Are your employees retirement ready?

Support for this year's Pension Engagement Season

Meet the presenters

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Today’s webinar will cover

Pension Engagement Season

How much employees may need in retirement

How you can help your employees get on track

How Royal London can support you

Next steps

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Pension Engagement Season

What is Pension Engagement Season?

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Pension Attention

4 September – 26 October

Led by ABI and Pensions UK, aims to inspire the nation to engage with and pay their pension some attention

Pension Awareness Week

Take 2 minutes to check on your pension

15 – 16 September

Live show

Tuesday 15 September

Title: How to make the most of your workplace pension

Pension Tracing Day

25 October

This campaign is designed to help people track down lost pensions.
It’s for one day only on Sunday 25 October when clocks go back.

Why does pension awareness matter?

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43%[1]

of working age people are under saving for retirement

47%[2]

of workers don't know their own pension contribution rate

72%[2]

of people don't know how much is in their pension or prefer not to say

Sources: [1] gov.uk, Analysis of Future Pension Incomes 2025.
[2] Financial Resilience Report, June 2026.

The employer role in raising awareness

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32%

of employees turn to employer for information

½

rank pension among most valuable benefit

Steps you can take to support your employees

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- ✓ Help employees picture their retirement
- ✓ Encourage them to check what they already have
- ✓ Prompt one small improvement
- ✓ Make use of ready-made support

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1. Helping employees picture their retirement

The Retirement Living Standards

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	Minimum	Moderate	Comfortable
One person household	**£13,900 a year.**	**£32,700 a year.**	**£45,400 a year.**
Potential standard of living	**Covers all your needs, with some left over for fun.**	**More financial security and flexibility.**	**More financial freedom and some luxuries.**
House	DIY £200 a year to maintain condition of your property.	£500 a year to maintain condition of your property, £300 contingency.	£600 a year to maintain condition of your property, £300 contingency.
Food	Around £57 weekly food shop.	Around £59 weekly food shop.	Around £78 weekly food shop.
Transport	No car, free bus pass.	3-year-old small car, replaced every 7 years.	3-year-old small car, replaced every 5 years.
Holidays & leisure	A week long UK holiday.	A fortnight 3* all-inclusive holiday in the Med (£1,600) and a long weekend off peak break in the UK.	A fortnight 3*/4* holiday in the Med (£2,345) with around £115 per day spending money and 3 long weekend breaks in the UK.
Clothing & personal	Up to £460 for clothing and footwear.	Up to £1,500 for clothing and footwear.	Up to £1,500 for clothing and footwear.
Helping others	£20 for each birthday and Christmas gift.	£30 for each birthday and Christmas gift.	£50 for each birthday and Christmas gift.

Source: Pensions UK Retirement Living Standards, based on a single person living outside of London. Visit retirementlivingstandards.org.uk for more information.

2. Prompt employees to check what they already have

Check State Pension

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For 2026/27, the weekly new State Pension is

£241.30[1]

for a single person

For a man born after 6 April 1951 or woman born after 6 April 1953.

On average, men will live to

age 85[2]

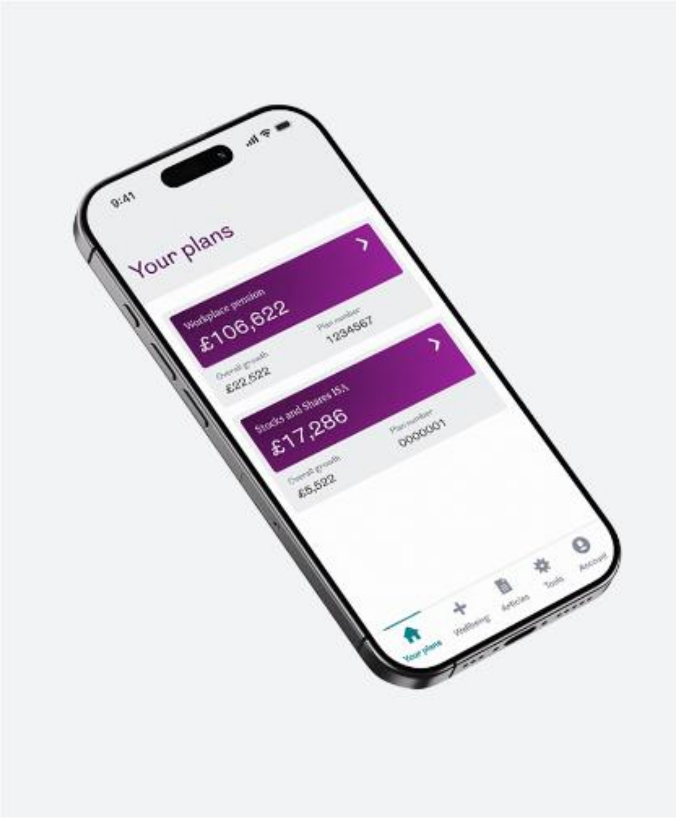
and women will live to

age 87[2]

Employer action: share gov.uk/check-state-pension with your employees

Sources: [1]gov.uk,The new State Pension. [2]ONS Life expectancy calculator, July 2026. Based on life expectancy at age 65 for the UK.

Log into mobile app



- View plan value, contributions paid and growth
- Nominate a beneficiary
- Apply for a pension transfer
- Pay a single contribution
- View investments details
- Access our financial wellbeing service
- Access State Pension calculator
- Request a projection

Keeping track

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Estimated value of lost or forgotten pensions in the UK

Lost or forgotten pension pots	Average lost pot size	Total value of lost pensions
3.3m	£9,470	£31.1 billion

Employer action: share **gov.uk/find-pension-contact-details** with your employees

Source: PPI Briefing Note Number 138: Lost Pensions 2024.

Consolidate other pensions

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Employees have other pension savings?	Some plans have valuable benefits or guarantees which includes:
If so, they may be able to transfer into their Royal London pension plan.	• there's a guaranteed annuity rate • there’s protected tax-free cash • it's a defined benefit or final salary plan • benefits have started to be taken from the pension plan

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3. Encourage small steps that can make a difference

Increasing regular contributions

	No change to contributions	1% increase	
Salary	**£27,000**	**£27,000**	The difference
Current pension pot	**£7,600**	**£7,600**	**£122,000** more at retirement
Monthly pension contribution 5% employee and 3% employer	**£211.25**	**£211.25 increasing by 1% each year for 5 years**	
Total pension contributions paid to age 65	**£89,497**	**£148,681**	
Pension pot at age 65	**£209,000**	**£331,000**	

Assumptions:

The starting age for the projection is from age 28.

Growth rate is 2.94%.

This has been reduced to allow for inflation at 2%.

Annual Management Charge is 0.45%.

Annual salary increase of 3.5%.

The amount exchanged for an employer pension contribution has been increased by a further 1% each year from age 28 to 32.

Remember this is only an example and investment returns are never guaranteed.

Source: Royal London case studies, Should I increase my regular pension contributions? (Salary exchange version)

Exchanging a bonus for a pension contribution

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Scenario 1:
Taking bonus as a cash payment

£1,350

minus tax and NI
= £972
added to take-home pay

Scenario 2:
Exchanging bonus for a one-off pension contribution

£1,350
bonus exchanged for a one-off pension contribution

Paid into a pension without tax or NI deductions. And once invested, can't be accessed until age 57.

= £1,350
invested in pension savings

= £3,300
at age 65

Assumptions:

The starting age for the projection is from age 28.

The bonus is invested in the pension and is projected to increase in value until the chosen retirement age of 65 years.

Growth rate is 2.94%.

This has been reduced to allow for inflation at 2%.

Annual Management Charge is 0.45%.

Remember this is only an example and investment returns are never guaranteed.

Source: Royal London case study, Your bonus could help your pension savings grow. (Salary exchange version).
Tax treatment can change and depends on individual circumstances and where you live in the UK.

Maximising contribution matching

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Example scenario

Employee earning £30,000 a year, with employer contribution matching available up to a capped level of 7% employer.

Employee contribution	**4%** contribution	**5%** contribution	**6%** contribution	**7%** contribution	MAXIMUM EMPLOYER CONTRIBUTION MATCHED	**8%** contribution	**9%** contribution
	£1,200	**£1,500**	**£1,800**	**£2,100**		**£2,400**	**£2,700**
Employer contribution	**4%** contribution	**5%** contribution	**6%** contribution	**7%** contribution		**7%** contribution	**7%** contribution
	£1,200	**£1,500**	**£1,800**	**£2,100**		**£2,100**	**£2,100**
Total per year	**£2,400**	**£3,000**	**£3,600**	**£4,200**		**£4,500**	**£4,800**

Based on a 22 year old earning £30,000 and no money in pension:

A 4% matched contribution rate each year could provide an estimated pension value of £250,000.

A 7% matched contribution each year could provide an estimated pension value of £438,000.

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Based on State Pension income and income from pension pot.

Source: Royal London guide: Pension Contribution Matching and Pension Calculator.

What employers should and shouldn't say

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Employers can:

- ✓ signpost tools and guidance
- ✓ encourage employees to review their pension
- ✓ share approved templates
- ✓ promote webinars and calculators

Employers shouldn't:

- × tell employees what contribution level to choose
- × recommend specific investment funds
- × advise whether to transfer or consolidate pensions

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4. Make use of ready made support

Our ready to use support

Short on time?

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Welcome to your Royal London pension plan

Take time to review your pension plan and make sure it's working for you using our top tips below.

Get online
Scan the QR code to download Royal London's app to easily track your pension savings and see how they're performing. You'll need your plan number to register.

Decide how much you want to pay
When you join, your first regular contribution into your pension plan is likely to be set by your employer. If you want to change your contributions, talk to your employer to explore how and when you can change your contributions.

You can also make a one-off payment into your pension at any time.

For more information log into our app or visit our website.

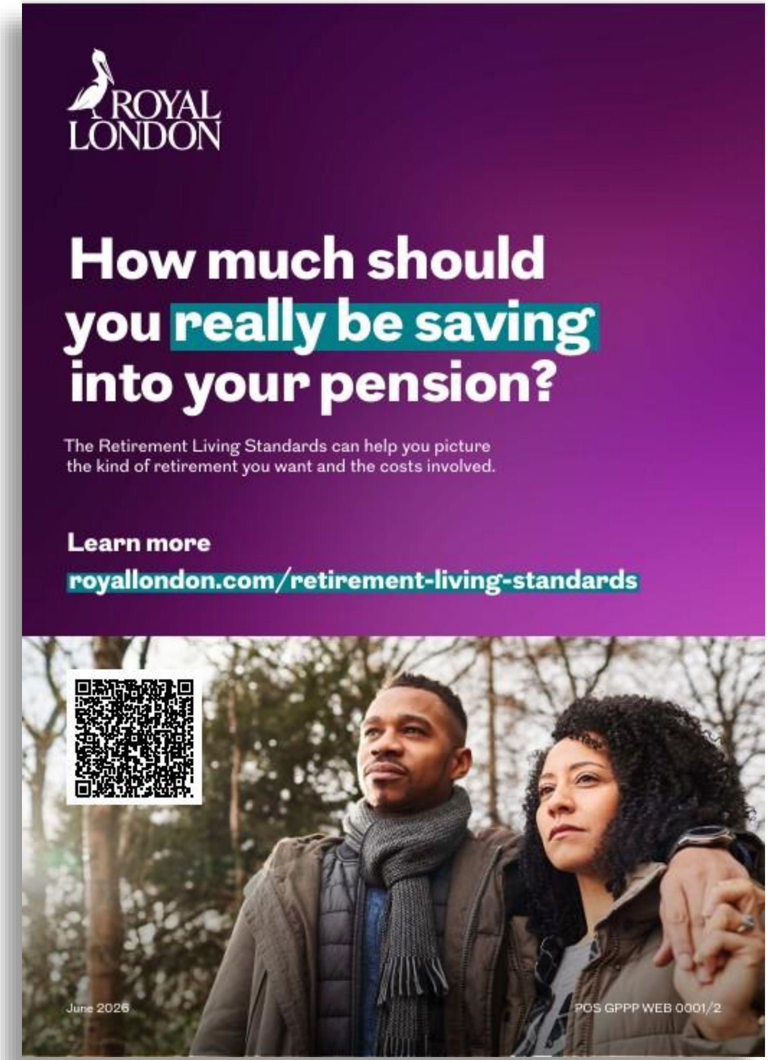
Review your investment options
You'll automatically be invested in your scheme's default option, but you can choose a different option. Remember to review it from time to time to make sure it still fits your retirement plans.

Investment returns aren't guaranteed – while your investment could grow, its value can also go down and you may get back less than you put into your plan.

We've tools and information available tonline to help you.

Sign up to our monthly member webinar
Join one of our pension specialists to learn more about your pension. Simply scan the QR code to secure your place or sign up here.

If you're unsure, seek advice from a financial adviser before making important decisions about your pension plan.


How much should you really be saving into your pension?

The Retirement Living Standards can help you picture the kind of retirement you want and the costs involved.

Learn more
royallondon.com/retirement-living-standards

June 2026

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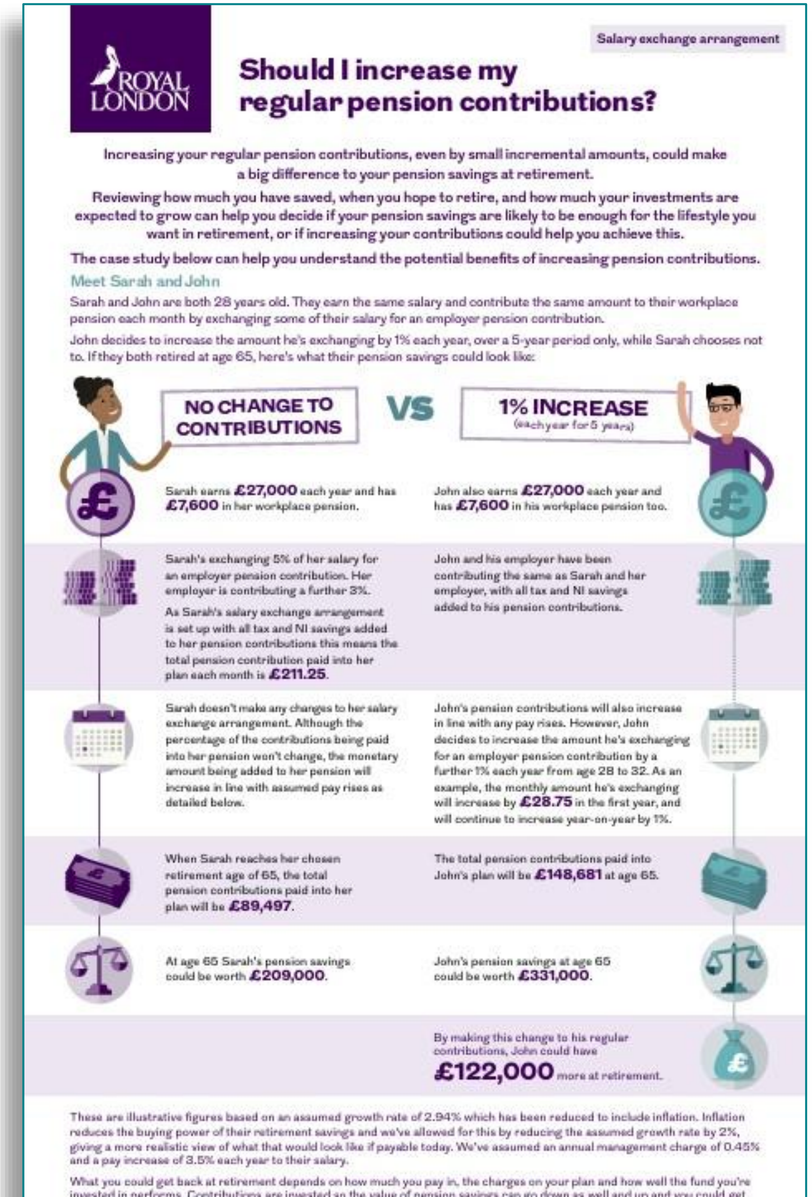
Salary exchange arrangement

Should I increase my regular pension contributions?

Increasing your regular pension contributions, even by small incremental amounts, could make a big difference to your pension savings at retirement.

Reviewing how much you have saved, when you hope to retire, and how much your investments are expected to grow can help you decide if your pension savings are likely to be enough for the lifestyle you want in retirement, or if increasing your contributions could help you achieve this.

The case study below can help you understand the potential benefits of increasing pension contributions.

Meet Sarah and John

Sarah and John are both 28 years old. They earn the same salary and contribute the same amount to their workplace pension each month by exchanging some of their salary for an employer pension contribution.

John decides to increase the amount he's exchanging by 1% each year, over a 5-year period only, while Sarah chooses not to. If they both retired at age 65, here's what their pension savings could look like:

NO CHANGE TO CONTRIBUTIONS	1% INCREASE (each year for 5 years)
Sarah earns **£27,000** each year and has **£7,600** in her workplace pension.	John also earns **£27,000** each year and has **£7,600** in his workplace pension too.
Sarah's exchanging 5% of her salary for an employer pension contribution. Her employer is contributing a further 3%. As Sarah's salary exchange arrangement is set up with all tax and NI savings added to her pension contributions this means the total pension contribution paid into her plan each month is **£211.25**.	John and his employer have been contributing the same as Sarah and her employer, with all tax and NI savings added to his pension contributions.
Sarah doesn't make any changes to her salary exchange arrangement. Although the percentage of the contributions being paid into her pension won't change, the monetary amount being added to her pension will increase in line with assumed pay rises as detailed below.	John's pension contributions will also increase in line with any pay rises. However, John decides to increase the amount he's exchanging for an employer pension contribution by a further 1% each year from age 28 to 32. As an example, the monthly amount he's exchanging will increase by **£28.75** in the first year, and will continue to increase year-on-year by 1%.
When Sarah reaches her chosen retirement age of 65, the total pension contributions paid into her plan will be **£89,497**.	The total pension contributions paid into John's plan will be **£148,681** at age 65.
At age 65 Sarah's pension savings could be worth **£209,000**.	John's pension savings at age 65 could be worth **£331,000**.
	By making this change to his regular contributions, John could have **£122,000** more at retirement.

These are illustrative figures based on an assumed growth rate of 2.94% which has been reduced to include inflation. Inflation reduces the buying power of their retirement savings and we've allowed for this by reducing the assumed growth rate by 2%, giving a more realistic view of what that would look like if payable today. We've assumed an annual management charge of 0.45% and a pay increase of 3.5% each year to their salary.

What you could get back at retirement depends on how much you pay in, the charges on your plan and how well the fund you're

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Questions and answers

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Thank you

To find out more visit:
employer.royallondon.com