

Your 2020 Annual Statement - Assumptions

Roll Group Pension Scheme

This document summaries the main assumptions used to calculate the statutory illustration included in your 2020 Annual Statement.

You should note that because the illustrations are based on a number of general assumptions, there is no promise or guarantee that your pension will be paid at the rate shown. What actually happens may vary considerably from the assumptions used and your actual pension could be significantly higher or lower than the amount illustrated. Even a small change to the assumptions that have been made to calculate your estimated pension could result in a large change to the illustrated pension amount.

How your investments are assumed to grow between the illustration date and your selected retirement date

This table sets out the investment returns at which the funds available to choose from are assumed to grow. If you would like to know the rationale for the assumptions made for each fund you can request the information from the Scheme Administrator. The illustration assumes that you will not change the investment choice you have made and is in place at the illustration date to determine which fund's investment returns to use. Where your investment choice includes a scheduled change in investments, such as a lifestyle option, then these changes are assumed to occur as set out in your Investment guide booklet.

Your Annual Statement sets out the funds that you were invested in at the illustration date.

Fund names	Investment return used for statutory illustration (% p.a.)
LGIM Global Equity Fixed Weights 50/50 – GBP Currency Hedged	5.100
LGIM UK Equity Index Fund	5.100
BlackRock Aquila Connect Emerging Markets Fund	5.100
LGIM Ethical Global Equity Index Fund	5.100
LGIM Retirement Income Multi-Asset Fund	2.950
LGIM Pre-retirement Fund	1.250
LGIM Cash Fund	0.600
LGIM FTSE Developed Core Infrastructure Index Fund	4.300
LGIM Global Real Estate Equity Index Fund	4.300
M&G Total Return Credit Investment Fund	1.550

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LGIM Investment Grade Corporate Bond - All Stocks	1.550
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These investment return assumptions are exclusive of management expenses.

Assumptions about the contributions paid between the illustration date and your selected retirement date

If you are an active member, contributions are assumed to continue to be made by you or on your behalf, at the same percentage of your pensionable salary.

Your earnings are assumed to increase at 2.5% per annum.

Assumptions used to show the value of your Account or the income from a lifetime annuity at today's prices

The illustrative pension is shown in today's terms. That is, they have been reduced to take into account the expected increase in inflation between now and when you retire, to illustrate what the pension may be worth to you if you were retiring today.

Inflation is assumed to increase at 2.5% per annum.

Assumptions used to calculate the amount of income bought by a lifetime annuity

An expense amount of 4% is assumed to be taken from the projected value of your Account before any annuity is calculated.

It is assumed that you don't take a tax-free lump sum when you purchase an annuity.

The pension is assumed to increase each year in payment to help it keep up with inflation.

On your death it is assumed that a pension of 50% of your pension will continue to be paid to your dependants.

Males are assumed to be three years older than female spouses and spouses or civil partners of the same gender are the same age as each other.

The price of the annuity is based on assumptions about how the annuity will be priced.