



How you build benefits in the Retirement Income Builder

Video transcript

When you join USS, you start building your benefits in the Retirement Income Builder, the **defined benefit** part. This gives you a guaranteed income for life when you retire.

How it works

Each year that you and your employer contribute, you'll build a block of pension – the amount you build is worked out using an accrual rate. This accrual rate is equivalent to a portion of your salary up to the salary threshold. What you build up isn't directly linked to what you and your employer pay in, it's the accrual rate that's important.

Visual example to be provided

The value of the benefits you build up in the Retirement Income Builder is banked at the end of each year. We protect it against inflation by increasing it each year, up to certain limits. Remember, the longer you contribute, the more blocks of pension you'll build, and the higher your annual income will be when you retire.

Accessing your Retirement Income Builder benefits

With the Retirement Income Builder, when you retire, you'll get a guaranteed annual pension as an income, and three times the value of your annual pension as a one-off cash lump sum.



When you're ready to retire, we'll work out your final pension and your lump sum by adding up the blocks of pension you'll have built up each year, including the inflation increases.

And we keep on increasing your benefits in line with inflation every year even after you retire, up to the same limits.

Reaching the salary threshold

If you earn above the salary threshold, you'll also build up a savings pot in the Investment Builder – the defined contribution part. Even if you don't earn above the salary threshold, you can choose to pay additional contributions into the Investment Builder.

That's because as a USS member, you get the best of both worlds:

- The guaranteed benefits of the Retirement Income Builder – the defined benefit part
- And the flexibility of the Investment Builder – the defined contribution part

And if you have Investment Builder savings, you can choose to take them in a variety of ways – and you don't even have to retire first.

Register or log in to My USS today to see the benefits you've built up and manage your membership.