

Explanatory notes for your DC AVC Annual Statement 2025

Before you retire:

Your funds will earn an annual investment return after costs of:

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| • LGIM Global Equity Market Weights (30:70) Index Fund GBP 75% Currency Hedged | 5.7% |
| • L & G 50:50 Fixed Weights Global Equity Fund | 5.7% |
| • L & G Future World Annuity Aware Fund | 5.8% |
| • L & G Cash Fund | 1.8% |

Your retirement account may be invested in one or more of these funds. If you are invested in a lifestyle strategy, your funds will be automatically split across a range of underlying fund options, in proportions determined by the period to your Target Retirement Date. Details of the lifestyle investment approach are set out in the AVC Guide at: <https://www.fsspensions.co.uk/>.

When you retire:

Your fund will be used to buy a fixed pension that will not increase each year in payment. Your pension will also not provide any pension for a dependant after you die but will be guaranteed for five years.

In practice, you may be able to take some, or all, of your retirement account in lump sum form, or in a different form of pension (e.g. with annual increases or a dependant's pension when you die, in which case the projected annual pension amount would be lower).

The net interest rate assumption is 4.4% p.a. This is the difference between the assumed investment return that the annuity provider will receive on your savings after you retire and the assumed level of pension increases you will receive. The lower the net interest rate, the higher the assumed cost of buying a pension annuity, meaning that you get a lower annual income when you retire.

This rate has increased from 3.8% p.a. in the last statement which, ignoring all other changes, would normally result in an increase in the projected pension at retirement. The extent to which this applies to you in practice will depend on annuity rates when you retire.

Notes about the Illustrations

- The illustrations make certain general assumptions about the type of investments in which your funds are held and the likely performance of those investments. This may not be the same as the actual investments in which your funds are held or the performance of those investments.
- This statement is based on the information currently held by the administrator of the Scheme and is produced for information only. It is not proof of entitlement and confers no rights to benefits.
- The information in this statement is not individual financial advice and must not be used as the only basis on which you take any decision regarding your future pension arrangements or any other financial commitment. **Because of this, it is strongly recommended that you take advice when reviewing your pension arrangements or making any other financial commitment.** You can find information on choosing an independent financial adviser (IFA) from www.moneyhelper.org.uk.
- The illustrative pension shown on this statement is suitable for comparison with the projected benefits of another investment product.
- This statement makes no allowance for any reduction in pension benefits as a result of any court order in relation to pension sharing on divorce.

- The Trustee and the Company, as “Data Controllers”, both have a legal obligation and a legitimate interest in processing the data held in respect of you for the purpose of operating the Scheme. This may include passing on data about you to the Scheme Actuary, Auditor, Administrator and other third parties as may be necessary for operating the Scheme.

Investment Strategy

It is important that you keep the investment strategy of your retirement account under review, especially as you get older. We cannot give financial advice, but, broadly speaking, a relatively young member can take a long-term view and invest in assets expected to give the highest return over the period until they retire (e.g. equities), while a member closer to retirement may be more concerned with protecting the value of their fund from stock market falls and so prefer to invest in lower risk investments like cash. If you do wish to take independent financial advice, you can find information on choosing an IFA here: www.moneyhelper.org.uk.

Scheme Website

This online platform provides details about the Scheme, including:

- Frequently asked questions, and
- Where to find useful documents

The website address is: <https://www.fsspensions.co.uk/>

If you decide you want to change your current investment strategy or if you have any questions relating to the information in this statement, please contact the FSS Pension Scheme Administration Team via the Scheme Website.