

Tax Advantages of Contributing to the Fund

The MMC UK Pension Fund and its members receive important tax advantages:

1. For most members, full tax relief on the contributions up to 100% of your taxable earnings.
2. A cash sum option on retirement, which will be tax free (unless the value of the benefits from all pension arrangements exceeds the Lifetime Allowance).
3. You are not taxed on the Company's contributions.
4. Favourable tax relief on the investments in the Fund.

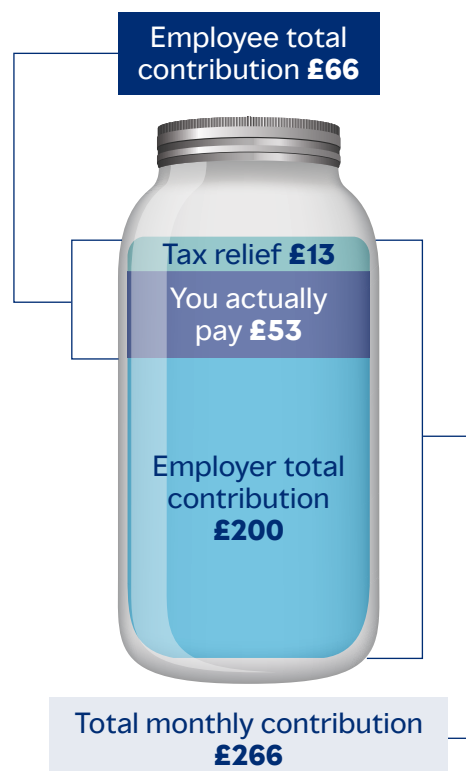
The key aim is to help members achieve a good retirement outcome.

Tax Relief Example

Assuming a member earning £40,000, with tax relief at 20%.

The following shows the pension contributions that will be paid and the actual cost to the member per month. Please note the minimum contributions for those who join the Company from 1 October 2022 onwards are 2.5% from the member and 6.5% from the Company.

If you pay the minimum 2%



If you pay the maximum 4%



For an additional cost of £54 per month (£640 per year) your total contribution increases by £267 per month (£3,200 per year).

You can increase your pension contribution via Prosper during any monthly window which runs from 1st to 20th of each month.

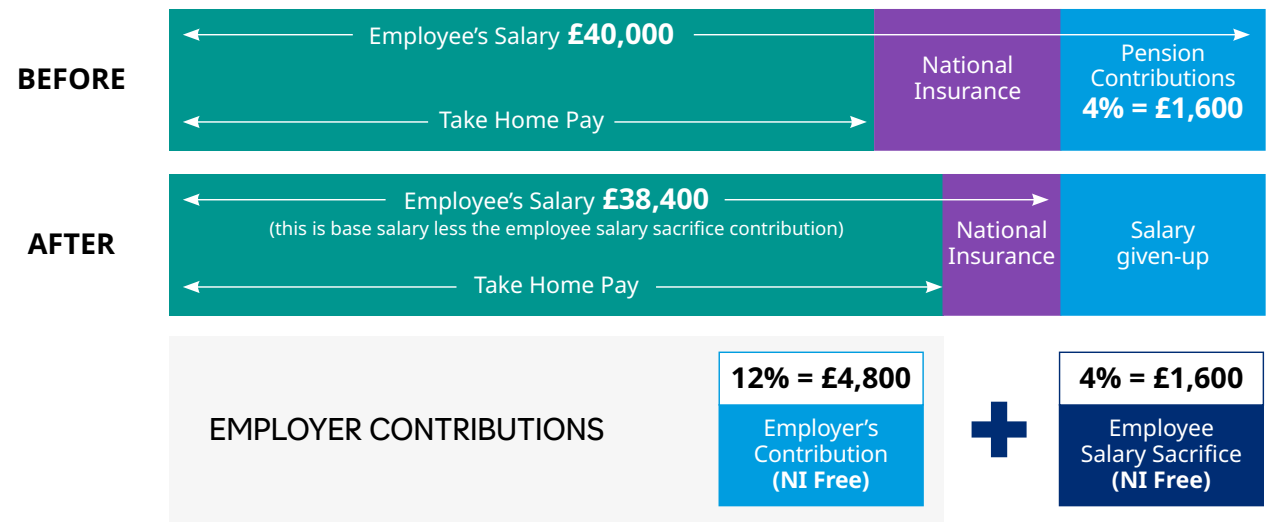
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The default method is for contributions to the Fund to be paid via salary sacrifice. The advantages of which are as follows:

1. A tax efficient way of paying contributions into the Fund
2. You pay less NI so your take home pay goes up compared to contributing from your net pay
3. Your pension and life assurance benefit remain based on your pre salary sacrifice pensionable salary

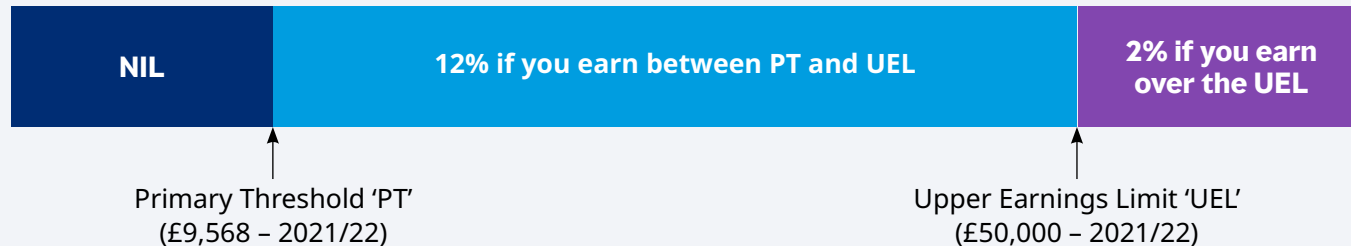
How does it work?

Using the example above please find below how salary sacrifice impacts take home pay and national insurance contributions.



How much will you save?

The saving is dependent on your earnings, and is a % of the amount sacrificed.



The above member would save **£192 each year** (12% of the employee salary sacrifice contribution)