month and puts it in the Plan

She does this every month until she’s 68
Jane has built up a pot of £6k* from getting RBSselect offers discount on her pizza!!

*We’ve converted into today’s money and this is based on a number of assumptions about future investment returns.
Try it for yourself at https://landg.evaluateproduction.com/login/login/LegalAndGeneral

The point is, it doesn’t have to be a pizza, what we are trying to demonstrate is how easy it is to make small lifestyle adjustments and use products like the RBSselect Card and Your Offers to help give your long term pension savings a real boost.
It’s never too early to start planning

Use the “Boost Your Savings” and “How Much You’ll Need” tools on the Plan website to help you create your own savings plan. It can show how even putting in a little more can boost your savings and help you to afford the lifestyle that you want in retirement.

Hot Topics

How much will you get from the State?

Remember, the retirement benefits you get from the Plan are over and above any pension you’ll get from the State. The Government has made several changes to how State Pensions are provided and are proposing further changes.

Go to http://www.gov.uk/check-state-pension to get your own personal forecast of the State Pension you’re likely to receive and when that’ll start being paid.

Keeping your savings together in one place

If you’ve moved employers you may have other workplace pensions or you may have personal pensions. Many people find it easier to manage their pension savings if they are all in one place, and sometimes this can lead to lower costs. It’s easy to transfer other retirement savings into your Plan account. To do this call the Plan Member Helpline and they’ll tell you how.

It’s really very important to take independent financial advice particularly if you’re considering transferring benefits out of a Defined Benefit Scheme and if there are any guarantees, charges or other terms attached to your pensions. You can access a list of authorised advisers from www.moneyadviserservice.org.uk

Tax Relief Changes

The Lifetime allowance

The Lifetime Allowance is the maximum amount of tax relieved pension savings individuals can build up over their lifetime. For 2017/18 tax year the LTA is £1 million. From April 2018 the LTA will be indexed year on year in line with inflation.

High Earners and the Tapered Annual Allowance

The annual allowance is a limit on the amount that can be contributed to your pension each year, while still receiving tax relief. It’s based on your earnings for the year and is capped at £40,000.

For each tax year, individuals who have a total income from all sources (including the value of employee and employer pension contributions) of greater than £150,000, will have their annual allowance for that tax year restricted. The maximum reduction to the annual allowance will be £30,000, so that anyone with income of £210,000 or above will have an annual allowance of £10,000.

If you’re subject to the money purchase annual allowance (MPAA) rules because you (flexibly accessed benefits under a money purchase arrangement since 6 April 2015), your MPAA will be £10,000, even if that is all of the annual allowance you have because of the taper. Please note the government is consulting on its proposal to reduce the MPAA from £10,000 to £4,000 with effect from 6 April 2017.

For more information please go to: https://www.gov.uk/guidance/pension-schemes-work-out-your-tapered-annual-allowance
FOCUS ON SCAMS
Be Scam Aware

New and more inventive scams appear all the time – stay one step ahead of them and protect yourself and your retirement savings.

• Never share your secure personal log in details to Manage Your Account with others including IFAs.
• Ignore cold calls and unwanted emails asking about anything to do with your retirement savings or offering to help you with this.
• Never be rushed into making a decision such as transferring out of the Plan – always consider all options carefully and take independent financial advice.
• To find a financial adviser near you visit www.moneyadviceservice.co.uk.
• Make sure that any financial advisers you use are registered with the FCA. Also check the FCAs list of known scams.
• If you’re in any doubt, call the Plan Member Helpline on 0345 072 0266 or contact one of these organisations who will help and guide you:

Action Fraud
0300 123 2040
www.actionfraud.police.uk
Contact Action Fraud to report and get advice about fraud or cyber crime.

Pension Wise
030 0330 1001
www.pensionwise.gov.uk
This government body offers personalised advice for Defined Contribution savers.

The Pension Advisory Service
0300 123 1047
www.pensionsadvisoryservice.org.uk
Available at any time to assist members and beneficiaries with pensions questions and any issues they are unable to resolve with the Trustee in relation to the Plan.

Trustees’ Annual Report and Accounts

The Plan’s Annual Report & Accounts can be accessed from here.

These provide detailed information about the Plan’s income & expenditure, the performance of the investment funds and the work the Trustees have been doing to make sure that the Plan is well managed. They also explain the steps the Trustees have taken to ensure good governance of the Plan in line with the guidance set down by the Pensions Regulator in terms of how quality pension schemes are managed.
Keeping you and your information safe

The Plan’s Privacy Notice
You may have heard that the data protection laws are changing. The new law, called the General Data Protection Regulation (GDPR), will apply from 25 May 2018.

RBS Retirement Savings Trustee Limited, as Trustee of the RBS Group Retirement Savings Plan (the “RSP”), uses your personal information to (amongst other reasons) communicate with you, record and pay benefits to you or your beneficiaries, administer the RSP, and meet regulatory or other legal obligations.

We share personal information with third parties, such as our administrators (currently Legal & General), the Bank, and other suppliers who provide services (such as for IT, communication or tracing reasons). In some circumstances, we or these third parties transfer personal information outside the European Economic Area. When making these disclosures or transfers, we take steps to protect your personal information.

For more detailed information on how we use and disclose your personal information, the protections we apply, the legal basis for our use of your information and your data protection rights under the GDPR, please click here. If you would like a copy of the privacy notice to be sent to you by post, please contact 0345 072 0266.

Important Information
We have taken care to ensure that this Newsletter is correct. Your entitlement arises under the Plan’s governing Trustee Deed and Rules. If there are any difference between the information in this Newsletter and the correct application of the Trust Deed and Rules, the latter will prevail.