ZURICH

Retirement Matters

Auto-enrolment special

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Welcome

My Future Fund is now just around the corner. Automatically enrolling employees into a pension scheme will help close the coverage gap for the one in three workers who currently have no private pension. This is a crucial step, as we all expect to live longer and will increasingly need a private pension to supplement the state pension.

Auto-enrolment aims to improve future retirees' financial security and help address the gender pensions gap, especially for part-time workers, many of whom are women. The Zurich Master Trust, chosen by many employers, now manages over €5 billion in assets. We're actively supporting employers preparing for auto-enrolment, helping them offer workplace pension solutions that attract and retain staff – especially younger employees. A strong pension package is now a key part of recruitment and retention.

For many, saving through their workplace pension scheme rather than My Future Fund is their best option. This is clearly the case for 40% taxpayers, given the more generous government incentive in the form of tax relief and equally for employees looking for greater investment choice. We are now aware that My Future Fund will restrict investment choice to three investment managers, each of whom only provide a passive investment solution. We are all too familiar with the active v's passive investment debate. A passive fund approach is one where a member's investment fund simply tracks a stock market index compared to an active fund where the fund manager, working for their fees, make daily decisions on where to invest. Passive funds have gained some popularity as they've been promoted as removing fund manager risk, i.e. the risk that an active fund manager makes the wrong decisions or investment calls. At Zurich we disagree with this narrative. We are and will continue to be active fund managers with a 40-year track record of out-performance. We firmly believe that effective active investment management leads to outperformance, and that active managers are well placed to incorporate key ESG considerations.

We will continue to work closely with Financial Brokers and employers to put in place programs for businesses to help increase pension take-up, especially among the younger cohorts. These have proven to be very successful and we're seeing first-hand how employers can use their strong employee benefits package as a means of recruiting and retaining staff. Looking ahead, we expect more focus on sustainable investing, flexible retirement, and employee engagement. For pension schemes, consistent active investment performance is the single most important factor in ensuring better outcomes for members in retirement. We encourage active participation in all aspects of pension provision, from choosing the right product to choosing the right active investment strategy, all to help secure the future of employees across the country.

As company pensions become more employee-centric, we're here to be your trusted partner for employee benefit solutions.

Joe Creegan
Head of Corporate Life & Pensions

Auto-enrolment

Quick checklist

- Get advice from your Financial Advisor
- Identify which staff will be auto-enrolled
- Plan for staff not currently in a pension
- Assess financial impact on your business
- Review and adjust existing pension schemes
- Update contracts and employee handbooks (seek HR/legal advice)
- Communicate the changes to your staff
- Update your payroll system for AE payments
- Register on the Government's Employer Portal
- Stay informed – use resources like webinars, **zurichcorporate.ie** and gov.ie

Ready to get started?
Zurich is here to help you
every step of the way.

How to effectively communicate your workplace pension

Do you have a communications strategy for promoting your workplace pension?

Offering a workplace pension is one of the best ways to support your employees' long-term financial wellbeing. Rolling out a company pension plan or My Future Fund can feel complex, but with a clear approach, you can make the process smooth, positive, and engaging for everyone involved. When sharing information about your workplace pension, your goal is to make sure all employees feel informed and confident about what's ahead. Clear communication helps ensure a smooth roll-out and encourages strong participation.

First steps

Choose the right scheme for your company. Come **1st January 2026**, all employees must be paying into a pension plan, whether this is My Future Fund or a company plan you have chosen. Discuss your business needs with a Financial Advisor and decide what is best.

Let employees know what is happening

Good communication is key to a successful roll-out. Let your employees know which pension you are offering, and the benefits for them. Provide information on contribution rates, tax-relief, frequently asked questions, etc. Let them know it's easy to enrol. Employees are best served with a mix of communication methods; while online works for some, others prefer to hear first-hand and face-to-face. If you need support, Zurich's Customer Relationship Team will organise workplace information sessions for employees.

Communication timelines and tips

1. **Pre-launch: 4 weeks before planned launch**
   Consider a CEO/leadership announcement, this could be via email or a staff meeting introducing the plan and its benefits. Share clear, jargon-free information addressing key employee concerns – speak to your Zurich Scheme Advisor who can recommend some useful material.

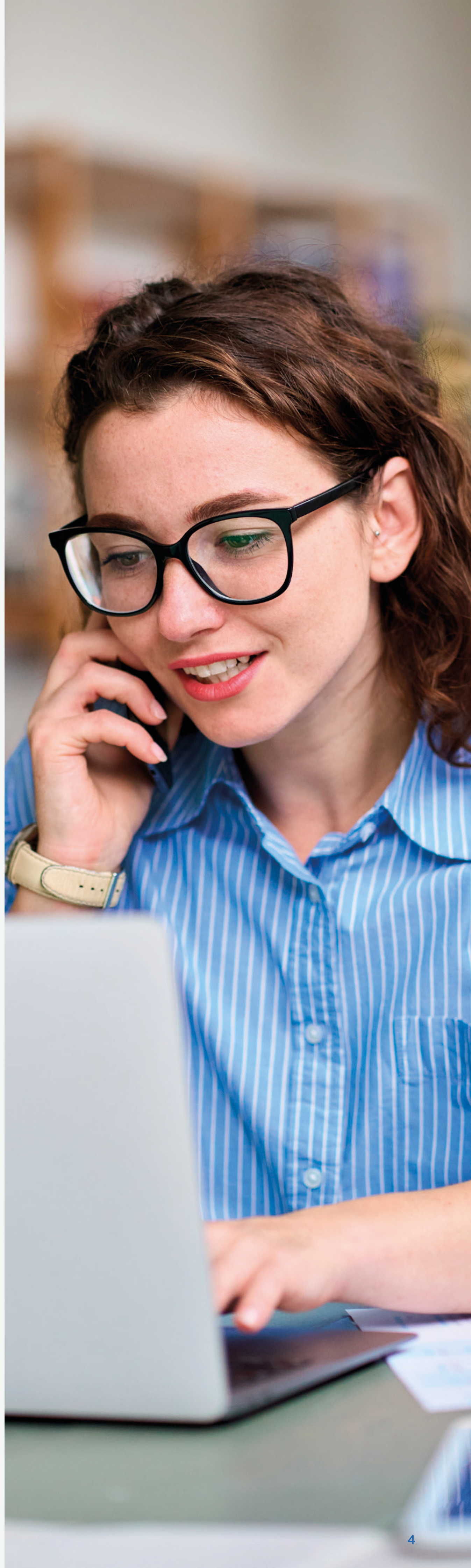
2. **Launch Week**
   Send an email or letter notifying each employee about their enrolment, contribution rates, and opt-out options. Invite employees to an interactive webinar or workplace session. We have drafted a sample launch email overleaf – simply copy and paste, and amend to what works for your business.

3. **Follow up**
   Offer ongoing support, a few weeks after launch. Send an email to reiterate benefits, ask for feedback to improve future communications.

Tips

- Prioritise clear, friendly language. Break up information into easy steps.
- Acknowledge that financial decisions can be daunting.
- Highlight how this helps employees plan for a brighter future.
- Encourage questions and provide multiple channels for support.
- Keep in mind, that Zurich can help with an employee engagement program that suits your business.

Continued overleaf



Example launch email

Subject: Our new pension plan

We're excited to help you build a brighter financial future. Starting next month, you'll be enrolled in our new company pension plan. This means you can start saving for retirement – with contributions from both you and the company – without having to do a thing.

We know retirement planning can seem complex, so we're here to make it easy. Attached is a simple FAQ, and you're invited to join our upcoming Q&A session with Zurich, our chosen pension provider.

If you have any questions, please contact [HR contact details] or visit [intranet link].

Send

Call on the support of Zurich and your scheme advisor

Call on the support of Zurich to help your employees understand and value their pension benefits. Our expert team makes it easy to review and enhance your employee benefits, saving you time and effort while supporting your business goals.

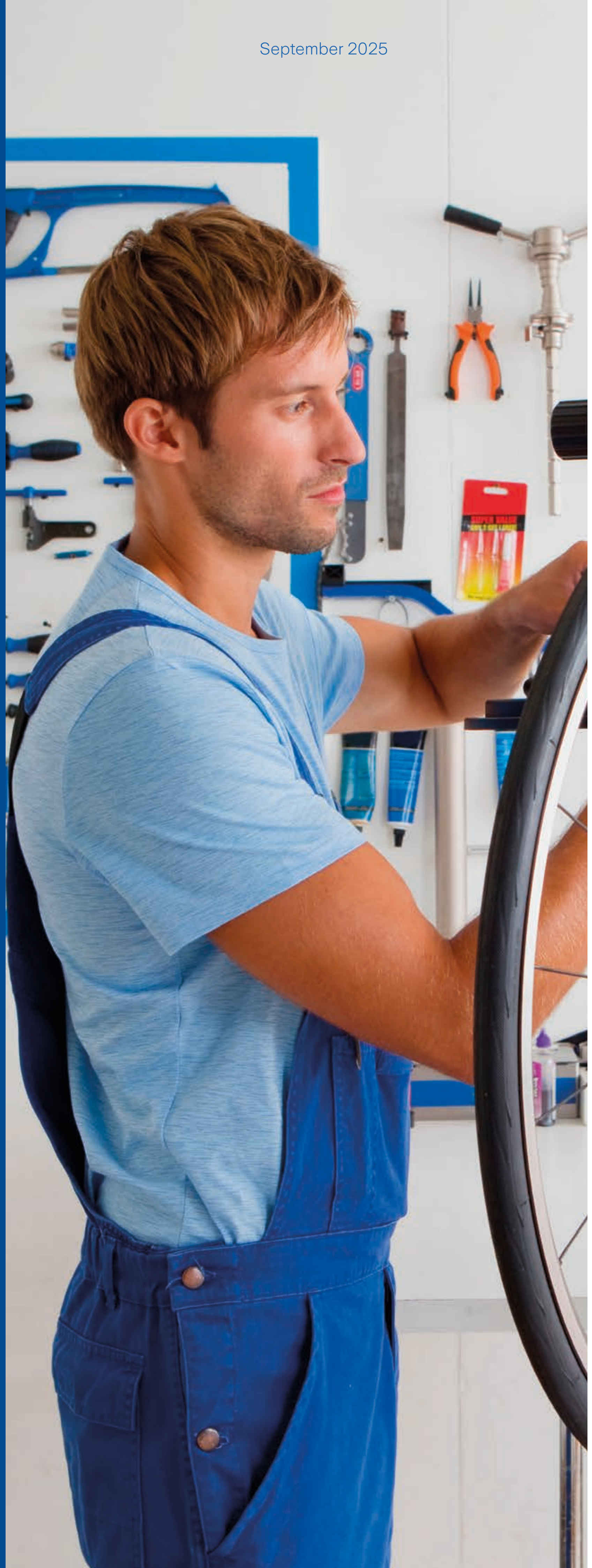
The impact of My Future Fund on small and medium sized businesses

My Future Fund, the national auto-enrolment (AE) pension scheme, is set to launch on January 1st, 2026. With the start date just months away, payroll providers and employers – particularly small and micro businesses (SMEs) – should start getting ready now. Early preparation will help ensure a smooth transition when the scheme goes live.

The scheme is designed to help over 800,000 private sector workers – who currently don't have access to (or haven't joined) a workplace pension – start saving for their retirement^. Many of these employees work for small and medium-sized businesses. In a recent survey conducted by Zurich, we found that just 36% of small companies are aware of the upcoming AE requirements.*

*The Zurich Auto-Enrolment Awareness Study was conducted by 3GEM Research in May 2025. The survey captured responses from 1,000 individuals and 250 businesses across the Republic of Ireland, with quotas applied to ensure a representative sample by age, gender, region, and employment sector. Respondents included both PAYE and self-employed workers, as well as business owners and senior decision-makers in SMEs and larger firms.

Source: ^Overall Pension Coverage Pension Coverage 2024 – Central Statistics Office.



> "Small medium businesses make up 99.8% of all businesses in Ireland and employ around 1.8 million people.

The importance of SMEs in Ireland

It is no overstatement to say that SMEs form the backbone of the Irish economy. Defined as companies employing less than 250 people, they make up 99.8% of all businesses in Ireland and employ around 1.8 million people – almost 70% of total employment in the economy, according to the Central Statistics Office (CSO) in 2021. The vast majority (92%) of these companies are micro-enterprises employing less than 10 people while another 6% are classified as small – employing less than 50.

Challenges

It is likely that many SMEs will encounter significant challenges in meeting the requirements of the new scheme. Participation is mandatory and employees who earn €20,000 or more per year, are aged between 23 and 60, and are not already in a workplace pension plan, will need to be automatically enrolled into the scheme.

The only exception applies to companies that already have a pension scheme where all employees eligible for auto-enrolment are contributing. These existing schemes must also meet the minimum contribution requirements set by the state scheme.

For the first three years – from 2026 to 2029, those contributions are set at 1.5% of the employee's total earnings for both the employer and the employee with the State adding 0.5%. Those rates will rise in increments of 1.5% every three years for employers and employees until they reach 6% each in year 10. The State contribution will reach 2% by that stage.

The first issue facing SMEs and microenterprises is cost. According to a Small Firms Association (SFA) survey carried out in mid-2024, SMEs had experienced an average increase in business costs of 16.6% in the previous year. And that was before the recent increase in the minimum wage.

Continued overleaf

Those businesses are already experiencing significant cost pressures and are facing into a period of considerable uncertainty as a result of new tariffs and disruptions to global trade. An increase of 1.5% on the payroll bill will only add to that pressure.

There is also the possibility of knock-on cost increases with employees seeking pay increases to make up for what they may perceive as a 1.5% cut in their gross pay.

The added administrative workload is expected to be a significant challenge, especially for smaller SMEs. Most do not have a dedicated HR professional, and often the owner-manager handles both HR and finance tasks. Joining the auto-enrolment scheme will introduce another layer of complexity to their responsibilities. The fact that employees will be able to opt out of the scheme after six months and must be re-enrolled two years after that adds to the compliance demands.

Of course, those SMEs that retain the services of external payroll providers will find the going easier, but they will need to make sure the provider is ready for the scheme when it comes into being.

Larger and better resourced SMEs are likely to face other challenges. They may already have a pension scheme in place, but it may not be open to all employees and even if it is, if it is not mandatory the likelihood is that at least some employees will not be contributing.

These companies may need to manage both their own pension scheme and the State scheme at the same time, which can create extra administrative and practical challenges. For example, if an employer contributes 5% of an employee's salary to the company scheme but only 1.5% to the State scheme, it could cause dissatisfaction among employees. Currently, the only solution is to encourage all employees to join the company scheme. However, this can be challenging, as you cannot make a voluntary scheme mandatory without each employee agreeing to a change in their employment contract.

How Zurich can help

At Zurich, we understand the unique pressures facing SMEs as they prepare for AE. Our Customer Relation Management team have extensive experience supporting businesses of all sizes through pension changes and regulatory updates. We offer practical guidance and tailored solutions to help you understand your options and navigate the new requirements with confidence.

Whether you're setting up a new workplace pension, reviewing your existing scheme, or managing the administrative impact of running two schemes side by side, Zurich is here to help. We can work with you to:

- Assess your current pension arrangements and identify any gaps
- Explain the implications of auto-enrolment for your business and your employees
- Provide clear, step-by-step support throughout the implementation process
- Offer communication tools and resources to help your employees understand the benefits of workplace pensions

The bright side

SMEs need advice now – well ahead of the scheme's launch. While the Government will offer general guidance, many businesses – especially those new to employee pension provision – will benefit from tailored professional support.

Although the transition may present challenges, auto-enrolment is a welcome and long-awaited change. The State pension provides a foundation – building additional savings can help people achieve their retirement goals. A workplace pension brings real advantages for both employees and employers, increased employee loyalty, and more open conversations about retirement planning.

Looking at the UK's experience, auto-enrolment has had a major impact. Since its introduction in 2012, the percentage of eligible employees participating in workplace pensions grew from 56% to 88% by 2023, according to the UK Department of Work and Pensions. The Irish scheme could achieve similar success, especially for those not yet in a pension scheme.

There may be some challenges along the way, but with Government support and professional advice, SMEs can navigate them. By embracing auto-enrolment, businesses can help employees build a brighter financial future – benefiting everyone in the long run.

Find out more

Speak with a Financial Broker or visit zurichcorporate.ie to find out more about Zurich's corporate pension solutions.

Warning: This product may be affected by changes in currency exchange rates.

Warning: The value of your investment may go down as well as up.

Warning: If you invest in this product you may lose some or all of the money you invest.

Addressing the gender gap in pensions

Why auto-enrolment won't be the full solution.

A recent (December 2024) National Women's Council report highlights that auto-enrolment for pensions, while expanding coverage, does not resolve the structural inequalities faced by women – especially those in part-time, low-paid, or unpaid care roles. In fact, it could even make the gender pension gap wider.

The report, titled 'Still stuck in the Gap – Pensions Auto-enrolment from a Gender and Care lens' finds that the gender pension gap, currently 35% to 44%, may worsen. The gap is traditionally rooted in unpaid care work, as women's lower pensions income are primarily due to lower earnings over their lifetime, due to maternity leave and unpaid leave to look after children and elders.

The new auto-enrolment (AE) scheme is based solely on paid employment, and as women are more likely to take breaks for care or work part-time, their pension contributions and eventual retirement savings, are lower than men's. The difference in care work between women and men is significant. According to Russell et al.'s 2019 study, *Caring and Unpaid Work in Ireland**, women spend an average of 21.3 hours a week on care activities – more than double the 10.6 hours that men spend. Most of this time is dedicated to childcare, with women providing an average of 19.1 hours per week, compared to 8.5 hours for men.

> As a result of their unpaid caring responsibilities, women face a double disadvantage.

As a result of their unpaid caring responsibilities, women face a double disadvantage. They often earn less during their working years and, in turn, receive much lower incomes in retirement. Since AE ties pension income even more closely to paid employment, it risks widening the gender pension gap rather than closing it. The report recommends that the government study and publish the gender and care impacts of auto-enrolment, including its effects on the gender pension gap, coverage, and adequacy.

How Zurich can help

By partnering with Zurich, employers can take active steps to reduce pension inequality – helping ensure that everyone, regardless of gender or caring responsibilities, can look forward to a more secure retirement. Taking a career break for childcare, caregiving, or other reasons, can affect your pension savings. At Zurich, we believe everyone should understand these impacts and have the support they need to make informed decisions.

Personalised financial advice

Zurich offers access to pension experts who can answer questions and help employees understand their individual situation – before, during, or after a career break.

Workshops and webinars

Our Customer Relationship Management team run regular on-site workshops and online sessions covering topics like planning for career breaks, maintaining pension contributions, and catching up on savings.

Online tools and calculators

Our digital tools help employees model different scenarios showing the potential impact of a career break and how different choices can make a difference.

Flexible pension solutions

Zurich has pension plans that specifically cater to part-time workers, ensuring minimum contribution thresholds are accessible and meaningful for all employees, not just those in full-time, well-paid roles. We can also support employers in setting up matching or enhanced contributions for employees who take parental or care leave, reducing the long-term impact of career breaks.

How an employer can help

- Automatically enrol employees into your company pension scheme, to ensure they are receiving higher contribution rates than auto-enrolment.
- Promote flexible working arrangements for all, helping to balance responsibilities across genders.
- Champion equal pay within your business.

On the bright side, AE will raise awareness and promote the benefits of broader pension coverage, which could encourage more women to seek financial advice and take positive steps towards closing the pension gap. This is an important step forward. However, it's important to remember that auto-enrolment won't address everyone's needs equally. In many cases, the benefits offered may differ from, or may not fully match, those already available through workplace pension schemes, meaning the pension gap could still persist for some individuals.

Read the full 'Still Stuck in the Gap' report on **www.nwci.ie.**

*Russell, H., Grotti, R., McGinnity, F., and Privalko, I. (2019). Caring and unpaid work in Ireland. ESRI and The Irish Human Rights and Equality Commission (IHREC).

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Auto-enrolment Q&A

An interview with Joe Creegan, Head of Corporate Life & Pensions, Zurich Life

What should Irish employers be doing now to prepare for auto-enrolment?

It's important to remind ourselves what auto-enrolment (AE) is trying to achieve – to ensure that as many employees as possible are saving for their retirement so they are not just solely relying on the state pension.

My Future Fund, the new AE scheme, is due to launch on January 1, so employers have little time to prepare. It is anticipated that about 800,000 employees will be covered by AE and unless they join their employers' existing arrangement now, they will be enrolled into the new scheme.

Employers need to focus on what is the best option for their employees. Is it to get them to join the existing scheme or to do nothing and be auto-enrolled into My Future Fund?

Many existing pension schemes have a waiting period of 6 to 12 months before new employees can join – do you expect that these rules will be abolished?

Yes. With the introduction of My Future Fund, it will become the norm for new employees to join a scheme on the day they commence work. Existing scheme rules will have to be changed to reflect the removal of waiting periods and allow for immediate joining. If this isn't facilitated, then employees could find themselves being signed up to My Future Fund for the time period before they can join the existing workplace scheme. It could be the case that many employers allow new starters to join their scheme straight away but put a waiting period on higher employer contributions.

How will auto-enrolment interact with existing occupational pension schemes – and how can employers ensure they're compliant without duplicating contributions?

This is a really important consideration over the next coming months. Employers should examine the profile of their workforce, as My Future Fund may not be the right option for them. In particular, we know that 200,000 of the 800,000 who are eligible for My Future Fund are higher rate taxpayers. For this group, the tax relief from paying into an existing workplace scheme is more generous than the incentives under My Future Fund.

For the higher tax rate payers, there is no question that you are better off with your employer's scheme. It is important that employees are aware of this – their future retirement plans need all the help they can get, and ending up in My Future Fund which provides less tax incentives would not be the right choice. For those on the lower tax bracket, paying 20%, from a purely tax incentive perspective, My Future Fund gives a better benefit at the outset.

What are the expected employer contribution rates under auto-enrolment, and how will they increase over time?

This will be phased in over ten years from January. It starts at 1.5% for the employer and 1.5% from the employee, with 0.5% from the government. The top-up is on the employee contribution. These contribution rates increase every three years, rising to 3%, 4.5% and finally 6% by year ten. In year ten, it is 6% from the employer, 6% from the employee and the top-up is 2%. This government top-up is the equivalent to 25% tax relief. These staggered rates are only applicable in the early years of the introduction of AE – so someone joining in 2030 would start at the 3% rate, and someone joining ten years after the introduction would be at the 6% rate.

How will auto-enrolment affect part-time, seasonal or lower-paid employees?

A body, National Automatic Enrolment Retirement Savings Authority (Naersa), has been set up to identify the workers eligible. They will identify employees earning €20,000 or above in a year who are not contributing to an existing scheme through salary deduction. They will contact employers to inform them of this. There are some cases in which employers may not be aware that their employees are eligible. For example, if a part-time worker is earning €10,000 from one job and €10,000 from another. That's part of the work that employers should be doing to profile their employers.

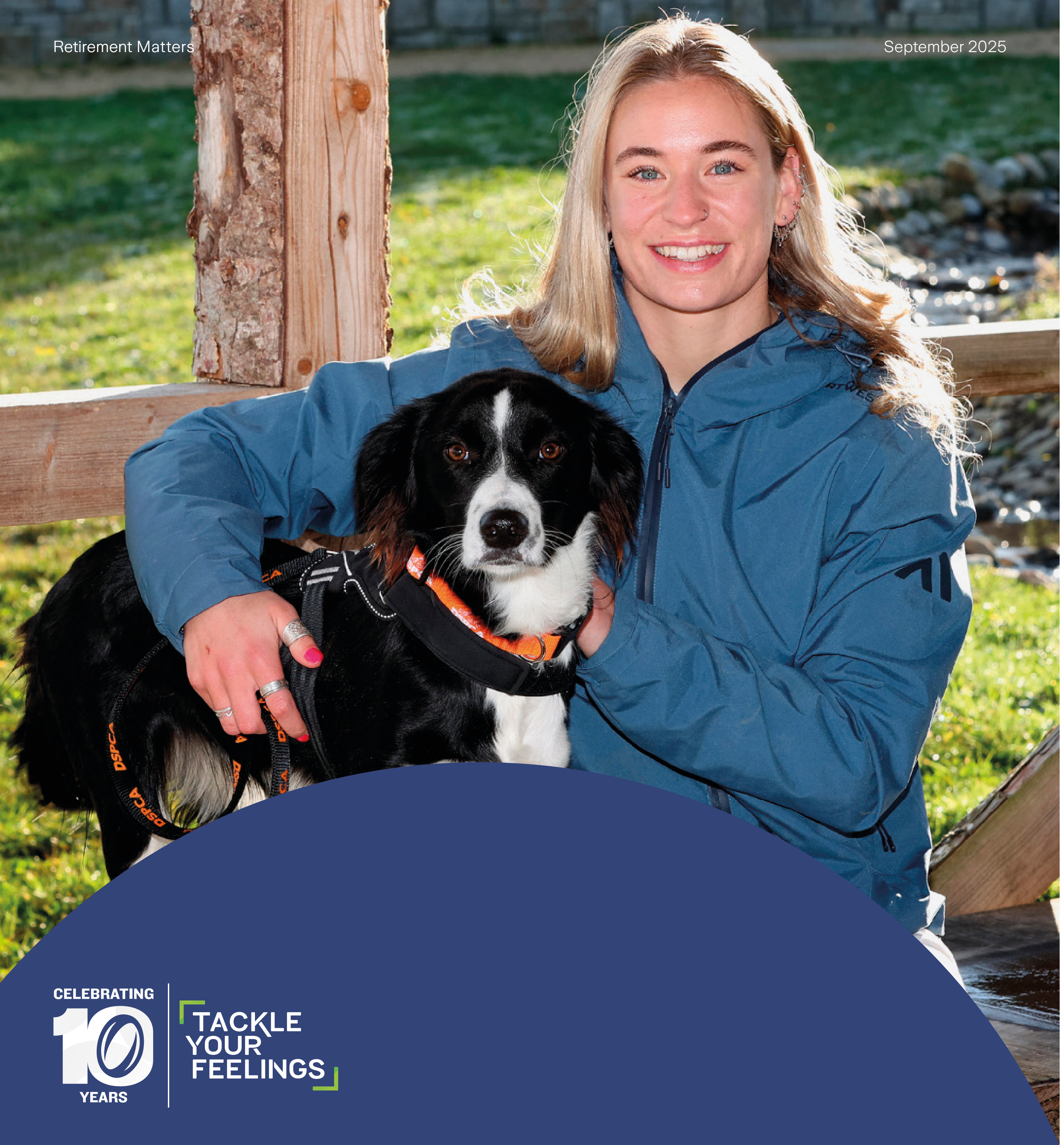
> Seek advice. Pensions are complex and with the introduction of My Future Fund, it creates more options.

What role can pension providers play in helping employers educate their staff about the value of retirement savings under the new scheme?

At Zurich, we've spent the last 18 months working with employers to help communicate to their employees the benefits of existing schemes that many will have in place. A lot of the 800,000 are employees who were given the option to join their employers' schemes, but for one reason or another decided not to. We've been working with employers to explain what's happening, but also to support communications with employees – that's very important. Employees need to understand the benefit they get from the current pension rules.

What should I do now as an employer?

Seek advice. Pensions are complex and with the introduction of My Future Fund, it creates more options. If you already have an existing workplace pension in place, engage with your Pension Advisor or provider. It is unlikely that all your employees will have joined, so you should have a plan for what to do with these employees.



CELEBRATING 10 YEARS

TACKLE YOUR FEELINGS

Strength through Struggle

A TYF Impact Story with Kathy Baker, Ireland 7s

When I first tore my ACL, I never imagined how much it would affect every part of my life. The long, painful rehab was physically draining, but the real challenge was mental. I lost my love for rugby, and even for life. I found myself in a dark place, struggling to see a way out. Admitting this is difficult, but it was my reality.

Things began to shift when I started opening up about how I felt. It didn't happen overnight – at first, it was just a few honest conversations with the people closest to me. But with each one, I felt lighter. That's when I realised I needed to make my mental health a priority. This is why the Tackle Your Feelings (TYF) campaign means so much to me. Having faced my own struggles, I know how powerful it can be to share your story. If my experience helps even one person feel less alone, it's worth it.

That self-awareness was put to the test when I tore my ACL a second time, just months before the Olympic Games. The blow was devastating, not only was my Olympic dream suddenly at risk, but I also knew exactly how tough the road to recovery would be. Thankfully, I was surrounded by an incredible support system. My friends and family constantly gave me hope, and their belief in me renewed my determination to keep fighting for Paris 2024.

One person who made a huge difference was Ed Mias, my physio and now a true friend. We committed to the rehab journey together – working hard, being brave, and staying smart. Some days were incredibly tough, but Ed's encouragement, humour, and unwavering support kept me moving forward. Looking back, I realise the experience, though painful, taught me resilience and the importance of my support network. Oddly enough, I wouldn't change it.

Outside rugby, I've always found peace in simple things – nature, animals, and creativity. During my recovery, I picked up crochet, which became a new outlet for expression. Almost without realising it, I was learning to look after myself. Today, I know that sleep and nutrition are crucial, especially under stress. When those slip, everything feels harder. Asking for help was the hardest step, but once I did, things began to shift, starting with sharing my feelings with just one trusted person.

That's what TYF is all about: hope, support, and the reminder that you're not alone. I wish a campaign like this had been around when I was younger. School can be overwhelming, and it's easy to feel unnoticed. TYF shows young people that everyone has their struggles and that talking about them is not only okay, it's important.

Being part of TYF has helped me become more open, especially with my family. We're a close-knit group, and talking honestly has brought us even closer. One of the most rewarding aspects of this journey has been leading transition workshops for athletes and staff at Special Olympics Ireland. Sharing my own post-Olympic experiences – moving from the highest of highs to an unexpected sense of loss – opened the door for honest conversations about identity and moving forward. Those moments of connection were truly special.

“Things began to shift when I started opening up about how I felt.

Sport has a unique power to bring people together, making it a natural platform for mental health support. My teammates are like a second family; through shared experiences, we support one another. I've learned that everyone needs help sometimes, and it's inspiring to see rugby become a place for honest conversations and wellbeing.

By continuing to be part of this campaign, I hope we can make a real impact on mental health and wellbeing for young people in Ireland and beyond.

Tackle Your Feelings (TYF) is a mental wellbeing campaign run by Rugby Players Ireland in collaboration with Zurich Ireland. It is powered by the Z Zurich Foundation. Since 2016, Tackle Your Feelings has been led by Ireland's rugby players through their representative body, Rugby Players Ireland. Through their commitment to mental health, Zurich Ireland proudly supports TYF and empowers it to equip students with essential tools to navigate life's challenges with confidence and resilience.

ZURICH

When it comes to your people, performance counts.

Shouldn't the same apply to their pensions?

Backed by over 40 years of experience and award-winning investment expertise, the **Zurich Master Trust** makes managing your company pension scheme simple with employee engagement support, ease of administration, expert governance and pension options that work as hard for your people as they do for you.

Contact your scheme advisor or visit **zurichcorporate.ie** because when it comes to investing in your team's future - performance counts.

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