

# Pensioners

This section has important information for you if you are receiving a pension from the Guinness Ireland Group Pension Scheme.

## Payment of pensions

Pension benefits are paid into a bank or building society account on the second last working day of every month. Pensions, including spouse's pensions and children's pensions, are liable to tax under the PAYE system. Tax payable on State pension or benefit will also be deducted from your Scheme pension, since the tax authorities take your income from the State into account when calculating tax-free allowances.

If you are moving overseas you can apply for an Irish Exclusion Order from the Revenue. If you are granted an exclusion order, tax and PRSI will not be deducted from your pension at source. You will however need to declare the pension you receive from the Scheme on the tax return applicable to the country you reside in.

## Pension increases

The Company reviews pensions on a regular basis (although the Trust Deed does not provide for a specific level of increase). The current pension increase policy can be found on the Pensions website.

## Tax on your pension

Your pension is treated as earned income for tax purposes. Tax will normally be deducted before your pension is paid.

If you've any questions about the amount of tax deducted from your pension, you should contact your local tax office.

## Payslips/P60

A pension advice slip will be issued monthly. You can also access your monthly payslip online under the *My Pension section*.

You'll also receive a P60 each January that will confirm your total pension and tax deducted for the previous tax year. You can also access this online under the *My Pension section*.

## State Pension Benefits

As well as your benefits from the Scheme, you may also receive the State Pension (Contributory) when you reach State Pension age, if you have enough Irish social insurance contributions. You can find out more at [www.welfare.ie](http://www.welfare.ie).

## Who benefits if I die?

### For members of the contributory section of the Scheme

Your spouse will receive a pension equal to 50% of the Scheme pension being paid to you at the date of death, ignoring any reduction if you had exchanged part of your pension for a cash lump sum when you retired.

If you die within five years of starting to receive your pension, a cash lump sum will be payable. This is calculated as the pension payable at date of death multiplied by the unexpired portion of the five-year period.

If there are dependent children (i.e. unmarried children aged under 18 or under 22 if undergoing full-time education) an allowance will be paid equal to 20% of the spouse's pension for the first eligible child and 10% in the case of each additional child, up to a maximum of four dependent children.

Any lump sum benefits payable on your death are payable at the discretion of the Trustee. Because of this, they're not subject to inheritance tax. The Trustee will, however, take account of your wishes and it's therefore important to complete an Expression of Wish form. This can be done online under the *Expression of Wish section*.

#### [For members of the pre 1987 section of the Scheme](#)

Your spouse will receive a pension equal to 50% of the Scheme pension being paid to you at the date of death, ignoring any reduction if you had exchanged part of your pension for a cash lump sum when you retired.

If you die within five years of starting to receive your pension, a cash lump sum will be payable. This is calculated as the difference of the balance of the five-year period between the pension payable at the date of death and the spouse's pension (if any) payable on your death.

If you are survived by a spouse and you were in active service pre 31 December 1972, they will be entitled to a spouse's gratuity. This is a one-off lump sum payment equivalent to three months instalments of the Scheme pension being paid to you at the date of death, ignoring any reduction if you had exchanged part of your pension for a cash lump sum when you retired.

If there are dependent children (i.e. unmarried children aged under 18 or under 22 if undergoing full-time education) an allowance will be paid equal to 20% of the spouse's pension for the first eligible child and 10% in the case of each additional child, up to a maximum of four dependent children.

Any lump sum benefits payable on your death are payable at the discretion of the Trustee. Because of this, they're not subject to inheritance tax. The Trustee will, however, take account of your wishes and it's therefore important to complete an Expression of Wish form. This can be done online under the Expression of Wish section.

#### [For dependant pensioners](#)

If you are currently receiving a dependant's pension from the Scheme, there are no further benefits payable after your death.

### **General information**

#### [How is the Scheme constituted?](#)

The Scheme is a defined benefit scheme for the purposes of the Pension Act 1990, established under irrevocable trust and is approved as an Exempt Approved Scheme under Chapter 30, Part I of the Taxes Consolidation Act 1997. Benefits paid under the Scheme must be within the limits specified by the Revenue Commissioners from

time to time. The Scheme has been registered with the Pensions Board (PB No. 1684).

Funds to meet the cost of the Scheme benefits are accumulated under the control of the Trustee and are invested on the advice of specialist advisers.

#### Can the Scheme be changed or discontinued?

The Trust Deed provides that, with the approval of Diageo plc, the Company may amend the Scheme terms and conditions but not so as to prejudice substantially the rights of existing members or pensioners.

The Scheme Rules allow the Company to discontinue its contributions to the Scheme. Such action by the Company would be taken only in exceptional circumstances and, subject to the funding position of the Scheme, your rights to benefits secured by contributions already made would not be affected.

#### Assignment of benefits

The benefits provided under the Scheme are strictly personal to you and your dependants and may not be used as security for borrowings or assigned in any other way.

#### Judicial separation and divorce and Pension Adjustment Orders

In the event of judicial separation or divorce, a Court Application may be made for a Pension Adjustment Order relating to retirement or contingent benefits in respect of a married member. Further information about the operation and impact of Pension Adjustment Orders may be obtained from the Pensions Authority at [www.pensionsauthority.ie](http://www.pensionsauthority.ie).

#### What happens if I have a dispute?

If you have a complaint or dispute relating to your Scheme membership, you should try to resolve your complaint informally. If you are unable to resolve the issue to your satisfaction, you may then use the Scheme's Internal Dispute Resolution (IDR) procedure, details of which may be obtained from the Pensions Team. You can find the details online within the *Contacts* section.

You will be required to provide information relating to your complaint or dispute. The determination under the IDR procedure will be made within three months of the date of receipt of your application (or, if later, the date of receipt of any additional information requested from you).

The determination will be issued to you in writing. If you are unhappy with the outcome of the Scheme's IDR procedure, you may then wish to refer the matter to the Pensions Ombudsman who may be contacted at Lincoln House, Lincoln Pl, Dublin 2.