

# DEFINED BENEFITS ADDITIONAL VOLUNTARY CONTRIBUTIONS

## BENEFIT STATEMENT SMALL PRINT FOR 2018

This document should be read in conjunction with your 2018 benefit statement.

### General

The Scheme is governed by relevant legislation and the Trust Deed and Rules, which override any information given in this statement in the event of any differences. The Trust Deed and Rules provide for benefits before deduction of any tax. The Trust Deed and Rules and relevant legislation (including tax law) may be changed at any time.

### Your details

Your personal data and the personal data of your relatives, dependants and nominated beneficiaries is processed by the following parties as data controllers:

- Associated British Foods Pension Trustees Limited (in relation to the Associated British Foods Pension Scheme); and
- in some cases, the Trustees of the Weston Provident Fund, a charitable fund that operates and administers charitable grants which some members may be eligible to receive.

Information about how these data controllers process your personal data, and your rights in respect of your personal data (including the right to object in certain circumstances), is provided in the following privacy notice: [www.abfpensions.com/dataprotection](http://www.abfpensions.com/dataprotection). You must provide this notice to your relatives, dependants and nominated beneficiaries if you are providing their personal data.

### Your fund value

- The benefits shown throughout this statement are based on data provided by your employer and on the unit prices at the date of the statement and therefore cannot be guaranteed.
- Your account value is also the value that would have been paid if you decided to transfer the value of your Pension Account to another pension arrangement at the statement date. The actual transfer value payable would be the value of your investment units on the actual date of transfer so could be higher or lower than the value shown. If you do transfer the benefits from the Scheme, there are no charges applied.

### Your investments

The value of your investments may have been rounded up or down to the nearest whole penny. There may therefore be rounding differences when adding up the value of each individual investment fund separately and when comparing this to the total value of your Pension Account shown.

## What might I be worth?

To calculate the benefits you might receive on retirement we have made the following assumptions and estimates:

- Contributions will continue at the rates shown on your statement until your NRD.
- The investment return assumed for the statutory illustration has been based on the expected return from your fund between now and NRD, broadly taking into account your current investment choices and (where applicable, e.g. if you are in a target date fund) your targeted retirement date. This investment return assumption will not be the same as the actual returns earned on your funds. Performance of those investments could be better or worse which will result in a higher or lower pension than indicated. You can find out more about investments on our website at [www.abfpensions.com/538/investments](http://www.abfpensions.com/538/investments), or if you would like any additional information in respect of the investment returns assumed in your illustration, please contact Group Pensions.
- Under current law we are required to provide you with an estimate using a set of prescribed assumptions. This estimate is in today's prices and therefore has been adjusted to allow for the effect of inflation in the future.
- Your salary will increase at 2.5% a year until your NRD.
- Future inflation will be 2.5% a year.
- An underlying interest rate of -2.2% per year is used in calculating the cost of converting your Pension Account to a pension.
- Your fund will be used to buy a pension that:
  - ▶ increases each year in line with the Retail Prices Index, assuming a net interest rate of -2.2% a year when you retire.
  - ▶ includes a spouse's pension of 50% where husbands are assumed to be three years older than wives.
  - ▶ that payments will be guaranteed to be paid for 5 years after retirement

Your estimated benefits take account of any additional benefits that you may be entitled to including any additional benefits awarded to you if you have transferred benefits from another pension arrangement into the Associated British Foods Pension Scheme before the statement date on an AVC basis.

The statutory estimate has been worked out, using various assumptions, in accordance with the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 1996 (SI 1996/1655) (as amended) and with Technical Memorandum 1 (version 4.0) published by the Financial Reporting Council. The expense deduction of the passive funds in each asset type has been used for all funds in that asset type. We have assumed that, if members opt for an active fund, with a higher expense loading, it is in anticipation of a higher return such that the expected net return will be the same. It is based on the information currently held by Group Pensions and is produced for information only. It is not proof of entitlement and confers no rights to benefits.

If your benefits are projected to exceed the current Lifetime Allowance of £1 million, the tax free lump sum will be restricted to 25% of £1 million, i.e. £250,000.

## Know your limits

- The Annual Allowance (AA) amount shown in the Know your limits section does not include details relating to other pensions you may contribute to outside of the Scheme. You will need to include details of other pension arrangements, assessed against the AA, if you are required to complete a self-assessment tax return. You can read more about the AA on our website at [www.abfpensions.com/1160/annual-allowance](http://www.abfpensions.com/1160/annual-allowance).
- The AA amount shown on your DB statement includes the AVC contributions that you have paid through your payroll to the Scheme. This includes contributions made to the legacy AVC providers and to the Defined Benefit AVCs invested through the Phoenix platform. Your AVC statements also provides details of the AVC contributions paid but these will not need to be added to the Annual Allowance figure shown on your DB statement unless you have paid contributions directly to the Scheme outside of the payroll.
- The Lifetime Allowance (LTA) amount shown in the Know your limits section does not include details relating to other pensions you may hold outside the Scheme. You can read more about the LTA on our website at [www.abfpensions.com/1161/lifetime-allowance](http://www.abfpensions.com/1161/lifetime-allowance).