

The Pension Scheme Trustees are responsible and are tasked with ensuring that the Pension Scheme is run properly, and members' benefits are secure. The current Trustees comprise of:

- Mr. John McHugo, Chairman;
- Ms. Pauline Brennan;
- Mr. Francis Coughlan;
- Ms. Deirdre Herlihy;
- Mr. James Skehan.

The Trustees can be contacted by either emailing them at pensionadmin@fedvol.ie or alternatively you can write to them at the following address:

Pension Scheme Trustees, National Federation of Voluntary Service Providers, Oranmore Business Park, Oranmore, Galway.

Dear Pension Scheme Member,

Welcome to our 3rd National Federation's Pension & Life Assurance Scheme Newsletter, which we hope you will find informative.

Previous newsletters are available on our website www.fedvol.ie The purpose of this newsletter is to update you on:

- The Scheme's Move to Irish Life;
- Financial Update on Scheme following production of Trustees Annual Report & Financial Statements for year ended 31st December, 2020;
- Other relevant pension information.



Pension Scheme Moving to Irish Life:

The Trustees of the National Federation of Voluntary Services Providers' Pension & Life Assurance Scheme, (the Scheme) have recently been reviewing the supply of Pension Administration, Investment & Consultancy Services to the Scheme, to which you are a member. The main purpose of this exercise was to comply with good governance and ensure you are receiving an excellent service and getting value for money for your investment.

Following an extensive review, Irish Life have been appointed as the Administrators and Investment Managers for your Scheme, effective from 1st January, 2022. The Trustees believe there are significant benefits for all stakeholders as a result of this move to Irish Life and we hope you will see evidence of same over the coming months.



Whilst the administration of the Scheme is changing, the pension contributions, which both you and your employer pay into the Scheme, are staying the same (see below).

Scheme Booklets



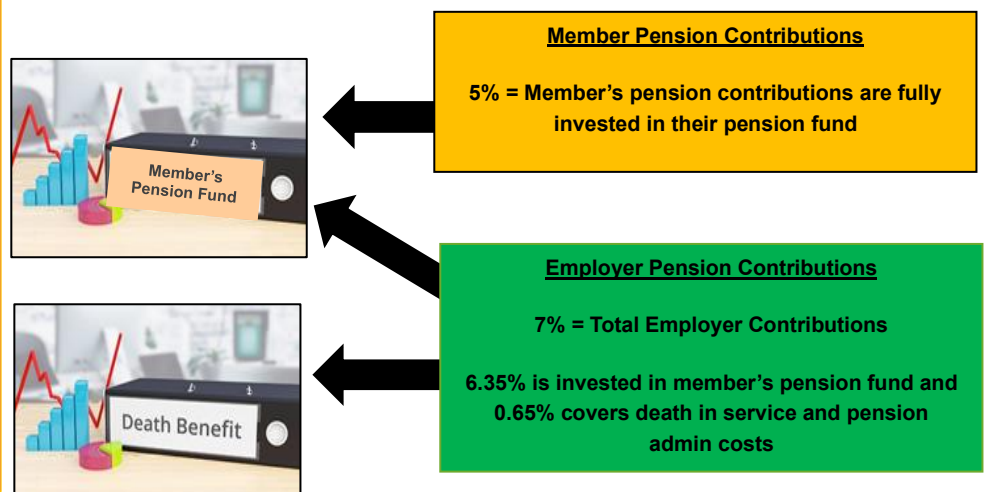
New scheme booklets will be available soon. We are currently updating them to reflect the move to Irish Life and they will all be uploaded on www.fedvol.ie once finalised. Keep visiting our website for all updates on your Pension Scheme.

Feedback / Input:

If you have any item or topic, you would like included in a future edition of these Pension Newsletters, please email pensionadmin@fedvol.ie where we will welcome and consider all your comments / suggestions.

If you have a query on any aspect of the Pension Scheme, please email Maria McMahon, Pension Scheme Manager who will assist in any way she can, or alternatively will direct you to the most appropriate person. Please email your query to pensionadmin@fedvol.ie or Tel: 091-792316.

BREAKDOWN OF 12% PENSION CONTRIBUTIONS




What is currently happening with your Pension Contributions:


Your pension contributions for November 2021 will be paid to the current pension provider, New Ireland, in December 2021, by your employer. After these contributions have been invested by New Ireland, an exercise will be carried out to transfer your funds to Irish Life. Irish Life have agreed to engage with you to ensure you are kept fully up to date at every step of the way in respect of the transition of the Scheme. Your December 2021 pension contributions will be sent to Irish Life in January 2022 for processing.


You don't need to do anything at the moment. your pension fund will automatically transfer from New Ireland to Irish Life and will be invested in Irish Life investment funds as follows:

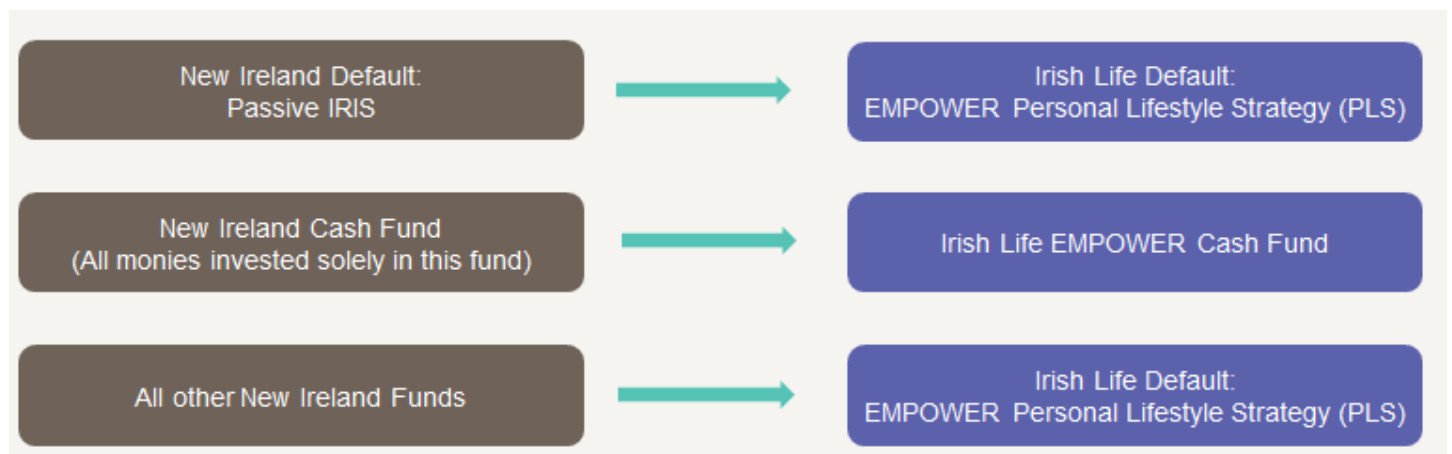
If you are currently invested in the New Ireland default fund - Passive IRIS.

 You will simply be transferred across to the Irish Life equivalent strategy - called the EMPOWER Personal Lifestyle Strategy (PLS). Your pension fund will be invested according to the PLS Strategy.

If you are not currently invested in the New Ireland default fund - Passive IRIS, this means you have selected funds yourself.

 If you are currently fully invested in the New Ireland Cash Fund, your pension fund, and ongoing pension contributions, will transfer to Irish Life's EMPOWER Cash Fund.

 If you have selected any other New Ireland investment fund(s), your pension fund, and ongoing pension contributions, will transfer to Irish Life's default fund, the PLS Strategy.



Can I switch investment funds?

Once the Pension Scheme move to Irish Life has been completed and your personal member record is set up with Irish Life you can make an investment switch via your online Member Portal. Irish Life will be in further contact when the Scheme transfer has been completed and they will outline to you how to make an investment switch, if you wish to make one.

What are the 7 Irish Life Investment Funds that will be available for you to select?

Firstly, Irish Life’s Default Investment Fund is called the EMPOWER Personal Lifestyle Strategy (PLS). This is where the majority of Scheme members are invested i.e., approximately 97% of the Scheme membership.

The other Irish Life Investment Funds available to members, also known as the self-select fund options, are outlined in table below, which also includes details on risk rating; return target and ESG categorisation:

	Risk rating	Return Target	ESG Categorisation
Sustainable (ESG) Equity Fund	6	In line with global equity markets	Article 8
EMPOWER High Growth Fund	5	Cash + 4.5%	Article 8
EMPOWER Growth Fund	4	Cash + 4%	Article 8
EMPOWER Cautious Growth	3	Cash + 3%	Article 8
EMPOWER Stability Fund	2	Cash + 2%	Article 8
EMPOWER Cash Fund	1	Cash Return	Article 6

How does the Irish Life Default Fund Personal Lifestyle Strategy (PLS) Work?

The PLS consists of three phases which span the years of your pension journey. It starts from the moment you join the strategy up to your retirement date. The PLS Strategy lets Irish Life look after everything for you. Your pension fund will be invested according to the PLS Strategy, which means your pension fund is put into higher risk investments when you are further from retirement, with a view to maximising the growth potential of your pension fund.

As you get closer to retirement, your pension fund will automatically be moved to lower risk investments to help protect the value of your accumulated pension fund. Then, once you are within 6 years of retirement, your pension fund will be switched into investments that will aim to safeguard your accumulated pension fund.



Once the transfer of member records and investment management to Irish Life has been finalised, you will have the option of making unlimited switches to any of the above investment fund choices. There is no charge for this service. Further details on the above investment funds will be made available in an Investment Guide currently being drafted by Irish life and will be available on www.fedvol.ie in January 2022.

Irish Life are seeking your Personal Information to set you up on the online Member Portal:



As part of the transition of the Scheme, Irish Life would like to engage with you more in respect of your pension and encourage you to use the Irish Life online Member Portal so you can experience their comprehensive and extensive range of member supports. Therefore, your personal email address and mobile phone number is required to enable Irish Life to invite you to log onto the Member Portal and set up your profile. Please email CBSalesSupport@irishlife.ie with the following information:

**Full Name; Date of Birth; Employer Name;
Personal Email Address; Mobile Phone Number**

Every member who sends the above details to Irish Life before **31st December, 2021** will be entered into a draw to win a €50 One for All Voucher. Irish Life will randomly choose 10 winners from the entries submitted. The Trustees really encourage you to do this as soon as possible to ensure you don't miss out on the full range of services that are available online, and which covers all the pension topics that are important during the different stages of your pension journey to retirement.

Trustee Annual Report & Financial Statement for Year Ended 31st December, 2020:

The National Federation of Voluntary Service Providers' Pension & Life Assurance Scheme's Trustee Annual Report & Financial Statements for year ended 31st December, 2020, have now been published and are available to download on the National Federation's website www.fedvol.ie (click on pension tab).



The Scheme has grown significantly since its establishment in 1996. The Scheme now comprises of 25 participating employers; 5,984 members (4,429 Active members and 1,555 deferred members)



The Scheme's fund value under management is over €258m as of 31st December, 2020. The Scheme's current fund value is nearing €300m. Pension Contributions made into the Scheme during 2020 was over €19m.



The majority of members in the Pension Scheme are invested in the Default Strategy i.e. approx. 97% of members.



Over €7.6m was paid out to Scheme members during 2020 on retirement claims

Please refer to our March 2021 Newsletter where we outlined all the Trustees activity for 2020. Copy of all previous newsletters is available on our website www.fedvol.ie

BLACKOUT PERIOD

Please note that a blackout period will be in place during the transfer of the Scheme to Irish Life and is expected to run for approximately 6-8 weeks, effective from 31st December 2021.

During this time, you will not be able to switch funds, take retirement benefits, or receive leaving service options.

This short period without transactions is necessary as all records have to be reconciled and moved to Irish Life during that time.

New Ireland has confirmed that you will have 'read only' access on the New Ireland online member portal (i.e. PSOL) during that time. You will also be able to see how much both you and your employer have paid into your pension fund on your payslip.

Once the Scheme has fully moved over to Irish Life, a communication will issue to you confirming same. At this time you will then be able to log onto the Irish Life Member Portal to review your pension fund and make a switch to another investment fund from the 7 fund options available to members, if you wish to make a switch.



All relevant and up to date information about the Scheme move to Irish Life is available on www.fedvol.ie (click on pension tab).

Irish Life have also created a transition webpage, link available through www.fedvol.ie which they will update during the transition period, so be sure to return for future updates. Here you will also be able to access some very helpful videos and other information relating to the Scheme moving to Irish Life.

Environmental, Social & Governance (ESG) considerations for Responsible Investment:



The Irish Life investment funds the Trustees have selected to make available to Scheme members aim to promote environmental and social characteristics, including enhanced exposure to more sustainable companies and alignment with the transition to a low carbon economy. You will note from previous page a fund focusing on Environmental, Social & Governance (ESG) and sustainable investment is now available as part of the investment funds options for members to choose.

Irish Life also engages with investee companies to encourage improved governance and management of sustainability issues.

The investment funds are ESG rated accordingly e.g. Article 8 funds promote environmental or social characteristics (although not exclusively) and invest in companies that follow good governance practices. Article 6 funds have no explicit consideration of sustainability aspects as part of the investment process.

Other Pension Scheme Updates:

Finance Bill 2021 – Pension Amendments:

The Bill makes several technical and administrative amendments to the legislation dealing with the taxation of pension schemes.

These include:

- ✚ Removing the requirement to have an Approved Minimum Retirement Fund (AMRF) in the case of individuals availing of the Approved Retirement Fund (ARF) option. Currently if an individual opts to take a lump sum of 25% of their pension fund at retirement, they were able to invest the balance in an ARF, provided they had a guaranteed income of €12,700 per annum or invested the first €63,500 in an AMRF. Although an individual could make withdrawals from the AMRF the €63,500 was “locked in” until age 75. The Finance Bill as proposed, will remove the need for the minimum income / AMRF requirement.
- ✚ Providing for the ARF option to be available as an alternative to the compulsory purchase of annuities in the case of death-in-service pensions when an excess of revenue limits applies.
- ✚ Removing the prohibition on transfers from an occupational pension scheme to a Personal Retirement Savings Account (PRSA) for members with more than 15 years’ service in the scheme.



State Pension:

The state pension age was increased to age 66 back in 2014 and was scheduled to increase to age 67 in 2021 and age 68 in 2028. However, the move to age 67 was put on hold and the Pensions Commission was established in 2020 to review the pension age issue and also make recommendations to Government in respect of what steps need to be taken to shore up the fiscal sustainability of the State Pension.

An Coimisiún Pensions
The Pensions Commission

**Report of the
Commission
on Pensions**

The Commission has now included in its recommendations that the pension age be increased from 2028 by three months each year, reaching 67 in 2031. Further increases of 3 months every 2 years from 2033, reaching 68 in 2039. The Commission has also proposed that employees should be allowed to remain in employment until they qualify for the state pension - if they wish.

The Government asked the Commission for options to be considered, and these are set out in their Report, available to view or download on: <https://www.gov.ie/en/publication/6cb6d-report-of-the-commission-on-pensions/>

The IORP II Code of Practice is here!

What is IORP II?

IORP II is an EU directive that sets new pensions standards to be passed into law by each EU member state. In the Republic of Ireland, IORP II legislation was introduced on 27th April, 2021.

A draft version of the Code of Practice was published in July this year and was subject to a period of public consultation. That process is now complete and the publication of the final version confirms the Pensions Authority's "conduct and practice" expectations of Trustees and how Schemes should comply with the range of IORP II requirements. It is also an important indicator of the benchmarks the Pensions Authority will use to supervise compliance with IORP II requirements, and what 'business as usual' will need to look like for a scheme operating under the new regime from the beginning of 2023 - schemes will have to progress and complete implementation tasks over the course of 2022.

The Code sets out the Authority's minimum expectations for all schemes in the areas covered by the Code which include the following:

- ✚ General Governance
- ✚ Administration
- ✚ Internal Controls
- ✚ Investment
- ✚ Fit and Proper

The Authority may amend or supplement the Code periodically.

The National Federation's Pension Scheme Trustees are currently reviewing the final Code to ensure all requirements applicable to our Scheme are adhered to. Copy of the Code of Practice can be found on the Pension Authority's website www.pensionauthority.ie

How can you find out more information on the move of your Pension Scheme to Irish Life?

You can:

- ✚ Visit the Transition Webpage, which is available on www.fedvol.ie (click on pension tab)
- ✚ Review the Transition Frequently Asked Questions document on our website www.fedvol.ie.
- ✚ If you have any queries on the Scheme you can contact:
 - ✓ Irish Life by emailing fedvol@irishlife.ie or call them on 01-7041845. This line will be open from 9am - 12pm and from 2pm - 4pm Monday to Friday.
 - ✓ Maria McMahon, Pension Scheme Manager by emailing pensionadmin@fedvol.ie or telephone 091- 792316

More Info

Feedback / Input:

If you have any item or topic, you would like included in a future edition of these Pension Newsletters, please email pensionadmin@fedvol.ie with your comments / suggestions.

THANK YOU FOR READING THIS NEWSLETTER.



Keep up to date on information relating to your Pension Scheme by visiting www.fedvol.ie and click on pension tab