



# Our Group Income Protection (GIP) Scheme explained

This applies to you if you joined UU before 1 April 2023

## United Utilities Pension Scheme - Defined Contribution section

We all appreciate peace of mind when it comes to the possibility of illness or injury. That's why, if you belong to our defined contribution section, you'll automatically be covered by the GIP Scheme. This pays part of your salary if you're off work for a long time.

And it won't cost you a penny. We cover the full costs, so you won't have any additional/unforeseen expenses (such as P11d tax liability).

Our GIP Scheme is currently insured with a leading insurance company. Your benefit payment is dependent on their terms and conditions.



### Actively at work

To be covered for GIP you must be actively at work on the date of joining the DC scheme. If you aren't covered immediately, your cover will commence following your return to work (after seven consecutive days of returning in a similar role).

### Income benefit

If you're off work continuously for 52 weeks, and satisfy the GIP Scheme criteria, the scheme will pay 50% of your Pensionable Earnings (before your absence).

To qualify for this benefit you must be unable, because of sickness or injury, to carry out your working duties. You must not have another job.

A stricter definition of 'incapacity' is used for certain licensed occupations and those needing specialist skills or high fitness levels.

### Payment of benefit

We'll pay the benefit to you through payroll. Each year, it will increase by either the rise in the Retail Prices Index or 5% – whichever is less. If you return to work and are absent for the same reason within 26 weeks, your benefit payment will continue.

Your benefit will finish when you come back to work, when you retire, when you reach State Pension Age (SPA)\*\*, at death, or when you leave us.

### Partial disability

You may be paid a proportionate benefit if you return to work for us on a phased basis, part-time or in a lower-paid role. We may need to obtain medical evidence at this point.

### Medical evidence

Your benefit payment depends on our insurance company receiving satisfactory medical evidence to support your claim. It will occasionally check the evidence to make sure that the claim remains valid.

If you join the pension scheme after the date you're first eligible, our insurance company may require satisfactory medical evidence before confirming cover under the GIP Scheme.

### Termination or amendment

Although we want to maintain the GIP Scheme in the future, we have the right to stop or amend the scheme at any time. Of course, we'd let you know beforehand if this was going to happen!

### Pension and Life Assurance benefit

The GIP Scheme will pay your pension contributions and ours to the scheme, which protects your pension and any life assurance benefits.

\*GIP does not apply to members of the UUPS Hybrid section who should refer to the Hybrid section booklet for details

\*\* If your first day of absence was before 1 April 2023 GIP will be payable to age 65, not SPA