

Dear _____,

Thank you for your message dated 6 Jan.

Thank you for your explanation. I have contacted HPPA, my pension association, about your reply. They were already well aware of the background.

Back in 1997, it may not have appeared reasonable, as you state, to retrospectively increase the cost to the scheme of benefits already accrued, but surely it cannot be reasonable to allow pensions' values to devalue over time. The stated object of the scheme is to "provide financial security".

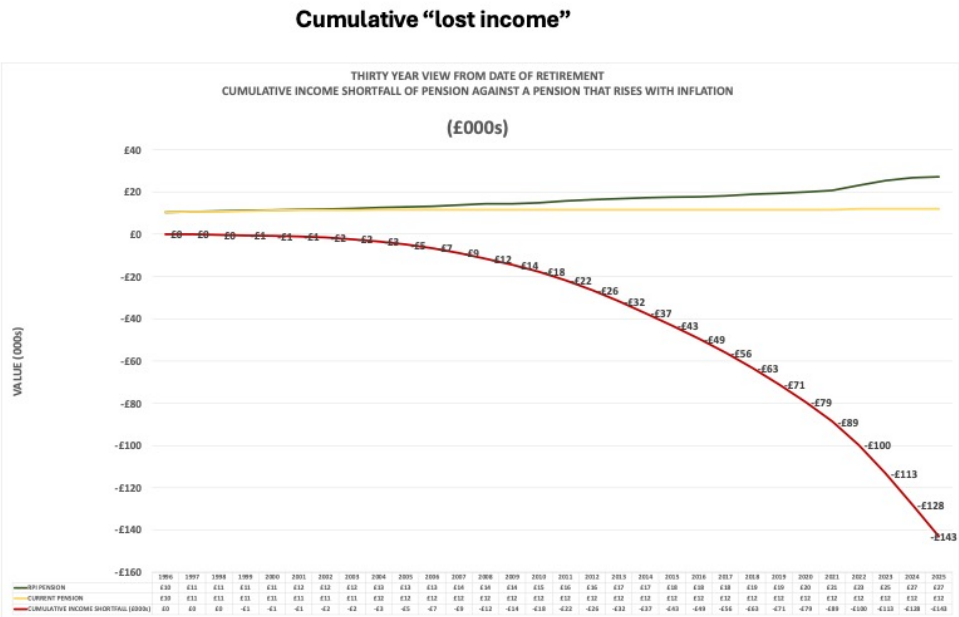
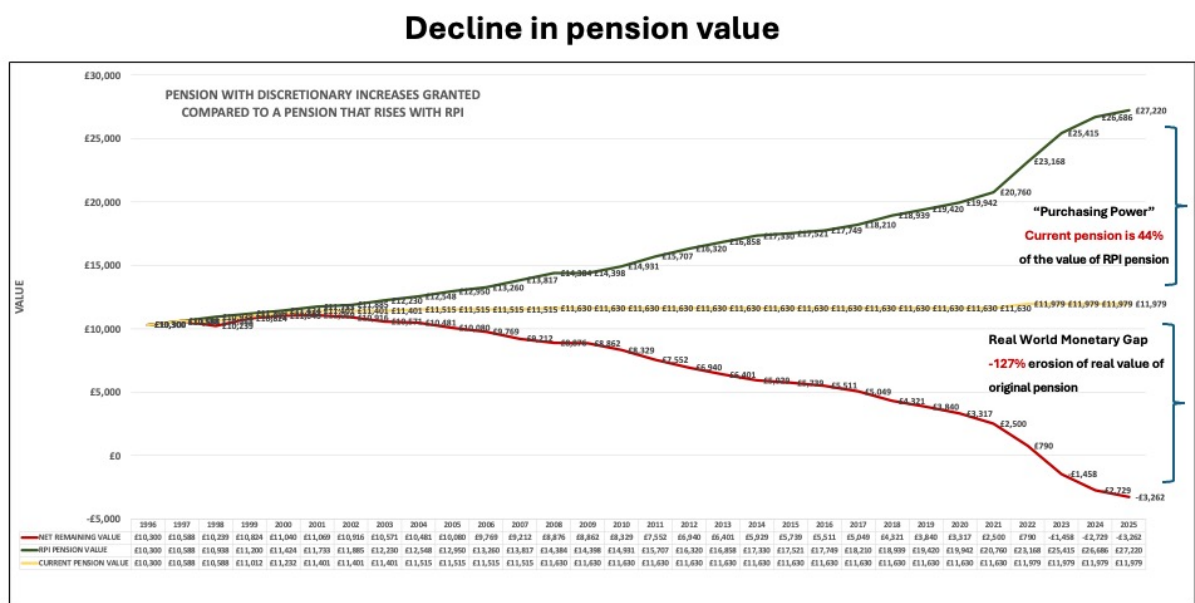
It does not appear reasonable to me that by accepting a contract of employment many years ago that required me to contribute to a pension scheme of a successful world leading company has left me with a pension devalued significantly with no hope of regaining value.

My pension association and I are not asking for retrospective change or changes to Pension Act 1995.

Our focus is on the future, preventing further devaluation of pre 1997 DB pensions and what can be done within the existing legal framework.

Let me start by stating that based on research using government data, 78% of DB schemes do protect pension value through some form of indexation.

However, the remaining 22% do not. Our research based on government data and information from Blackstone Publications also shows that such companies' schemes have no "built in" protection for pension devaluation. This cluster can cause pension devaluation by refusing to give affordable discretionary increases. For HPPA, pensions have been devalued up 70% and in some cases more. Again, in our case, even when discretionary increases have been recommended by the Trustee. Based on our analysis of government data as many as 750K pensioners could be effected but no one knows the full scale.



While the makeup of this 22% is yet unclear because the data has not been collected, we know this cluster includes several American headquartered multinationals with large pensioner populations. This was highlighted in 2 articles by Patrick Hosking of the Times. Requiring a change in the future will not put Amex, HPE, Goldman Sachs, Pfizer etc out of business.

We are not suggesting retrospective change, new laws or even modification of existing laws. We assert that change can be made within the existing legal framework. Pension Acts 2021 states “The trustees or managers must determine, and from time-to-time review and if necessary, revise a strategy for ensuring that pensions and other

benefits under the scheme can be provided over the longer term." This legislation encourages Trustees and companies to improve governance and to collaborate on a strategy and policy within the current parameters of the Trust Deed.

If Pension Act 2021 is clarified via TPR guidance and supplemented with a code of ethical conduct regarding treatment that of pensioners, we believe that the current practice by a minority of companies of not giving discretionary increases thus causing the devaluation of pensions will diminish.

We are asking that existing Pension Act 2021 be clarified and reinforced via a ministerial public statement. Trustees and companies should be encouraged and required to collaborate to solve the pre 1997 problem before government intervention.

The time for action is now. The current work underway will provide the true picture. There is a meeting scheduled for several MPs and Minister Emma Reynolds on 22 Jan. I will copy you on the materials after the meeting.