Life Assurance - Frequently Asked Questions

What is life assurance?

Life assurance is a benefit provided by the company at no extra cost to colleagues. This benefit is payable to your loved ones should you pass away whilst employed by the company.

The Life Assurance Scheme (LAS) is set up under a trust and so the Trustee decides to whom the payment is made. Currently no Inheritance Tax is payable on the benefit.

At Boots, your health and wellbeing is our priority. This also includes your financial wellbeing, and the financial wellbeing of your loved ones. To recognise this, the company now provides all colleagues with life assurance cover, if they meet the following criteria:

- have been employed continuously for more than 3 months;
- are under 75 years old

This life assurance lump sum benefit is a minimum of 2x annual basic salary.

Who is eligible?

Colleagues are eligible if they have been employed by the company for three or more months, aged under 75 years old and are based in the UK, Channel Islands or the Isle of Man.

Colleagues employed with the following business entities are covered:

- Boots Management Services Limited (BMSL)
- Boots Opticians (BOPS)
- Boots International Management Services (BIMS)
- Walgreens Boots Alliance Services Limited (WBASL)

Who is not eligible?

The following colleagues are not in scope for the Life Assurance benefit:

- Colleagues employed by Liz Earle
- Colleagues employed in the Republic of Ireland
- Colleagues employed via an Agency
- Contractors (non-Boots)
- Franchises

Please note - Liz Earle and Republic of Ireland colleagues have their own Life Assurance benefits. Contact your People Partner for more information.

I'm on a zero-hour contract. Am I eligible for the Life Assurance benefit?

Colleagues on a zero-hour contract are eligible for the Life Assurance benefit. The sum payable will be calculated using an average of the last 3 years earnings (P60) history. If your average earnings for the last 3 years are below £5,000 then your loved ones will receive a fixed sum of £5,000.

Will I need to undergo any medical testing before I'm eligible?

You are not required to undergo medical testing however the Trustees reserve the right to carry out further underwriting checks if deemed necessary.

How is the Life Assurance benefit calculated?

The sum payable is calculated using your basic annual salary (otherwise known as Retirement Savings Pay – For the purpose of the life assurance death benefit, Retirement Savings Pay is your most recent contractual basic salary.)

When is this benefit paid?

This benefit is payable if you pass away whilst employed by the company.

Who is this benefit paid to?

The Trustee decides to whom to payment is made. In making a decision, the Trustee will take your wishes into account but can only do so if they know what they are.

This means it is vital that you complete a separate Nomination of Beneficiary Form for the LAS – and update it if your personal circumstances change.

Should you wish to add or change your beneficiaries, please complete the nomination form below:

[Boots Life Assurance Scheme Nomination Form]

I'm off sick at the moment, will I still be covered?

You are still covered if you are off sick. However, if your contracted hours reduce then the level of life cover payable upon death will also reduce. If you leave the company, then you will no longer be covered.

I'm on parental leave at the moment, will I still be covered?

You will continue to be covered if you are on parental leave.

I'm planning a career break, will I be covered when I come back?

When a colleague takes a career break, they are treated as a leaver. Therefore, when you return, you will be treated as a new joiner.

The company provides all colleagues with life assurance cover starting at 2x annual basic salary, if they meet the following criteria:

- have been employed continuously for more than 3 months;
- are under 75 years old

I'm in the Base or Standard Section of the Boots Retirement Savings Plan (BRSP), how does this affect me?

Colleagues who are already in the Base or Standard Section of the BRSP, their cover will not be affected.

What happens if I leave the company?

If you leave the company, then you will no longer be covered by the LAS.

What happens if I opt out of the Base or Standard Section of the BRSP?

If you opt-out of the Base or Standard Section of the BRSP then you will no longer be covered for four times basic salary (or five times after five years' continuous membership in the Base or Standard Sections.) You will instead, be covered for two times your basic salary.

Regulations require us to automatically re-enrol eligible employees every three years. If you are in the Base Section of the BRSP (Band A colleague who is contributing 3 or 4%) then you may be automatically enrolled again in the future (if you are eligible). If you choose to remain in the AE Section, then you will no longer be covered for four times/five times basic salary. You will instead, be covered for two times your basic salary.

What happens if I move to a different employing entity?

If you move business entities, then your level of cover (dependent on which Section you are in) will remain the same.

I have purchased Life Assurance via the Benefits box, does this change affect that cover?

Colleagues who have already purchased additional Life Assurance via the Benefits Box, their cover will not be affected as that is separate voluntary cover, independent to the Boots Life Assurance Scheme.

I’m not sure which Section I am in or if this change applies to me. Who do I contact?

Please contact the Pensions Team at brsp@boots.co.uk with your full name, date of birth and your staff number or national insurance number.

Alternatively, you can call the Pensions Team helpline on 0115 959 1670 (Monday to Friday).

Please note that we are unable to provide financial advice. If you require this, you should contact your independent financial adviser or find one by visiting www.moneyhelper.org.uk