



Kemira Growhow UK Ltd Pension Fund Chair's Statement

1 January 2022 to 31 December 2022

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01 Introduction

This is the Chair's Statement for the Kemira Growhow UK Ltd Pension Fund (the "Plan") covering the period 1 January 2022 to 31 December 2022.

£13.8m

Total defined contribution funds in the Plan as at 31 December 2022

As the Chair of the Trustees, I provide you with a yearly statement which explains what steps have been taken by the Trustee Board, with help from our professional advisers, to meet the new governance standards. The law sets out what information has to be included in my Statement and this is designed to help members achieve a good outcome from their pension savings.

The Plan is a defined contribution ('DC') arrangement providing benefits to members. The Plan is being used as a qualifying scheme to comply with the automatic enrolment legislation in the UK, in relation to current employees.

The Plan has a default investment option and this is explained further in Section 2.

01.01 Governance and Queries

The Trustees are committed to having high governance standards and meet regularly to monitor the controls and processes in place in connection with the Plan's investments and administration.

I welcome this opportunity to explain what the Trustees do to help ensure the Plan is run as effectively as it can be. If you have any questions about anything that is set out, or any suggestions about what can be improved, please do contact XPS Pensions Limited.

The Plan was established by the first Definitive Deed dated 20 September 2007 in order to provide benefits for employees of Kemira Growhow UK Ltd.

I, Susan Anyan, on behalf of Capital Cranfield Pension Trustees Limited was appointed as the Chair of the Trustees and I am signing this Statement in that capacity.

02 Default Investment Strategy

Statement of Investment Principles (SIP)

A copy of the SIP, which sets out the objectives for the Plan's investment strategy, can be found in Appendix B

02.01 The default investment options

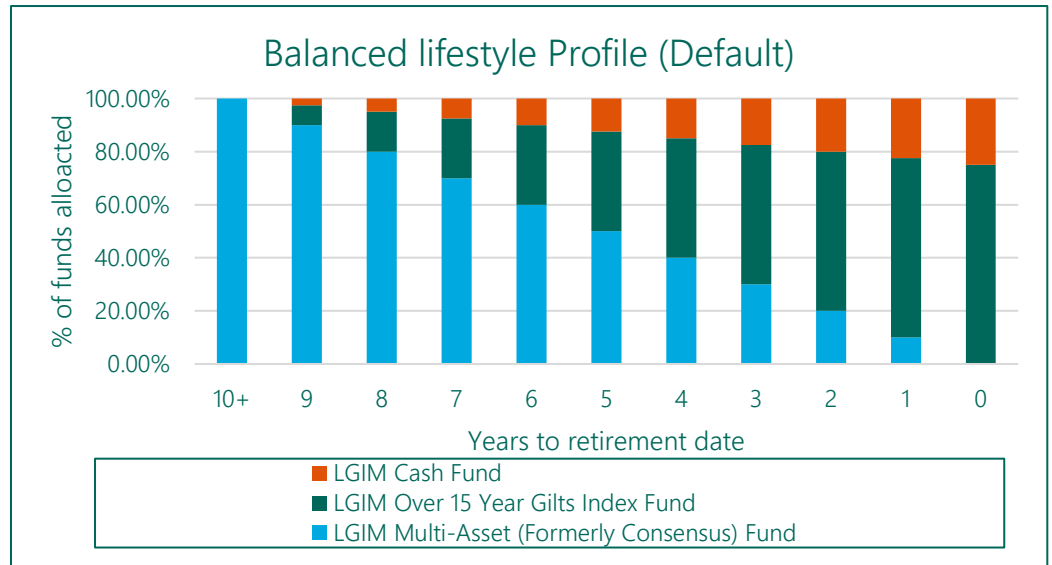
If members do not make their own investment choices in the Plan, their funds are invested in the "default investment option".

Pre-Retirement Default

The Plan's default investment option is the Balanced Lifestyle Fund. This is what is known as a "lifestyle" strategy, which seeks to switch investments gradually into lower risk funds as members approach retirement.

When members are more than 10 years from their target retirement date, the Balanced Lifestyle Fund is invested entirely in the LGIM Multi-Asset (formerly Consensus) Fund. This fund invests in a mixture of equities (shares in companies) and bonds, aiming to achieve long-term capital growth whilst avoiding excessive risk. The LGIM Multi-Asset (formerly Consensus) fund is "passively managed", which means it aims to track an index, rather than make regular trades to try to achieve excess returns.

Once members are within 10 years of their Target Retirement Date (TRD), the Balanced Lifestyle Fund gradually switches their investments into the LGIM Over 15 Year Gilts Index Fund ("Gilts") and the LGIM Cash Fund ("Cash"), until, at their TRD, 75% of the investment is in Gilts and the remaining 25% is in Cash.

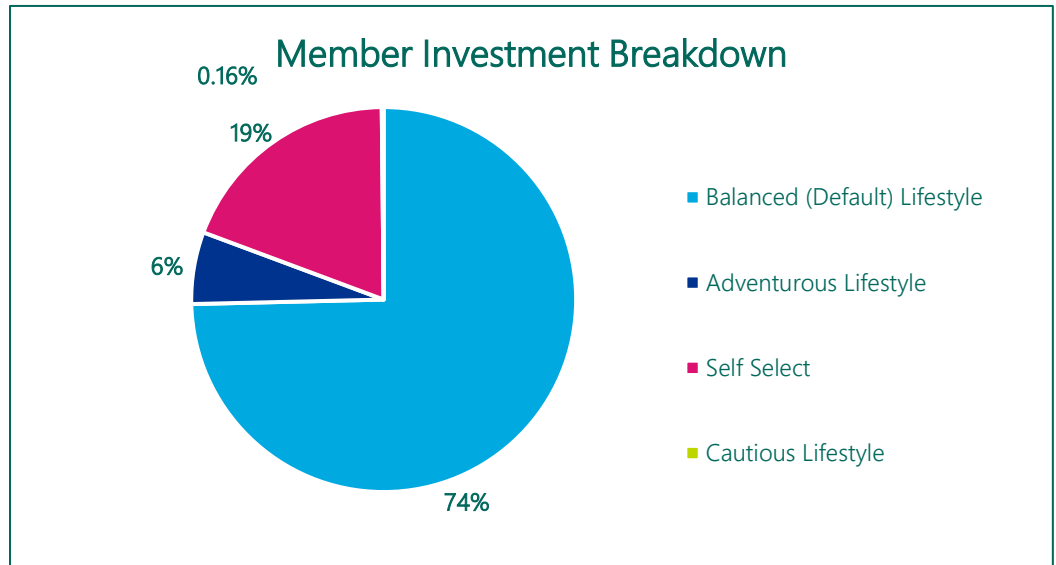


The aim of the lifestyle fund overall is to reduce the risk of members being unsuitably invested at retirement. In the early years, money is invested in funds with greater growth prospects. As retirement approaches, the individual's account will be gradually and automatically switched into lower-risk investment funds.

Members can opt out of the default investment option and invest in any other fund offered by the Trustee Board.

Default Investment Strategy continued

Profile options: lifestyle vs self-select



Post Retirement Default

For members who elect to take advantage of the freedoms offered direct from the Plan, a default option has been set up where members move into Flexi Access Drawdown and are invested in a default investment option. The Post Retirement default is the Schroders Dynamic Multi-Asset Fund Series 1 which invests in a broad range of assets and aims to deliver long-term growth with reduced risk.

02.02 Reviewing the default investment arrangements

The Trustees are expected to review the investment strategy and objectives of the default investment options at regular intervals.

As required under legislation, a full review is carried out at least every 3 years. The last formal strategic review was completed on 1 May 2022. The Trustees reviewed the investments in detail to consider amongst other things any possible alternative long-term arrangements for the Plan.

The review covered the Default Investment Option, Alternative Lifestyle Strategies and current self select options to ensure that the investment options remain appropriate for the membership of the Plan.

Following the review, it was agreed that the Plan should be transferred to a Master Trust arrangement. This project is currently ongoing.

The lifestyling element of the Balanced Lifestyle Fund option is kept under review for suitability in light of the choices that members make at retirement. It is noted that the lifestyling element of this arrangement will become more relevant as more members approach their target retirement date.

The Trustees also look at the level of risk and number of investment funds offered to members, changing long-term investment market conditions and the investment products and techniques available in the marketplace.

The most recent formal strategic review commenced in November 2021.

Default Investment Strategy continued

During the period covered by the Statement, the Trustees have continued to monitor the performance of the underlying funds in the Balanced Lifestyle Fund and the Post Retirement Default arrangement against the aims and objectives set out in the Statement of Investment Principles (SIP). The Trustees believe they continue to meet these aims. This review included analysis of the fund returns against their benchmarks and consideration of general market trends.

03 Net returns, charges and transaction costs

03.01 Net returns

Changes to legislation introduced in October 2021 require trustees of relevant occupational pension schemes to report on the net investment returns for the default arrangement(s) and for each fund which Scheme members are, or have been able to, select, and in which Plan members are invested during the Plan year.

Net investment returns refer to the returns on funds after the deduction of all transaction costs and charges and including them in this statement is intended to help members understand how their investments are performing. More details of this are set out in Appendix A.

03.02 Fund Performance

The Trustees have selected a range of funds which they believe to be appropriate for members of the Plan. The funds are managed by Legal & General Investment Management (LGIM) and Schroders.

XPS provide the Trustees with quarterly investment performance information to monitor the Default Investment, which it reviews and challenges in Trustee meetings. The Trustee Board raises performance questions directly with LGIM, Schroders and also with XPS, the appointed investment adviser.

This table shows how the Default options have performed for members at three different ages, over the last one and five years, with a target retirement date of 65.

	Annualised Net Ret		
	Age 25	Age 45	Age 55
Balanced Lifestyle Fund			
1 year returns to 31 December 2022	-10.30%	-10.30%	-10.30%
5 year returns to 31 December 2022	2.60%	2.60%	2.60%

Post Retirement Default*	Annualised Net Ret
1 year return to 31 December 2021	-10.00%
5 year return to 31 December 2021	1.00%

* Schroder Life Sustainable Future Multi Asset Fund

Source: Legal & General Investment Managers (LGIM) December 2022. Figures are net of fees. Past performance is not a reliable indicator of future results. The value of investments may go down as well as up and members may get back less than they invest

Figures are net of fees but members should be aware of the level of charges and transaction costs paid by members on the default strategies, which depends on the underlying mix of assets based on the age of the member and duration to retirement.

Net returns, charges and transaction costs

continued

03.03 Self-Select Funds

The table below shows the annualised net return for the past 1-year and 5-year periods for each of the Self-Select Funds.

	Annualised Net Ret	
	1 year returns to 31 December 2022	5 year returns to 31 December 2022
Cautious Lifestyle		
Age 25	-16.71%	0.09%
Age 45	-16.71%	0.09%
Age 55	-16.71%	0.09%
Adventurous Lifestyle		
Age 25	-10.30%	2.60%
Age 45	-10.30%	2.60%
Age 55	-10.30%	2.60%
Cash Lifestyle		
Age 25	-10.30%	2.60%
Age 45	-10.30%	2.60%
Age 55	-10.30%	2.60%

Net returns, charges and transaction costs continued

	5 years (2017 – 2022)	1 year (2022)
Self-Select Fund		
LGIM Managed Property	2.50%	-8.60%
LGIM Global Equity 70:30 Index Fund	4.60%	-2.10%
LGIM Over 15y Gilts Index Fund ¹	-6.70%	-40.10%
LGIM Multi-Asset Fund ¹	2.60%	-10.30%
LGIM UK Equity Index Fund	2.90%	0.40%
LGIM Cash Fund ¹	0.50%	1.30%
Schroder Life Global Equity Fund	10.40%	-8.80%
Schroder Life UK Equity Portfolio	3.20%	1.90%
Schroder Life Sustainable Future Multi Asset	1.00%	-10.00%
Schroder Life Diversified Growth Fund	1.30%	-11.10%
Schroder Life All Maturities Corporate Bond Fund	-1.20%	-20.00%

¹part of the Default lifestyle

Source: Legal & General Investment Managers (LGIM) and Schroders December 2022. Figures are net of fees. Past performance is not a reliable indicator of future results. The value of investments may go down as well as up and members may get back less than they invest.

03.04 Investment Manager Charges

Members may self-select their investment strategy, investing in any of these funds in whatever proportions they choose

The Trustees have selected a range of funds which they believe to be appropriate for members of the Fund. The funds are managed by Legal & General Investment Management (LGIM) and Schroders.

The funds available are a mix of “passively managed” funds, which means they aim to track an index, and “actively managed” which make regular trades to try and achieve excess returns over passively managed funds. Members may self-select their investment strategy, investing in any of these funds in whatever proportions they choose, or select the lifestyle investment option. Alternatively, if they do not make a choice, their funds will be invested in the default investment option.

The charges and other expenses applied to the default investment option (which are averaged across the membership based on the split of their investments), along with the other available portfolio options and self-select funds available to members during the Fund year, were:

Net returns, charges and transaction costs

continued

	Annual Management Charges (AMC)	Other expenses	Total Expense Ratio
Fund Name			
Default Investment Option			
Balanced lifestyle Fund (default)	0.11-0.26%	0.00%	0.11-0.26%
Self-Select Funds			
LGIM Managed Property	0.81%	0.72%	1.53%
LGIM Global Equity 70:30 Index Fund	0.21%	0.00%	0.21%
LGIM Over 15y Gilts Index Fund ¹	0.10%	0.00%	0.10%
LGIM Multi-Asset Fund ¹	0.26%	0.00%	0.26%
LGIM UK Equity Index Fund	0.18%	0.00%	0.18%
LGIM Cash Fund ¹	0.12%	0.00%	0.12%
Schroder Life Global Equity Fund	0.50%	0.00%	0.50%
Schroder Life UK Equity Portfolio	0.52%	0.00%	0.52%
Schroder Life All Maturities Corporate Bond Fund	0.25%	0.00%	0.25%
Schroder Life Sustainable Future Multi Asset	0.24%	0.00%	0.24%
Schroder Life Diversified Growth Fund	0.61%	0.02%	0.63%
Other Portfolios			
Lifestyle Option 2 - Cautious	0.11-0.21%	0.00%	0.11-0.21%
Lifestyle Option 3 - Adventurous	0.11-0.26%	0.00%	0.11-0.26%
Lifestyle Option 4 - Cash	0.12-0.26%	0.00%	0.12-0.26%

(Source: Legal & General Investment Management, Schroders)

¹part of the Default lifestyle

Members may select any of the funds above and switch between these options should they wish.

Net returns, charges and transaction costs continued

Transaction costs are costs associated with buying and selling of investments and include for example stamp duty and brokerage fees. Transaction costs are incurred when contributions are invested, on switching between funds and when selling investments to take benefits. The following table indicates transaction costs incurred by each of the funds available for investment over assessment periods monitored by the investment manager:

Fund Name	Transaction Costs (% of funds traded)
Default Investment Option	
Balanced lifestyle Fund	0.050% - 0.152%
Self-Select Funds	
LGIM Managed Property	0.000%
LGIM Global Equity 70:30 Index Fund	0.049%
LGIM Over 15y Gilts Index Fund ¹	0.192%
LGIM Multi-Asset Fund ¹	0.050%
LGIM UK Equity Index Fund	0.038%
LGIM Cash Fund ¹	0.032%
Schroder Life Global Equity Fund	0.130%
Schroder Life UK Equity Portfolio	0.060%
Schroder Life All Maturities Corporate Bond Fund	0.010%
Schroder Life Sustainable Future Multi Asset	0.30%
Schroder Life Diversified Growth Fund	0.460%
Other lifestyle Funds	
Lifestyle Option 2 – Cautious	0.084% - 0.152%
Lifestyle Option 3 - Adventurous	0.050% - 0.152%
Lifestyle Option 4 - Cash	0.050% - 0.032%

¹part of the Default lifestyle

(Source: Legal & General Investment Managers and Schroder Investment Management)

Where a transaction cost of 0.00% is showing, this is due to the fund transacting a net revenue (i.e. a negative transaction cost).

Net returns, charges and transaction costs

continued

03.05 Administration Charge

The Employer pays all administration charges with the exception of the small transaction costs detailed in this statement. The Employer also pays the cost of insured lump sum death in service benefits as part of the Fund.

Member charges Post Retirement

If a member chooses to place their funds in Flexi-Access Drawdown or leave the whole fund invested and make withdrawals throughout retirement, they will be charged a fixed administration charge of 0.4% of their fund plus £50 p.a. These charges will be deducted directly from their post retirement investment fund(s) on 1 January each year.

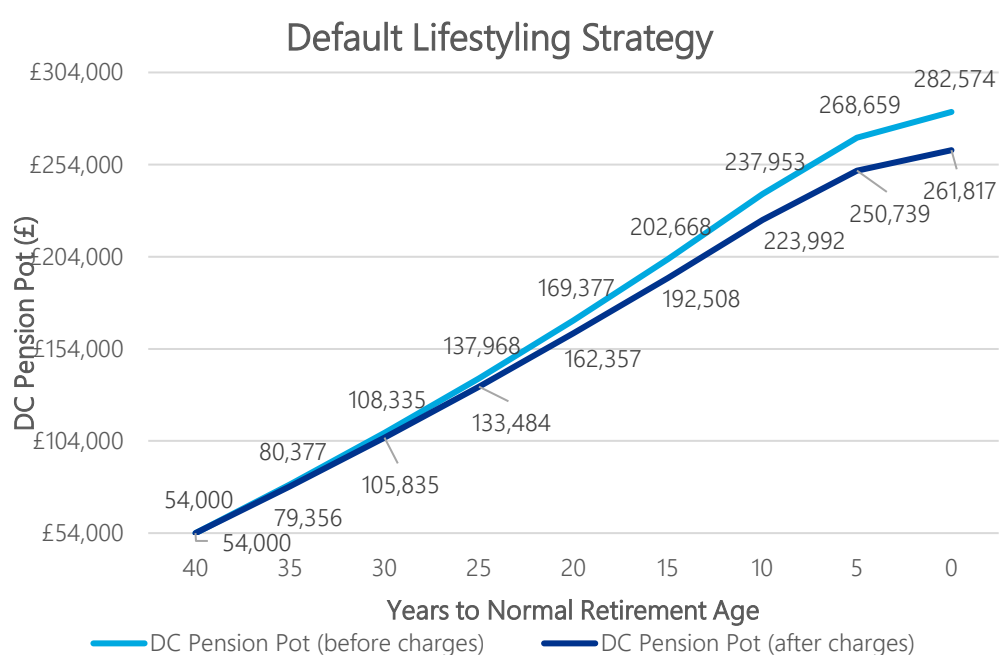
Net returns, charges and transaction costs

Continued

03.06 An illustration of the charges levied on members

The Trustees are required to produce an illustration of the cumulative effect of the costs and charges on members' retirement fund values as required by the Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018.

Below you can find an illustration of the effect of the Total Expense Ratio and transaction costs met by members. The below is an example pension pot, invested in the default investment strategy, and is in real money terms, taking into account the effect of inflation. Further information is in Appendix A.



Please note that this is for illustration purposes only. The actual returns received are likely to differ over time, as will individual member pension pot sizes. This illustration is based on:

- > An initial pension pot of £54,000 – which is the average pot size in the period
- > Contributions of 13% throughout the period, on earnings of £35,000 pa.
- > Investment returns estimated as 3.70% pa (gross of charges) for the LGIM Multi Asset Fund in which all monies are invested until 10 years before the member's Normal Retirement Date.
- > Investment returns estimated as 1.49% pa (gross of charges) for the LGIM Over 15 Year Gilts Index Fund and -0.10% pa (gross of charges) for the LGIM Cash Fund. Monies are gradually switched into over the 10 years before the member's Normal Retirement Date.
- > Inflation of 2.5% pa and salary increases of 2.5% pa.
- > The Investment Manager Charges as stated in the above section, which are correct as at 31 December 2022 (they may have changed since then).

Net returns, charges and transaction costs

Continued

- > The expected returns, salary increase and inflation assumptions have been set taking into account the guidance in the Financial Reporting Council's Actuarial Standards Technical Memorandum 1.

03.07 What are the assumptions based on?

In preparing these illustrations, the Trustees have had regard to:

- > The Department for Work and Pensions' 'Reporting of costs, charges and other information: guidance for trustees and managers of relevant occupational schemes';
- > Actuarial Standards Technical Memorandum 1 (AS TM1 v4.2) issued by the Financial Reporting Council; and
- > The Financial Conduct Authority (FCA) Transaction cost disclosure in workplace pensions Policy Statement PS17/20.

04 Core financial transactions

04.01 Assessing Core Transactions

During the year, the Trustees ensured the requirements of Regulation 24 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 were met and that the Fund's core financial transactions were processed promptly and accurately by:

- > having an agreement in place with XPS Pensions Limited (as "Scheme Administrator" or "Administrator), committing them to defined service level agreements ("SLAs"). Amongst other matters, this covers the accuracy and timeliness of all core financial transactions;
- > having XPS Pensions Limited report on their performance against the SLAs above as a means of monitoring that the SLA requirements are being met and to cover what they do to ensure no issues arise; and
- > having the Fund auditor independently test a sample of financial transactions for accuracy and timeliness as part of the annual audit process.

Where any error or issue is identified, the Trustees take appropriate steps to resolve and take action as required. We can confirm there were no material issues in the Statement period on which to report. As part of the journey-planning, a risk register is maintained in order to minimise the occurrence of any issues and to understand any root cause.

The core financial transactions include:

- > **The investment of contributions** - The Plan Administrator monitors the payment of contributions to the Plan by the Company, ensuring that these are paid within statutory timescales. Any late payment outside these timescales is reported directly to the Trustees and appropriate action taken. The settlement of all DC funds is actioned promptly by the Administrator and the Trustees monitor the service standards of the Administrator.
- > **The transfer of assets relating to members into and out of the Plan** - The Administrator maintains and reconciles comprehensive records of individual member's contributions and fund values. Contributions are invested within 5 working days of receipt. Any investments withdrawn or transferred to another scheme are processed within 12 working days following receipt of all relevant paperwork, subject to any investigations required where there is evidence of a pensions scam.
- > **The transfer of assets relating to members between different investments within the Plan** - Transfers between Plan investments take place annually in February (to rebalance members funds if in one of the Plan's lifestyles) and in respect of individual members switches are accomplished as quickly as possible.
- > **Monitoring of bank accounts** - There is a dedicated contribution processing team, checking investment and banking transactions.
- > **Payments to members** - All payments out of the Plan in respect of members' benefits are made in line with standard checks. This includes agreed processes and authorisation levels to ensure any payment made is calculated correctly and in line with the Plan rules and legislation and also complies with HMRC rules and guidance. In addition, every effort is made to check for possible pension scams.

Noting the requirement for accurate member data to process contributions and payments correctly, the Trustees are taking steps to continually review and where necessary, correct any problems with the member data which is held by the Plan Administrator. This is reported each year to the Pensions Regulator in the online scheme return.

05 Value for Members

05.01 Assessment of Value

When assessing the charges and transaction costs which are payable by members, the Trustees are required to consider the extent to which the investment options and the benefits offered by the Plan represent good value for members when compared to other options available in the market.

The Trustees have concluded that the charges and transaction costs shown in this Statement represent good value for members having considered the following elements:

- > the **processes that are in place** to ensure the efficient administration and governance of the Plan (which include those explained in the 'Core financial transactions' and the 'Knowledge and understanding of the Trustees' sections of this Statement);
- > the **returns achieved by the investment funds** compared to the charges and transaction costs that are met by members (as set out in this Statement);
- > the **type and range of investment options** that are offered do allow members to target the most popular retirement choice(s). In addition, a range of self-select funds, covering a broad range of asset types, are available for those who wish to manage their own investment approach. The Trustees regularly monitor both the performance and appropriateness of the funds and can take action to make changes when required. Each year, the Trustees review at a meeting the member investment choices to look at how members' funds are invested. The Trustees discuss whether it is satisfied that the investment funds offered and communications concerning those investment funds are appropriate and offer members the opportunity to maximise the value of contributions to the Plan. As mentioned previously the full investment review was commenced in the period of the report and actions are now being taken to improve this position. The Plan will be transitioning to a Master Trust following a review undertaken by the Trustee, which is anticipated to complete during the upcoming scheme year.
- > the **quality of communications** and other services provided to members on an annual and ad-hoc basis which are provided by the Plan Administrator within the legal timescale;
- > the Plan is a **contributory** defined contribution pension scheme and provides members with a generous employer contribution rate of 9% when the minimum rate required by members at 4% is made. This offers members a good opportunity of achieving a good outcome at retirement with most members receiving 12% or over which is deemed the level required to provide an adequate income in retirement.

05.02 Service Providers

In addition to assessing the costs charged by service providers, the Trustees keep providers' service levels under review. This is to ensure that the services provided reflect the SLAs and continue to meet the needs of the members.

As an example, meetings are held with XPS Pensions Limited representatives to discuss their performance as third-party administrator in order to ensure that administrative performance meets the standards set by the Trustees.

In order to ensure the services provided remain the most appropriate and offer value for members, the Company and Trustees will from time to time put services out to tender.

05.03 Communications

Good member communications are crucial to achieving good value. The Trustees and Company are engaged in ongoing efforts to improve communications with members and

Value for Members

Continued

are considering provision of access to an online tool and website. Another aim of the Trustees is that their service providers introduce, where possible, more user-friendly and online communications for the membership.

As an example, the Trustees remind all members annually whether they are invested in the default strategy and stresses the importance of reviewing their investments on a regular basis to make sure they remain appropriate to their needs.

05.04 Flexibility - accessing benefits

The Trustees offer members direct access to Flexi Access Drawdown from the Plan. In addition, members (who meet prescribed conditions under legislation) also have the option to take an Uncrystallised Funds Pension Lump Sums.

The benefits of membership include (amongst other things), the design of the default arrangement and how this reflects the interests of members in matching the investment profile to their desired retirement choice.

05.05 Conclusion

Assessment of value for members is an ongoing process and the Trustee Board undertakes a review each year to ensure the Plan continues to offer good value, and that any changes in legislation, market conditions or member views are reflected for benefits of members. The Trustees should look to better understand its members by gathering their views.

The review reported that the Trustees met all their legal obligations but that improvements could be made in certain areas. Any change should take a pragmatic approach and overall the Trustees deemed that the Plan does provide members with reasonable value. However, despite this overall positive review, the Trustees still believe that even better value can be offered to members across a range of areas if the Plan was part of a Master Trust arrangement.

06 Trustee Knowledge and understanding

06.01 Knowledge and understanding of the Trustees

The Trustees are satisfied that it has complied with the knowledge and understanding requirements set out in section 248 of the Pensions Act 2004.

The Trustees have knowledge of the law relating to pensions and trusts, principles of investment and the requirements for funding a pension scheme. This is evidenced by the Trustees' interaction with its advisers as shown in the Trustee Meeting minutes, and the governance framework established by the Trustees.

The Trustees Board has access to key Plan documentation through a central portal.

The Trustees have exercised their discretions and powers in line with the Trust Deed and Rules, current legislation and, where required, legal advice has been taken, demonstrating its working knowledge of the Plan's Trust Deed and Rules.

06.02 Trustee Training

In-house training is offered, use of the Pensions Regulator's (TPR's) online Trustee Toolkit is encouraged, and trustees attend external seminars and updates. Any new trustee would be expected to carry out this training and be fully conversant with the Plan's documentation within six months. A log of trustee participation in training is maintained by the Trustees, and the Trustees are regularly polled regarding the training that they would find most valuable and to identify any gaps in knowledge.

The Trustees' advisors provide in-meeting training on new legislation and literature published by TPR relating to its Codes of Practice, in particular Code of Practice no. 13.

Trustees are expected to complete the Trustee Toolkit in addition to making use of a team of expert advisers including Investment advisers, representatives from the third-party administrator, and other experts including legal advisors regularly attend meetings of the Trustees. There has been no formal training undertaken during the scheme year due to the ongoing Master Trust transition project.

06.03 Conclusion

As a result of the training activities completed by the Trustees (both individually and collectively), and taking into account the professional advice available, I am confident that the combined knowledge and understanding of the Trustees have enabled them to properly exercise their function.

07 Conclusion

“Overall, the conclusion is that the Plan is continuing to deliver value for money to the members”

The annual production of this Statement provides members with a narrative of how the Trustees look after members’ interests, especially in the areas of the five key elements within this Statement listed below.

- > Default investment strategy
- > Charges and transaction costs
- > Core financial transactions
- > Providing Value for Members
- > Trustee Knowledge and Understanding

The Trustees will continue to monitor these key areas and report to members both via the annual Chair’s Statement and other communications as appropriate. In conclusion, with the continual monitoring and the reviews detailed here, I am pleased to be able to submit this report in accordance with the Chair’s Statement requirements. I believe that the Plan was operated and governed appropriately during the reporting period.

Signature

Date

Name

Susan Anyan

Qualification

Chair of the Trustees
Kemira Growhow UK Ltd Pension
Fund

Appendix A

Projections

A.01 Projection assuming future contribution

The schedule below provides an illustration of the real accumulated fund that might be available from the Plan when a member retires at various intervals. The notes below indicate the assumptions used within the illustration to arrive at the real accumulated fund. The illustrations provide an indication of the values before any charges are incorporated and after all costs and charges are incorporated to assist in seeing the effect of all costs and charges.

	Default Lifestyle		LGIM Over 15 Year Gilts Index Fund ¹		LGIM Property Fund ²		Post Retirement Default ³	
	Investment Return	Charges	DC Pension Pot (before charges)	DC Pension Pot (after charges)	DC Pension Pot (before charges)	DC Pension Pot (after charges)	DC Pension Pot (before charges)	DC Pension Pot (after charges)
Investment Return	4.50%	4.50%	1.49%	1.49%	3.00%	3.00%	3.70%	3.70%
Charges	0.00	0.11% - 0.26%	0.00%	0.10%	0.00%	1.53%	0.00%	0.24%
Years to Normal Retirement Age	DC Pension Pot (before charges)	DC Pension Pot (after charges)	DC Pension Pot (before charges)	DC Pension Pot (after charges)	DC Pension Pot (before charges)	DC Pension Pot (after charges)	DC Pension Pot (before charges)	DC Pension Pot (after charges)
40	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000
35	80,377	79,356	73,623	72,729	83,076	77,982	80,377	78,599
30	108,335	105,835	92,390	90,386	115,101	102,518	108,335	104,000
25	137,968	133,484	110,339	107,031	150,374	127,623	137,968	130,230
20	169,377	162,357	127,505	122,723	189,226	153,308	169,377	157,315
15	202,668	192,508	143,923	137,517	232,020	179,587	202,668	185,284
10	237,953	223,992	159,624	151,463	279,154	206,475	237,953	214,164
5	268,659	250,739	174,641	164,611	331,070	233,984	275,354	243,987
0	282,574	261,817	189,003	177,006	388,253	262,131	314,995	274,782

¹Lowest charging fund

²Highest charging fund

³Post Retirement Default option uses Schroder Life Sustainable Multi Asset Fund

Notes:

- > The projected pension pot values are shown in today's terms and do not need to be reduced further for the effect of inflation.
- > The starting pot size is assumed to be £54,000. This is the average pot size of members that are currently active in the Plan.
- > Inflation is assumed to be 2.5% each year.
- > 13% contributions are assumed to be paid for the periods shown, using a salary of £35,000 increased each year in line with inflation.
- > All values are estimates and cannot be guaranteed to apply for the future. What happens to your own individual circumstances may vary considerably from these general assumptions.
- > It is also important to note that the amount of real accumulated fund will depend on the actual contributions paid, the way in which your own fund is invested and the investment growth it achieves.

Appendix A

Projections Continued

A.02 Projection assuming no further contribution

The schedule below provides an illustration of the real accumulated fund that might be available from the Fund when a member retires at various intervals. The notes below indicate the assumptions used within the illustration to arrive at the real accumulated fund. The illustrations provide an indication of the values before any charges are incorporated and after all costs and charges are incorporated to assist in seeing the effect of all costs and charges.

	Default Lifestyle		LGIM Over 15 Year Gilts Index Fund ¹		LGIM Property Fund ²		Post Retirement Default ³	
	Investment Return	Charges	Investment Return	Charges	Investment Return	Charges	Investment Return	Charges
Investment Return	4.50%	4.50%	1.49%	1.49%	3.00%	3.00%	3.70%	3.70%
Charges	0.00	0.11% - 0.26%	0.00%	0.10%	0.00%	1.53%	0.00%	0.24%
Years to Normal Retirement Age	DC Pension Pot (before charges)	DC Pension Pot (after charges)	DC Pension Pot (before charges)	DC Pension Pot (after charges)	DC Pension Pot (before charges)	DC Pension Pot (after charges)	DC Pension Pot (before charges)	DC Pension Pot (after charges)
40	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000
35	57,236	56,389	51,645	50,908	59,478	55,249	57,236	55,761
30	60,666	58,884	49,393	47,992	65,512	56,528	60,666	57,580
25	64,301	61,489	47,239	45,244	72,157	57,836	64,301	59,457
20	68,154	64,209	45,179	42,653	79,477	59,174	68,154	61,396
15	72,238	67,050	43,209	40,211	87,540	60,543	72,238	63,399
10	76,567	70,016	41,324	37,908	96,420	61,944	76,567	65,466
5	79,132	71,322	39,522	35,737	106,201	63,377	81,155	67,601
0	76,745	68,251	37,799	33,691	116,974	64,844	86,018	69,806

¹Lowest charging funds

²Highest charging fund

³Post Retirement Default fund uses Schroder Life Dynamic Multi Asset Fund

Notes:

- > The projected pension pot values are shown in today's terms and do not need to be reduced further for the effect of inflation.
- > The starting pot size is assumed to be £54,000. This is the average pot size of members that are currently active in the Plan.
- > Inflation is assumed to be 2.5% each year.
- > No contributions are assumed.
- > All values are estimates and cannot be guaranteed to apply for the future. What happens to your own individual circumstances may vary considerably from these general assumptions.
- > It is also important to note that the amount of real accumulated fund will depend on the actual contributions paid, the way in which your own fund is invested and the investment growth it achieves.



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