

Member illustrations

Background

The next few pages contain illustrations about the cumulative effect of costs and charges on member savings within the selected investment funds over a period of time. The illustrations have been prepared having regard to statutory guidance.

As each member has a different amount of savings within the Plan and the amount of any future investment returns and future costs and charges cannot be known in advance, the Trustee has had to make a number of assumptions about what these might be. The assumptions are explained in the Notes section below the illustrations.

Members should be aware that assumptions may or may not hold true, so the illustrations do not promise what could happen in the future. This means that the information contained in this Chair's Statement is not a substitute for the individual and personalised illustrations which are provided to members each year.

Key points to note

The tables below illustrate the potential impact that costs and charges might have on different investment options provided by the Plan. Not all investment options are shown - the Trustee has chosen illustrations which it believes will provide an appropriate representative sample of the different investment choices that members can make. These illustrations have been prepared in accordance with the statutory guidance issued by the Department for Work and Pensions.

In each of the illustrations, the "Before charges" column gives the hypothetical value of the investments if members were able to invest in funds at no cost. However, there will always be some cost to investing. This is because the organisations which manage the funds charge fees for their services, and because buying and selling the stocks and shares which drive the funds' performance also has a cost. The "After all costs and charges deducted" column reflects the performance of the funds after these costs have been deducted.

In the illustrations, we have shown the projections for the following:

1. The default lifestyle strategy – the most used strategy
2. Aegon BlackRock Cash (BLK) - fund with the lowest expected return and lowest charge
3. Aegon BlackRock World (ex-UK) Equity Index (BLK) - fund with the highest expected return
4. Aegon Baillie Gifford Positive Change (BLK) – the fund with the highest charge

The illustrations have been prepared for a range of different member 'personas' to represent different individuals across the Plan.

Please note that some of the assumptions used below (e.g. starting pot size, starting salary) have been updated from those used last year following an analysis of the latest membership demographics.

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Member A –Active Non-Executive Member

The table sets out how the pension pot of a member currently aged 40 (median age) will increase over time, up to age 65 in today's money for each of the stated funds, with and without the impact of charges. We assume member A has a starting pot size of £42,000, starting salary of £63,000 and contributes 18% of their salary to their pension. Please see the Notes below for more details on the assumptions used.

		Default Lifestyle		Aegon BlackRock Cash (BLK) Lowest Expected Return and Lowest Charging	
Years from 31/03/26	Age	Before charges (£)	After all costs and charges deducted (£)	Before charges (£)	After all costs and charges deducted (£)
1	41	54,632	54,583	54,536	54,531
3	43	81,517	81,324	81,142	81,123
5	45	110,684	110,283	109,905	109,865
10	50	194,635	193,365	192,174	192,048
15	55	295,900	292,679	291,209	290,938
20	60	416,984	410,105	409,782	409,286
25	65	561,653	549,724	551,088	550,266

		Aegon BlackRock World (ex-UK) Equity Index (BLK) Highest Expected Return		Aegon Baille Gifford Positive Change (BLK) Highest Charging	
Years from 31/03/26	Age	Before charges (£)	After all costs and charges deducted (£)	Before charges (£)	After all costs and charges deducted (£)
1	41	54,632	54,617	54,632	54,553
3	43	81,517	81,459	81,517	81,209
5	45	110,684	110,564	110,684	110,043
10	50	194,635	194,253	194,635	192,608
15	55	296,554	295,722	296,554	292,150
20	60	419,587	418,056	419,587	411,502
25	65	567,391	564,837	567,391	553,939

Member B –Active Executive Member

The table sets out how the pension pot of a member currently aged 45 (median age) will increase over time, up to age 60 in today's money for each of the stated funds, with and without the impact of charges. We assume member B has a starting pot size of £128,000, starting salary of £114,000 and contributes 18% of their salary to their pension. Please see the Notes below for more details and the assumptions used.

		Default Lifestyle		Aegon BlackRock Cash (BLK) Lowest Expected Return and Lowest Charging	
Years from 31/03/26	Age	Before charges (£)	After all costs and charges deducted (£)	Before charges (£)	After all costs and charges deducted (£)
1	46	152,353	152,201	152,088	152,074
3	48	204,006	203,376	203,156	203,104
5	50	259,740	258,332	258,285	258,183
10	55	419,030	414,377	415,618	415,323
15	60	610,847	601,251	604,497	603,889

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		Aegon BlackRock World (ex-UK) Equity Index (BLK) Highest Expected Return		Aegon Baille Gifford Positive Change (BLK) Highest Charging	
Years from 31/03/26	Age	Before charges (£)	After all costs and charges deducted (£)	Before charges (£)	After all costs and charges deducted (£)
1	46	152,366	152,323	152,366	152,137
3	48	204,163	204,007	204,163	203,334
5	50	260,276	259,968	260,276	258,637
10	55	421,404	420,506	421,404	416,638
15	60	616,464	614,600	616,464	606,601

Member C – Deferred Member

The table sets out how the pension pot of a member currently aged 42 (median age) will increase over time, up to age 65 in today's money for each of the stated funds, with and without the impact of charges. We assume member C has a starting pot size of £21,000 and no future contributions will be paid. Please see the Notes below for more details and the assumptions used.

		Default Lifestyle		Aegon BlackRock Cash (BLK) Lowest Expected Return and Lowest Charging	
Years from 31/03/26	Age	Before charges (£)	After all costs and charges deducted (£)	Before charges (£)	After all costs and charges deducted (£)
1	43	21,609	21,546	21,567	21,533
3	45	22,881	22,682	22,747	22,638
5	47	24,227	23,878	23,992	23,801
10	52	27,939	27,112	27,411	26,976
15	57	32,105	30,370	31,317	30,574
23	65	40,028	36,259	38,756	37,356

		Aegon BlackRock World (ex-UK) Equity Index (BLK) Highest Expected Return		Aegon Baille Gifford Positive Change (BLK) Highest Charging	
Years from 31/03/26	Age	Before charges (£)	After all costs and charges deducted (£)	Before charges (£)	After all costs and charges deducted (£)
1	43	21,609	21,574	21,609	21,450
3	45	22,881	22,771	22,881	22,378
5	47	24,227	24,034	24,227	23,347
10	52	27,949	27,506	27,949	25,956
15	57	32,244	31,479	32,244	28,856
23	65	40,530	39,065	40,530	34,186

Notes on member illustrations:

1. Projected pension pot values are shown in today's terms, and do not need to be reduced further for the effect of future inflation.
2. Inflation is assumed to be 2% each year.
3. Salary is assumed to increase by 3.5% each year.
4. Contributions are assumed to increase in line with salary increase (the % contribution will remain the same).
5. Values shown are estimates and are not guaranteed.
6. The DC Provider uses FCA illustrations, which are permitted under the guidance.

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7. The projected growth rates (gross of fees and inflation) for each fund are shown below. The growth rates for equity are capped at 5% (FCA maximum) for FCA illustrations. Default strategy growth rates vary depending on the time to retirement, hence a range is shown below. The projected growth rate which would apply at points in time between these are the weighted average of the underlying funds held by the member:

Fund	Gross growth rate assumptions (% p.a.)
Default	4.8-5.0
Lowest expected return	4.8
Highest expected return	5.0
Highest charging	5.0

8. The charges assumed for each fund are the current charges as shown in the charges and transaction costs section of the Chair's Statement.