

GMP conversion consultation – outcome

April 2025

Dear Member

We wrote to all members of the Scheme towards the end of January 2025, posting a leaflet to about 22,000 members, to consult with you about a proposed change to pension benefits in the Scheme. We also created a dedicated page on www.cadentgaspensions.com with supplementary information, including frequently asked questions (FAQs).

A reminder of our proposed changes

The law requires that pension schemes assess pension benefits for men and women to address the unequal effects of Guaranteed Minimum Pension (GMP) within the pension entitlement. This exercise is called **GMP equalisation**. We proposed to achieve GMP equalisation going forward using a method set out in legislation known as **GMP conversion**. This method replaces the GMP elements of a pension while retaining the same overall value of the pension.

Your feedback on the proposal

We invited all members to get in touch with us and provide any feedback on the proposal for GMP conversion – this process is called a consultation.

During the consultation period, we accepted member comments by email and post. We received both questions and comments. We carefully considered all feedback received and responded to individual members' questions where appropriate. We also updated the FAQs on the Scheme website to reflect common questions that arose during the consultation. The consultation closed on 28 February 2025.

A short summary of the questions and comments

We received questions and comments from 41 members.

Many of the questions were about members looking to confirm their understanding of GMP equalisation and GMP conversion, including:

- how the different components of pension would increase each year following GMP conversion
- what approach to GMP conversion would be taken

The answers to these questions, and others that were asked, can be found on the Scheme website: www.cadentgaspensions.com/gmp-consultation

We would like to thank all our members who took the time to provide feedback on our proposal. We have reviewed all the feedback and taken it into consideration before making our decision.

The outcome

After careful consideration of the feedback from members, by both the Trustee and the Company along with their relevant advisors, the Trustee and the Company have decided to go ahead with GMP conversion.

What does this mean for members?

If you have GMP as a component of your pension, we have all the information we need to carry out the one-off GMP equalisation and GMP conversion calculations. As part of the GMP conversion process, the Scheme Actuary will confirm that the value of your pension has not reduced. You do not need to do anything. And we will write to you again with further information in due course.

When will this change happen?

- **If you are already receiving your pension:** We will write to you to tell you if and how GMP equalisation and GMP conversion have changed the amount and composition of your pension. We expect this to be from late 2025 onwards.
- **If you are a deferred member (not yet taking your pension):** We propose to carry out GMP conversion for deferred members at the time that they start to take their pension. However, these calculations will take some time to implement, so if you start payment of your pension before the GMP conversion implementation date, we may need to make a GMP conversion adjustment at a later date.

Where can I find more information?

We provided more detail on GMP equalisation and GMP conversion in the leaflet that we sent to you at the end of January. You can read a copy of this leaflet on our Scheme website at www.cadentgaspensions.com/gmp-consultation

The Trustee of the Cadent Gas Pension Scheme

Questions about your pension?



Call Aptia's Helpline for Cadent Gas Pension Scheme members on **0345 528 0601**



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



www.cadentgaspensions.com



Scan this QR code with your smartphone or tablet to visit the Scheme website.