Date: August 2026

Kimberly-Clark Pension Scheme

Annual Chair's Statement for the Scheme Year

This statement has been prepared by the Trustee of the Kimberly-Clark Pension Scheme ("the Scheme") in accordance with legal requirements. It explains how the Trustee has met its legal obligations in relation to the management of the Defined Contribution (DC) Section of the Scheme and the money purchase Additional Voluntary Contribution (AVC) arrangement of the Defined Benefit (DB) Section of the Scheme over the period 6 April 2025 to 5 April 2026 ("the Scheme Year").

This statement, along with other useful documents relating to the Scheme, can be found on the Scheme's website: www.kcpensions.co.uk.

As part of its oversight and effective running of the Scheme, the Trustee typically meets four times a year. In addition, the Trustee has established a number of committees to which certain powers are delegated. The details of each committee, including the composition and operation of each, are included within a Terms of Reference document. The Trustee's committees are as follows:

- Investment Board of Trustee (iBOT): the iBOT is responsible for matters relating to the investment of the Scheme's assets to ensure they are being run in a professional manner with due attention to the needs of the beneficiaries of the Scheme. The Board meets at least quarterly. This was previously named the Investment Funding & Covenant Committee.
- Discretionary Benefits Committee: is responsible for matters relating to trustee discretionary benefits that become payable. The Committee communicates via email when a case is referred to the Committee from the Scheme Administrators.
- Communication Committee: is responsible for matters relating to member communications, whether the issuing of statutory communications or the production of alternative communications that look to improve and enhance members' understanding on their benefits held in the Scheme.

1. The Default Arrangement

i) Statement of Investment Principles

Appended to this statement is a copy of the Scheme's latest Statement of Investment Principles ("SIP") which governs the Trustee's decisions about investments, including its aims, objectives and policies for the Scheme's default arrangement. In particular, the SIP covers the Trustee's investment policies on risk, return and ethical investing and how the default arrangement is intended to ensure that assets are invested in the best interests of members. The Trustee will review the SIP at least every three years (or after any significant change in investment policy). The latest version of the SIP was signed in March 2025.

The Trustee has completed an Implementation Statement for the Scheme Year to 5 April 2026. This document outlines the Trustee's adherence to the policies included within the SIP and has been included in the appendices.

ii) Review of the default arrangements

The Trustee reviews the appropriateness of the default arrangements on an ongoing basis and formally at least every three years (or sooner, if there is any significant change in investment policy or member demographics), to ensure that the investment strategy is consistent with the Trustee's aims, objectives and policies.

The Trustee, in conjunction with its advisors, decided during the Scheme year to appoint Legal & General as their bundled administration platform provider. The transition to Legal & General will take place during the next Scheme year. As part of the review process, the Trustee also assessed the ongoing suitability of the default investment strategy, including whether it would be appropriate to move to an off-the-shelf ('OTS') solution.

This review involved benchmarking the current default strategy against the Legal & General OTS offering, modelling asset allocation and fund arrangements, and considering broader investment governance factors. In March 2026, the Trustee concluded that a bespoke strategy remained appropriate and should be retained.

Together with the Trustee's regular quarterly investment monitoring, this review was sufficiently comprehensive to meet the regulatory requirement for a triennial review.

Following the decision to retain the bespoke strategy, the Trustee agreed to undertake a more detailed review during 2026. This work commenced after the Scheme year-end, with the default strategy review considered at the June 2026 meeting. Further discussions are expected to take place over the remainder of 2026 including around the self-select range and alternative lifestyle arrangements.

The Trustee also monitors investment performance of the default strategy, and any self-select funds utilised by members, on an ongoing basis with the help of its investment advisers, Isio.

iii) Aims, objectives and policies relating to the Scheme's main default arrangement

The Scheme's Default Arrangement targets a balanced range of retirement objectives, albeit with greater weighting towards members drawing an income at retirement which is consistent with observations on member demographics and behaviour. The objective of the Default Arrangement is to sustainably grow savings over time, while looking to reduce the impact of market downturns as members approach retirement. The Default Arrangement is also a lifecycle strategy and follows an automated investment approach which will start to gradually move members' investments as they approach retirement. The Default Arrangement starts to transition members when they are 15 years from their Target Retirement Date, so that by the time members reach retirement, their retirement accounts will be invested in funds that help preserve the value of their savings by reducing exposure to potential capital losses in more volatile markets.

Members in the Default Arrangement are invested solely in the Blended Global Equity ESG Fund until 15 years before retirement. During the 15 years prior to retirement, members' funds are switched on a monthly basis into the LGIM Diversified Fund, the LGIM Future World Annuity Aware Fund and the LGIM Cash Fund. Members' final investment positions at retirement will be

to hold 20% in the LGIM Blended Global Equity ESG Fund, 40% in the LGIM Diversified Fund, 30% in the LGIM Future World Annuity Aware Fund and 10% in the LGIM Cash Fund.

The Default Arrangement also takes into consideration a defined benefit underpin, which all members have as a result of the Scheme being contracted out on a salary-related basis until 5 April 2016. The underpin provides for a minimum level of benefits.

In addition to the Default Arrangement, the Scheme also makes available an Annuity Lifecycle strategy and a Lump Sum Lifecycle strategy, as well as a number of self-select funds. Like the Default Arrangement, the alternative lifecycle strategies all invest initially in LGIM's Blended Global Equity Fund during the growth period, until 15 years before retirement, and then switch into different proportions of the same funds used within the Default Arrangement, depending upon the aims and retirement objectives of each lifecycle.

2. Financial Transactions

i) Service Level Agreements

The Trustee regularly monitors the core financial transactions of the Scheme with this achieved by reviewing the quarterly transaction reports supplied by the Scheme's administrator, EQ. The current service agreement contains service levels setting out the required accuracy and turnaround times of all core financial transactions. The agreed SLAs are as follows:

SLA Description	**No. of days**
Transfer value quotations	10
Transfer value payments	5
Death case	2
Retirement quotations	5
Retirement finalisation	5
General enquiry	5
Switch of investments	2

ii) Monitoring

The Trustee monitors the administrators compliance with the required service levels in respect of core financial transactions by reviewing the management information provided by EQ on a quarterly basis.

The overall SLAs percentages achieved over the period 1 April 2025 to 31 March 2026 (the closely readily available period covering this Statement) are as follows:

Month	**% Achieved**
April 2025	98.0
May 2025	98.3
June 2025	97.5

July 2025	99.2
August 2025	99.8
September 2025	99.2
October 2025	99.2
November 2025	99.0
December 2025	95.5
January 2026	97.7
February 2026	100.0
March 2026	99.0

The monitoring from the Trustee and checks undertaken demonstrated that overall, the administrator was operating good procedures and controls, core financial transactions were processed promptly and accurately and that they were acting within the agreed Scheme administration service level agreement.

iii) Accuracy of record keeping and data security

During the Scheme Year, work was undertaken to continue to monitor the security and systems in place at the Scheme's administrator. This also included reviewing the administrators common and conditional data report, resolving any missing or incomplete member records. The Scheme's common data score was 97% and the conditional data score was 92% for this Scheme Year. The next review will take place during the 2026/27 Scheme year.

iv) Changes to the Scheme's administrator

During the Scheme year the Trustee undertook a review of its administrator EQ. Following this review, the Trustee concluded that a change of administrator would take place with the Trustee appointing Legal & General to provide a bundled administration and investment service. The transition from EQ to Legal & General will conclude during the next Scheme year.

3. Charges and Transaction costs

i) Charges borne by the members

The Total Expense Ratio (TERs) measures the total charges applied to the funds that members are invested in. These charges are already accounted for within the unit price of the fund. Minor variations in TER will occur from year to year as the funds incur some fixed costs which vary as a percentage of assets as the asset value changes.

The Trustee is required to disclose the level of any transaction costs. These are incurred when the fund's investment managers buy and sell assets within funds but are exclusive of any costs incurred when members invest in and switch between funds.

The Trustee has requested, via their advisers, transaction costs information for every fund in the Scheme's fund range, from the investment managers.

The total charges borne by members to 5 April 2026 were as follows:

Fund	Asset class	Annual Management Charge (% p.a.)	Total Expense Ratio (% p.a)	Average Transaction Costs (% p.a.)	Total Costs (% p.a.)
LGIM Blended Global Equity ESG Fund (50% LGIM All World Equity Hedged Fund and 50% LGIM Adaptive Cap ESG Index Fund)	Global Equity	0.1145	0.1060	0.0425	0.1485
LGIM Diversified Fund	Diversified Growth	0.1800	0.2288	0.0182	0.2470
LGIM Future World Annuity Aware Fund	Corporate Bonds & Gilts	0.1000	0.0999	0.0059	0.1058
LGIM Cash Fund	Cash	0.1250	0.1250	0.0743	0.1993
LGIM World Emerging Markets Equity Index Fund	Global Equity	0.2400	0.2605	0.0377	0.2982
LGIM AAA-AA-A Corporate Bond All Stocks Index Fund	Corporate Bonds	0.0750	0.0752	0.0000	0.0752
LGIM UK Equity Index Fund	UK Equity	0.0700	0.0811	0.0110	0.0921
LGIM FTSE4Good Developed Equity Index Fund	Global Equity	0.3000	0.3008	0.0029	0.3037
HSBC Islamic Global Equity Fund	Global Equity (Shariah principles)	0.1500	0.1500	0.0319	0.1819
Threadneedle Property Fund	Property	0.7500	0.8100	0.0222	0.8322

NOTE: where the transaction charges for the Fund is negative, we have assumed the transaction charge of '0.000%' for the purposes of calculating the member illustrations in the appendix. Transaction costs have been shown for the 5 years from 6 April 2021 to 5 April 2026 due to availability of data.
Source: Investment managers.

During the Scheme Year the charges that applied to the Scheme's main default arrangement were:

- 0.1485% in the period up to fifteen years before the member's selected retirement date
- Between 0.1485% and 0.1802% per annum over the de-risking period for the fifteen years before the member's selected retirement age.

The member borne charges for the Scheme's default arrangements complied with the charges cap during the Scheme Year.

The illustrations for Scheme members are set out and explained in the Appendix.

ii) Defined Benefit AVCs

In addition to the DC Section, the Scheme also provides defined contribution benefits in the Defined Benefit section via Additional Voluntary Contributions ('AVCs').

The Trustee holds assets invested separately from the assets of the defined benefit section with Standard Life that will secure additional benefits on a defined contribution basis for those members who elected to pay AVCs during active service in the Defined Benefit section prior to closure. The Trustee monitors the performance of the AVCs on an annual basis and maintains their inclusion in the Statement of Investment Principles (SIP) which is enclosed with this statement.

Fund	Asset class	Annual Management Charge (% p.a.)	Total Expense Ratio (% p.a)	Average Transaction Costs (% p.a.)	Total Costs (% p.a.)
Standard Life Sustainable Multi Asset Pension Fund	Diversified Growth	0.5300	0.5300	0.0855	0.6155
Standard Life Pension with Profits One Fund	Diversified Growth	-	-	0.0687	0.0687
SL BlackRock Aquila Connect Cash Pension Fund	Cash	0.5300	0.5300	0.0139	0.5439
Standard Life 30:70 Global Equity Tracker (Vanguard) Pension Fund	Global Equity	0.5400	0.5400	0.0625	0.6025
SL Vanguard FTSE UK All Share Index Pension Fund	UK Equity	0.5500	0.5500	0.0447	0.5947
SL iShares Index Linked Gilt Index Pension Fund	Government Bonds	0.5400	0.5400	0.0343	0.5743
SL iShares Over 15 Year Gilt Index Pension Fund	Government Bonds	0.5400	0.5400	0.0225	0.5625

Source: Standard Life. Isio calculations.
Notes: Transaction costs shown for AVCs with members invested as at 31 March 2026. Charges include Scheme rebate.

The charges and transaction costs for With Profits Funds are deducted from the overall fund before bonus rates are set for all policyholders. As a result, it is not possible to determine the exact charges and costs borne by members.

iii) Value for members assessment

The Trustee is committed to ensuring that members receive value for the services that are provided under the Scheme, in particular that the combination of costs and the quality of what is

provided in return for those costs is appropriate for the Scheme membership as a whole, when compared to other options available in the market.

There is no legal definition of "good value" and so the process of determining good value for members is a subjective one. The Trustee, with the support of their advisers, undertake an annual value for member assessment review in respect of the Scheme Year to assess whether the Scheme represents good value for its members. The review is carried out across six key areas, aligned to the Pensions Regulator's DC code of practice and guidance. The review includes the use of a detailed scoring mechanism. Outcomes were documented with any areas for improvement captured in the Trustee's remit for the year ahead.

This review concluded that the Scheme's overall benefits continue to represent good value for the costs and charges deducted from members' accounts, for the following reasons:

- Charges for the Scheme's default investment strategy are low when compared to the market and are significantly below the charge cap of 0.75% pa. The Trustee continues to monitor the charges and potentially request further reductions on an ad-hoc basis;
- Members have access to a range of investment options, including additional lifestyle strategies, to target different outcomes at retirement and competitive investment fund management charges which the Trustee believes are highly competitive and unlikely to be obtained on the open market e.g. via personal pensions;
- The default investment strategy has performed in line with its objectives;
- Members can self-select funds that incorporate Environmental Social and Governance ('ESG') considerations;
- The Company pays all the administration costs of the Scheme;
- The Trustee continues to undertake robust Governance services including compliance with the Regulator's General Code of Practice;
- The Trustee meets four times per annum and they are well supported by their advisers;
- Members are able to access annuity broking services at retirement;
- Members have access to a Scheme specific helpline and can view their pension information online and on a mobile phone;
- Members receive bespoke communications i.e. website, newsletters, investment communications; and
- The Scheme's sponsor offers members access to financial advice and guidance at a competitive rate.

The assessment process is re-considered each year following discussions amongst the Trustee and their advisers, with different weightings applied each year, at the Trustee's request. The Trustee has discussed possible improvements that will take place over the next Scheme Year, which will continue to be regularly monitored.

4. Net investment returns

The Occupational Pension Schemes (Administration, Investment, Charges and Governance Amendment) Regulations 2021 introduced new requirements for trustees of DC pension schemes.

From 1 October 2021, the Trustee is required to calculate and state the return on investments from their default and self-select funds, net of transaction costs and charges.

i) Default Lifestyle

The Trustee calculated the return on investments, as far as they were able to do so. The net investment returns for members within the default lifestyle (based on the asset allocation as at the end of the Scheme year) to 5 April 2026 were as follows:

Age of member at beginning of period (years)	1 Year to 5 April 2026 (%)
25	17.9
45	17.9
55	16.3

Source: LGIM. Isio calculations.

Notes:

- The table above assumes a target retirement date of 65.
- LGIM have been unable to provide 5-year returns for this year's report due to the inception date of the LGIM Blended Global Equity Fund.
- Returns are calculated as the annual geometric mean.
- Age-related returns for members in lifestyle strategies assume annual switching in the glidepath.
- Performance shown to 31 March 2026 where managers are only able to provide quarter end reporting.

ii) Self-select funds

The net investment returns for members within self-select funds with no lifestyling as at 5 April 2026 are as follows:

Fund	1 Year to 5 April 2026 (%)	5 Years to 5 April 2026 (% p.a.)
LGIM Blended Global Equity Fund	17.9	-
LGIM Diversified Fund	12.0	5.2
LGIM Future World Annuity Aware Fund	3.3	-4.8
LGIM Cash Fund	5.1	3.3
LGIM World Emerging Markets Equity Index Fund	8.6	4.7
LGIM AAA-AA-A Corporate Bond All Stocks Index Fund	2.2	-1.0
LGIM UK Equity Index Fund	10.4	11.2

LGIM FTSE4Good Developed Equity Index Fund	3.5	12.3
HSBC Islamic Global Equity Fund	20.3	-
Threadneedle Property Fund	3.6	3.3

Source: Investment managers. Isio calculations.

Notes:

- Returns are calculated as the annual geometric mean.
- Performance shown to 31 March 2026 where managers are only able to provide quarter end reporting.
- LGIM and HSBC have been unable to provide 5-year returns for this year's report due to the inception date of the LGIM Blended Global Equity Fund and the HSBC Islamic Global Equity Fund.

5. Asset allocation disclosure

Following new guidance from the DWP, for the first scheme year ending after 1 October 2023, trustees of occupational pension schemes must disclose their full asset allocations of investments from their default arrangements. This disclosure should be included in Chair Statements for scheme year ends after 1 October 2023.

The Trustee is required to disclose a breakdown of the asset allocation of the default investment strategy for the Scheme. The below table sets out the asset allocation of the default across the core asset classes noted as:

- Cash
- Bonds
- Listed Equities
- Private Equities
- Infrastructure
- Property
- Private debt
- Other (any assets which do not fall into the above)

Within the below table, the Trustee has provided a further breakdown within some of these broader categories.

Asset Class	Performance allocation (%)			
	25-year-old	45-year-old	55-year-old	1 day prior to State pension age
Cash			0.0	0.1
Bonds			9.4	54.1
Fixed Interest Government bonds			*0.4*	*27.2*

Index-linked government bonds			*1.4*	*2.2*
Investment grade bonds			*3.6*	*18.8*
Non-investment grade bonds			*4.0*	*6.0*
Securitised credit				
Listed equities	100.0	100.0	83.0	34.5
UK equities	4.4	4.4	*4.3*	*2.5*
Developed Market equities	85.4	85.4	*69.5*	*27.3*
Emerging markets	10.3	10.3	*9.2*	*4.6*
Private equities[1]			0.6	0.8
Venture capital				
Growth equity			*0.6*	*0.8*
Buyout / Leveraged funds				
Infrastructure[1]			1.5	2.2
Property			1.6	2.4
Private debt			2.9	4.4
Other			1.0	1.6
Total	100.0	100.0	100.0	100.0

Note: Asset allocations based on fund holdings of the default strategy as at 31 March 2026.

[1]Exposure is through shares in listed infrastructure and Private Equity management companies.

6. Trustee knowledge and Understanding (TKU)

The law requires the Trustee Directors to possess sufficient knowledge and understanding to enable them to properly exercise their functions as a Trustee including that they must be conversant with:

- The trust deed and rules of the scheme.
- The statement of investment principles.
- Any other scheme administration policies or scheme documents.

And they must have appropriate knowledge and understanding of:

- The law relating to pensions and trusts; and
- The principles relating to:
    - The funding of occupational pension schemes.
    - Investment of the assets of such schemes.

The Trustee has a TKU process in place which enables them, together with the collective advice available to them, to exercise their duties as the Trustee of the Scheme. In particular, during the Scheme Year, the Trustee has met the requirements of sections 247 and 248 of the 2004 Act (requirements for knowledge and understanding) through:

- Regular informal training slots held during Trustee meetings, focussing on broader risks, legislative updates and current key themes in the pensions industry. These are provided by the Trustee's external advisers.
- Each Trustee Director holds the Pensions Regulator's trustee toolkit certificate.
- Bespoke training from its advisers on topical items is provided as and when required.

- The Trustee Directors maintain a training log which is reviewed and updated prior to each Trustee meeting and is managed by the Scheme Secretary. This log records training undertaken by the Trustee Board together or by each individual Trustee Director. Topics for future trustee training are considered in line with Scheme activities to ensure that any new needs that arise are identified and that a plan is put in place to address them. Some of the key areas in which the Trustee Directors had training over the course of the last Scheme Year included various legal updates, as well as developments around the new Value for Money framework.
- The Trustee Directors are aware and have an understanding of the Scheme's trust deed and rules, SIP and other documents which are used to govern the Scheme. The Trustee uses this knowledge, along with the support of their advisers, to make appropriate decisions as required during the year.
- One of the Trustee Directors is a professional pensions trustee and is a member of the Association of Professional Pension Trustees (APPT), where there is a requirement to have up to date Continuing Professional Development ("CPD") credentials.

During the Scheme Year, the Trustee Directors received professional advice from Willis Towers Watson (actuarial and benefit consulting advice) and Sackers LLP (legal advisers) to support them in governing the Scheme. Isio is the adviser to the DC Section of the Scheme for Investment and benefit consulting advice. The advisers attend each Trustee meeting and provide advice on an ongoing basis.

For these reasons, and based on our assessment, the Trustee believes that their combined knowledge and understanding, together with the advice that is available to the Trustee, enables them to properly exercise their functions as the Trustee of the Scheme.

Statement of compliance

On behalf of the Trustee of the Kimberly-Clark Pension Scheme, I confirm that the Trustee is comfortable that the Scheme has met the minimum governance standards as defined in the Occupational Pension Scheme (Charges and Governance) Regulations 2015 during the period 6 April 2025 to 5 April 2026.

Signed: Grant Suckling **Date:** 25 September 2026

Trustee Chair
Kimberly-Clark Pension Scheme

APPENDIX

Illustrations of the effect of costs and charges

Background

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

As each member has a different amount of savings within the Scheme 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 such 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 by the Scheme.

Key points to note

The charges shown in this Statement and illustrated on the next pages have always been in place. These are not new charges. The only difference is that we are required by legislation to demonstrate the effect of charges on your investments. The Trustee's work to ensure the charges provide value for our members as set out earlier in this Statement.

Illustrations

Each of the charts below illustrates the potential impact that costs and charges might have on different investment options provided by the Scheme. Not all investment options are shown - the Trustee has chosen a number of illustrations which they believe will provide an appropriate representative sample of the different investment choices that members can make.

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:

- The lowest expected returning fund (LGIM Cash Fund)
- The highest expected returning fund (HSBC Islamic Global Equity)
- The lowest charging fund (LGIM AAA-AA-A Corporate Bond All Stocks Index Fund)
- The highest charging fund (Threadneedle Property Fund)

These funds cover a range of expected returns and charges in line with the legislation as well as covering the funds with the highest and lowest expected returns and the highest and lowest charges.

1) Illustrations for individual funds

Younger member example:
The table below sets out the projected pot size at age 65 for a member currently aged 26 invested solely in one of the funds shown below. Please see the Notes below for more details of the projections.

Younger member – 26 years old								
Years to target retirement age	Threadneedle Property (Highest charging)		LGIM AAA-AA-A Corporate Bond All Stocks Index Fund (Lowest charging)		HSBC Islamic Global Equity (Highest expected return)		LGIM Cash Fund (Lowest expected return)	
	Before charges	After all charges + costs deducted	Before charges	After all charges + costs deducted	Before charges	After all charges + costs deducted	Before charges	After all charges + costs deducted
1	10,658	10,570	10,658	10,650	10,973	10,953	10,448	10,427
3	10,980	10,712	10,980	10,955	11,982	11,920	10,343	10,281
5	11,311	10,855	11,311	11,270	13,085	12,971	10,240	10,138
10	12,186	11,223	12,186	12,096	16,306	16,025	9,987	9,788
15	13,127	11,602	13,127	12,982	20,320	19,796	9,739	9,451
17	13,524	11,758	13,524	13,355	22,190	21,543	9,642	9,319
20	14,142	11,995	14,142	13,934	25,323	24,456	9,498	9,125
25	15,235	12,401	15,235	14,955	31,557	30,212	9,263	8,810
30	16,412	12,820	16,412	16,051	39,326	37,323	9,034	8,507
35	17,681	13,254	17,681	17,228	49,007	46,108	8,810	8,213
39	18,766	13,612	18,766	18,231	58,442	54,603	8,636	7,986

Notes

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. Retirement is assumed to be at age 65.
3. The member is assumed to have a starting pot of £10,500.
4. Inflation is assumed to be 2.5% each year.
5. The member is assumed to pay no contributions into their pension pot.
6. Values shown are estimates and are not guaranteed.
7. The projected annual growth rates in relation to inflation for each fund are:
   - LGIM Cash Fund: -0.5%
   - HSBC Islamic Global Equity: 4.5%
   - LGIM AAA-AA-A Corporate Bond All Stocks Index Fund: 1.5%
   - Threadneedle Property Fund: 1.5%
8. The charges assumed for each fund are the current charges as shown in the Chair's Statement.

Older member example:

The table below sets out the projected pot size at age 65 for a member currently aged 48 invested solely in one of the funds shown below. Please see the Notes below for more details of the projections.

Older member – 48 years old								
Years to target retirement age	Threadneedle Property (Highest charging)		LGIM AAA-AA-A Corporate Bond All Stocks Index Fund (Lowest charging)		HSBC Islamic Global Equity (Highest expected return)		LGIM Cash Fund (Lowest expected return)	
	Before charges	After all charges + costs deducted	Before charges	After all charges + costs deducted	Before charges	After all charges + costs deducted	Before charges	After all charges + costs deducted
1	106,575	105,701	106,575	106,496	109,725	109,534	104,475	104,266
3	109,796	107,118	109,796	109,552	119,822	119,198	103,433	102,813
5	113,115	108,553	113,115	112,696	130,849	129,714	102,401	101,380
10	121,857	112,226	121,857	120,957	163,062	160,246	99,867	97,884
15	131,274	116,024	131,274	129,823	203,205	197,964	97,395	94,509
17	135,242	117,578	135,242	133,549	221,905	215,429	96,423	93,192

Notes

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. Retirement is assumed to be at age 65.
3. The member is assumed to have a starting pot of £105,000.
4. Inflation is assumed to be 2.5% each year.
5. The member is assumed to pay no contributions into their pension pot.
6. Values shown are estimates and are not guaranteed.
7. The projected annual growth rates in relation to inflation for each fund are:
   - LGIM Cash Fund: -0.5%
   - HSBC Islamic Global Equity: 4.5%
   - LGIM AAA-AA-A Corporate Bond All Stocks Index Fund: 1.5%
   - Threadneedle Property Fund: 1.5%
8. The charges assumed for each fund are the current charges as shown in the Chair's Statement.

2) Illustrations for the default strategy

Most members are in the default strategy. The table below sets out how a member aged 26 and a member aged 48 might be expected to see their pots grow with and without charges in the period to their retirement. Please see the Notes section below for more details on the projections.

Years to target retirement age	Age now: 26		Age now: 48	
	Before charges	After all charges + costs deducted	Before charges	After all charges + costs deducted
1	10,868	10,852	108,675	108,519
3	11,642	11,592	116,295	115,790
5	12,471	12,382	123,937	123,012
10	14,811	14,600	143,204	140,931
15	17,591	17,216	163,120	159,131
17	18,844	18,390	170,854	166,090
20	20,893	20,301		
25	24,788	23,913		
30	28,856	27,610		
35	33,083	31,381		
39	36,418	34,302		

Notes

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. Retirement is assumed to be at age 65.
3. The starting pot size is assumed to be £10,500 for the 26-year-old and £105,000 for the 48-year-old
4. Inflation is assumed to be 2.5% each year.
5. The member is assumed to pay no contributions into their pension pot.
6. Values shown are estimates and are not guaranteed.
7. The projected annual growth rates in relation to inflation are:
    - 3.5% p.a. for periods up to 15 years to retirement, gradually reducing to 2.3% p.a. at retirement age.
8. The charges assumed for each fund are the current charges as shown in the Chair's Statement.