

2024 DC BENEFIT STATEMENT

Financial assumptions and investment returns



The projections shown on your 2024 DC benefit statement were calculated using the following financial assumptions:

	Projected pension	Alternative projected pension
Salary growth	2.5% per annum	2.5% per annum
Retail Price Index (inflation)	2.5% per annum	2.5% per annum

Your projections are shown in today's prices. This means we've allowed for future inflation to give you an indication of the buying power of your pension as if it were payable today. The following investment return assumptions have also been used (net of any fund management charges).

You should note that assumptions have been made about the nature of investments and their likely performance and that this may differ from their actual performance.

L&G investment fund	Assumed investment return	Alternative investment return
UK Equity (5% Capped) Passive Fund	5.70%	3.70%
Overseas Equity Consensus Index Fund	5.80%	3.80%
Global Equity Market Weights (30:70) Index Fund - 75% GBP Currency Hedged	5.80%	3.80%
World Emerging Markets Equity Index Fund	5.50%	3.50%
Diversified Fund	3.70%	1.70%
Future World Inflation Linked Annuity Aware Fund	5.80%	3.80%
Future World Annuity Aware Fund	5.80%	3.80%
Property Fund	2.80%	0.80%
Active Corporate Bond All Stocks Fund	3.80%	1.80%
Cash Fund	1.80%	0.00%

We have changed the way we calculate the amount you may receive as an annual pension. You may see a significant difference when comparing this figure to the one shown in previous benefit statements because of these changes.

The annual pension you could receive is now based on the assumption that you will purchase an annuity that:

- Has a five-year guarantee
- Issues level payments to you that do not increase over time
- Provides for you solely
- Does not take your gender into consideration.

This has been changed in line with new legislation for pension illustrations. Previously we have calculated the annual pension you could receive on the basis of you purchasing an annuity that would:

- Have a five-year guarantee
- Issue payments that increase annually in line with the Retail Price Index (RPI) to a maximum of 5%
- Provide a pension for your spouse of 50% of your pension in the event of your death
- Take your gender into consideration.