

Your benefits

Your guide to the BAE Systems Pension Scheme -
Aircrew Addendum to the Level 100+

Introduction

As an **Aircrew member** of the *Level 100+* section of the BAE Systems Pension Scheme, you are entitled to **special benefits** within the *Scheme*. This addendum summarises these benefits and you should refer to it as you read the *Level 100+* booklet.

This leaflet is intended as a guide to the provisions of *Level 100+* that are provided from the *Scheme*. It is subject to changes in the future as required by HM Revenue & Customs and to the Rules of the *Scheme* that set out the legal basis for the Trustee's administration of the *Scheme* and which override any provisions of this leaflet with which they are inconsistent. Copies of the Rules are available from the Scheme administrator, Aptia.

Technical terms used

Additional Voluntary Contributions (AVCs) are voluntary payments you can make into a separate pension arrangement called the *MMT*. The payments are invested to provide you with extra benefits at retirement in accordance with the rules of the *MMT* and are a type of *DC benefit*.

Basic Salary is your annual rate of basic pay received from your employer. This is subject to not exceeding the *Scheme Cap*.

Company is BAE Systems plc and any other employer who participates in the *Scheme*.

Mercer Master Trust (MMT) is a completely separate pension arrangement which is administered by Scottish Widows. This Defined Contribution (DC) pension arrangement is called the BAE Systems Additional Retirement Savings Plan. This arrangement has been available to *Scheme* members since 1 July 2023 for the *DC benefit* element of pension benefit provision, formerly provided within the Scheme under a 'Retirement Account'. Any DC benefits invested before 1 July 2023 in your Retirement Account with Standard Life were transferred into the *MMT* around that time.

Pensionable Service

The sum of:

- > Your service with the *Employers* after joining calculated in years and complete months; plus
- > Any years and months credited to you and notified to you in writing on joining in respect of *Pensionable Service* under a previous pension arrangement.

Scheme

The BAE Systems Pension Scheme.

Scheme Year

A period of 12 months ending on 31 March.

Trustee

BAE Systems Pension Funds Trustees Limited.

Amended definition

Normal Retirement Date is the first of the month coincident with or immediately after your 50th, 55th or 60th birthday depending on the category of membership to which you belong (see opposite for further details).

We have tried to avoid using pensions jargon in this booklet where possible, but sometimes it is unavoidable so we have included a definition of key words here to help you to make sense of the more technical terms. They are highlighted in *italics* throughout the booklet.

Contact Details

Visit the website:
contactpensionsadmin.com/BAES

Telephone Helpdesk:
0330 818 7282

Address:
Aptia, Maclaren House, Talbot Road,
Stretford, Manchester, M32 0FP

Categories of membership

Eligibility and joining

You are eligible to join if:

- > you are a *Level 100+* member employed as a pilot, navigator, flight engineer, mission crew or qualified flying instructor.

Category A

Aircrew who are pilots or navigators of high performance aircraft.

Category B

Pilots or navigators flying high performance aircraft, or aircrew employed primarily on development test flying of civil aircraft and their derivatives.

Category C

Aircrew not eligible for any other category of membership.

The Company's decision as to whether you are a category A, B or C member and what constitutes a high performance aircraft will be final.

Changing your category

If your category changes during your service within the *Company*, your *Normal Retirement Date* will immediately change to that appropriate to your new category.

Making Contributions to the Scheme

You pay 4% of your *Basic Salary* towards your *Core Pension*. The rate that the *Company* contributes towards *Core Benefits* is determined by the *Trustee* in consultation with the *Company* and with advice from the Scheme's Actuary.

In addition, the *Company* contributes to your DC benefit savings in the *MMT* according to your category of membership, as follows:

- > Category A: 21% of your *Basic Salary*
- > Category B: 8.5% of your *Basic Salary*
- > Category C: 3% of your *Basic Salary*

This, plus any *Additional Voluntary Contributions* that you pay and any transfers in from other pension arrangements, will be invested in the *MMT*. You will be able to choose how your DC benefit savings are invested from a range of funds selected by the *MMT* Trustee. Full details can be found in the *MMT* Member guide by visiting scottishwidows.co.uk/save/baesarsp, which also includes information about investment choices available.

DC benefit savings are invested from a range of funds selected by the *MMT* Trustee.



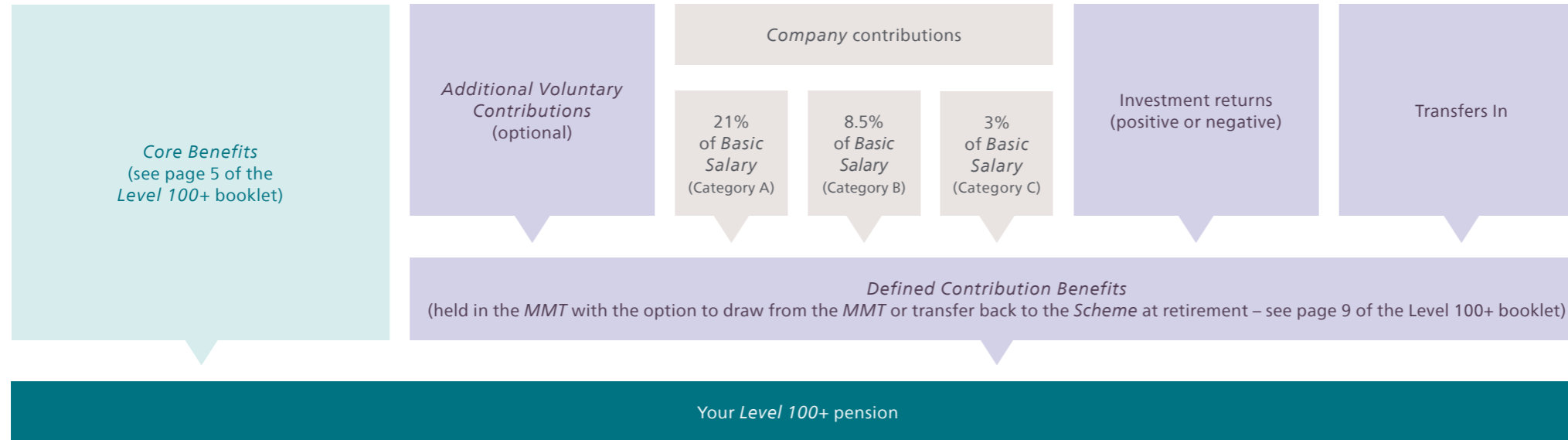
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How to calculate your pension



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When you reach retirement

Retiring from Pensionable Service after your Normal Retirement Date

If you retire after your *Normal Retirement Date*, your contributions towards your *Core Pension* will continue at 4% of your *Basic Salary* and your pension will be calculated as shown in the diagram above at your actual retirement date, but with the *Longevity Adjustment Factor* applied as at *Normal Retirement Date*.

The *Company* will continue to contribute to your *DC Benefit* savings in the *MMT* at the relevant rate as specified on [page 4](#). Members who join on or after 6 April 2006 cannot retire before age 55 after 5 April 2010 even if they have a contractual retirement age of 50. This is due to HMRC rules.

Protected Pension Ages

Certain *Scheme* members may enjoy a Protected Pension Age (PPA) which permits *Scheme* benefits to be accessed before the Normal Minimum Pension Age (NMPA) which is currently 55 (increasing to 57 from April 2028). The NMPA is the minimum age at which an individual can access their pension savings without incurring an unauthorised payments tax charge. Under the *Scheme* if you retire from deferred status you will have a PPA of 50 if you joined the *Scheme* before 6 April 2006. On retirement from active status, only if you are a Category A member who joined before 6 April 2006 you will retain a PPA of 50.

Please note that the *Scheme* PPA cannot be recognised under the Mercer Master Trust and, therefore, any former *Scheme* AVCs which are not transferred back to the *Scheme* at retirement and which are used to purchase retirement benefits under the Mercer Master Trust, will not be accessible before the NMPA as applies from time to time.

If you have any queries about this issue please contact Aptia.

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