

Your pension scheme

My Sony Pension

Costs and charges illustration for a contributing member

What is this illustration for and how could it help you?

The information in this document is an 'illustration'. This is to show you the possible effect of costs and charges on your pension savings to help you plan for your retirement. The figures shown in it are not personal to you and do not show the actual pension benefits you could get from the pension scheme.

Your pension scheme benefits depend on many things such as contributions from you or your employer, how your investment funds have performed, and costs and charges. You may get back less than you put in.

How charges affect your pension scheme's investment funds

From page 2 there are tables which show how different costs and charges can impact the pension pot over certain periods of time, based on a selection of investment funds. Table 1 shows your scheme's default investment option. Tables 3 to 9 provide illustrations for the following funds which are additional default investment options within your scheme:

- Aviva MyM BlackRock UK Equity Index Tracker fund
- Aviva MyM BlackRock World ex UK Equity Index Tracker fund
- Aviva MyM BlackRock Emerging Markets Equity (Aquila C) fund
- Aviva MyM BlackRock Market Advantage fund
- Aviva MyM BlackRock Corporate Bond All Stocks Index Tracker fund
- Aviva MyM BlackRock All Stocks UK Gilt Index Tracker fund
- Aviva MyM My Future Focus Growth S1 fund

Table 10 illustrates high and low growth rated funds associated to your section of the scheme as well as example funds with a high and low total cost and charge associated to your section of the scheme. It also provides an illustration for the Aviva MyM My Future Focus Consolidation S1 fund which is an additional default investment option.

Under each default investment option or investment fund, there are two columns. The first shows the projected pension values assuming no charges are taken. The second shows the projected pension values after costs and charges are taken. By comparing the two you can see how much the charges over the years will impact your pension pot.

The figures are based on a monthly contribution of £450 - see page 10 for the assumptions we use.

Table 3

Illustration of effect of costs and charges on the Additional Default Investment Option in your section of the scheme My Sony Pension		
	Av MyM BlackRock UK Equity Index Tracker	
	Assumed growth rate 4.5% (p.a)	
	Assumed costs and charges 0.42% (p.a)	
At end of year	Projected value assuming no costs and charges are taken	Projected value after costs and charges are taken
1	£5,396	£5,383
2	£10,897	£10,849
3	£16,505	£16,398
4	£22,223	£22,031
5	£28,053	£27,750
10	£58,951	£57,680
15	£92,984	£89,959
20	£130,470	£124,774
25	£171,758	£162,323
30	£217,234	£202,820
35	£267,324	£246,498
40	£322,495	£293,605
45	£383,263	£344,412
50	£450,195	£399,209

Table 4

Illustration of effect of costs and charges on the Additional Default Investment Option in your section of the scheme My Sony Pension		
	Av MyM BlackRock World ex UK Equity Index Tracker	
	Assumed growth rate 4.5% (p.a)	
	Assumed costs and charges 0.22% (p.a)	
At end of year	Projected value assuming no costs and charges are taken	Projected value after costs and charges are taken
1	£5,396	£5,389
2	£10,897	£10,872
3	£16,505	£16,449
4	£22,223	£22,123
5	£28,053	£27,895
10	£58,951	£58,286
15	£92,984	£91,397
20	£130,470	£127,470
25	£171,758	£166,771
30	£217,234	£209,589
35	£267,324	£256,238
40	£322,495	£307,061
45	£383,263	£362,432
50	£450,195	£422,758

Table 5

Illustration of effect of costs and charges on the Additional Default Investment Option in your section of the scheme My Sony Pension		
	Av MyM BlackRock Emerging Markets Equity (Aquila C)	
	Assumed growth rate 4.5% (p.a)	
	Assumed costs and charges 0.42% (p.a)	
At end of year	Projected value assuming no costs and charges are taken	Projected value after costs and charges are taken
1	£5,396	£5,383
2	£10,897	£10,849
3	£16,505	£16,398
4	£22,223	£22,031
5	£28,053	£27,750
10	£58,951	£57,681
15	£92,984	£89,962
20	£130,470	£124,779
25	£171,758	£162,331
30	£217,234	£202,832
35	£267,324	£246,515
40	£322,495	£293,630
45	£383,263	£344,445
50	£450,195	£399,252

Table 6

Illustration of effect of costs and charges on the Additional Default Investment Option in your section of the scheme My Sony Pension		
	Av MyM BlackRock Market Advantage (Aquila C)	
	Assumed growth rate 2.4% (p.a)	
	Assumed costs and charges 0.66% (p.a)	
At end of year	Projected value assuming no costs and charges are taken	Projected value after costs and charges are taken
1	£5,337	£5,317
2	£10,668	£10,595
3	£15,994	£15,832
4	£21,315	£21,030
5	£26,631	£26,188
10	£53,132	£51,402
15	£79,504	£75,677
20	£105,747	£99,048
25	£131,863	£121,550
30	£157,852	£143,214
35	£183,714	£164,072
40	£209,450	£184,154
45	£235,061	£203,488
50	£260,547	£222,103

Table 7

Illustration of effect of costs and charges on the Additional Default Investment Option in your section of the scheme My Sony Pension		
	Av MyM BlackRock Corporate Bond All Stocks Index Tracker	
	Assumed growth rate 2% (p.a)	
	Assumed costs and charges 0.29% (p.a)	
At end of year	Projected value assuming no costs and charges are taken	Projected value after costs and charges are taken
1	£5,325	£5,317
2	£10,624	£10,593
3	£15,898	£15,828
4	£21,145	£21,023
5	£26,367	£26,177
10	£52,098	£51,359
15	£77,207	£75,584
20	£101,710	£98,888
25	£125,621	£121,305
30	£148,954	£142,871
35	£171,724	£163,616
40	£193,943	£183,573
45	£215,626	£202,772
50	£236,786	£221,240

Table 8

Illustration of effect of costs and charges on the Additional Default Investment Option in your section of the scheme My Sony Pension		
	Av MyM BlackRock All Stocks UK Gilt Index Tracker	
	Assumed growth rate 1% (p.a)	
	Assumed costs and charges 0.19% (p.a)	
At end of year	Projected value assuming no costs and charges are taken	Projected value after costs and charges are taken
1	£5,297	£5,291
2	£10,516	£10,496
3	£15,659	£15,614
4	£20,727	£20,649
5	£25,720	£25,600
10	£49,612	£49,160
15	£71,807	£70,842
20	£92,424	£90,797
25	£111,577	£109,162
30	£129,368	£126,063
35	£145,895	£141,617
40	£161,248	£155,933
45	£175,510	£169,107
50	£188,758	£181,231

Table 9

Illustration of effect of costs and charges on the Additional Default Investment Option in your section of the scheme My Sony Pension		
	Av MyM My Future Focus Growth S1	
	Assumed growth rate 3.6% (p.a)	
	Assumed costs and charges 0.3% (p.a)	
At end of year	Projected value assuming no costs and charges are taken	Projected value after costs and charges are taken
1	£5,370	£5,362
2	£10,799	£10,764
3	£16,285	£16,209
4	£21,830	£21,695
5	£27,435	£27,223
10	£56,374	£55,507
15	£86,899	£84,893
20	£119,098	£115,425
25	£153,062	£147,147
30	£188,889	£180,106
35	£226,679	£214,349
40	£266,541	£249,927
45	£308,588	£286,891
50	£352,941	£325,297

Table 10

Illustration of effect of costs and charges for a selection of funds with different growth rates and costs and charges within your section of the scheme – My Sony Pension								
At end of year	Av MyM My Future Focus Consolidation S1		Av MyM M&G Feeder of Property		Av MyM Baillie Gifford International		Av MyM HSBC Islamic Global Equity Index	
	Assumed growth rate 2.4% (p.a)		Assumed growth rate 3.5% (p.a)		Assumed growth rate 4.5% (p.a)		Assumed growth rate 4.5% (p.a)	
	Assumed costs and charges 0.26% (p.a)		Assumed costs and charges 1.59% (p.a)		Assumed costs and charges 0.57% (p.a)		Assumed costs and charges 0.5% (p.a)	
	Projected value assuming no costs and charges are taken	Projected value after costs and charges are taken	Projected value assuming no costs and charges are taken	Projected value after costs and charges are taken	Projected value assuming no costs and charges are taken	Projected value after costs and charges are taken	Projected value assuming no costs and charges are taken	Projected value after costs and charges are taken
1	£5,337	£5,329	£5,368	£5,321	£5,396	£5,379	£5,396	£5,381
2	£10,668	£10,639	£10,788	£10,610	£10,897	£10,832	£10,897	£10,840
3	£15,994	£15,930	£16,261	£15,866	£16,505	£16,360	£16,505	£16,377
4	£21,315	£21,202	£21,787	£21,089	£22,223	£21,963	£22,223	£21,993
5	£26,631	£26,455	£27,367	£26,280	£28,053	£27,643	£28,053	£27,691
10	£53,132	£52,442	£56,095	£51,756	£58,951	£57,234	£58,951	£57,432
15	£79,504	£77,967	£86,253	£76,453	£92,984	£88,910	£92,984	£89,376
20	£105,747	£103,040	£117,910	£100,396	£130,470	£122,818	£130,470	£123,685
25	£131,863	£127,668	£151,142	£123,606	£171,758	£159,116	£171,758	£160,534
30	£157,852	£151,860	£186,027	£146,107	£217,234	£197,971	£217,234	£200,112
35	£183,714	£175,623	£222,648	£167,921	£267,324	£239,564	£267,324	£242,621
40	£209,450	£198,964	£261,089	£189,067	£322,495	£284,087	£322,495	£288,278
45	£235,061	£221,891	£301,443	£209,567	£383,263	£331,748	£383,263	£337,315
50	£260,547	£244,412	£343,805	£229,441	£450,195	£382,767	£450,195	£389,984

How we worked out the figures in the tables

It's important to understand how much or how little difference charges make to your pension pot, but we can't predict exactly what will happen in the future so we've had to make some assumptions. The values shown are estimates and are not guaranteed.

These assumptions are:

1. We've assumed someone doesn't have anything in their pension pot when they start saving. Contributions are assumed to be paid £450 monthly increasing in line with assumed earnings inflation of 2.5% each year.
2. The figures illustrate the pension pot value in 'today's money' which means they take inflation into account by this way shows you what they could be worth today. It's important to note that inflation reduces the worth of all savings and investments. The effect of this is shown in the illustration and could mean the fund may reduce as well as grow in 'today's money'.
3. Transaction costs may not have been included where data was not available from the fund managers.
4. As your scheme's default investment option moves your investments to lower risk funds when you're approaching retirement, the growth rate and charges within the investment option may change. We've modelled these expected changes within the projections. The growth rate and charges shown in the default investment programme illustration are weighted averages and are for information only. Full details of the individual funds that make up the default investment are shown in table 2.

Some important things to remember

Your scheme will offer other funds to those illustrated, with different growth potential and different charges, and may also offer another lifestyle investment option. If you have selected another lifestyle investment option your pension pot will automatically be moved into different funds as you approach your retirement date and your scheme literature will provide details of how this works. As the individual funds used in a lifestyle approach have different growth potential and different charges, the overall growth rate and overall charge will change over time.

For these reasons, we have shown a range of funds with a range of charges which are available to you and which could apply to your pension pot during the life of your plan. A personal projection of your pension pot is included in your annual benefit statement and you should read that to get an individual view of your projected pension benefits. You'll also find details of the actual charges applicable to you in your scheme literature.

The figures shown here:

- Shouldn't be used to make investment decisions, so if you need to do that, we recommend that you take financial advice.
- May not be relevant to your personal circumstances. Your money may be invested in different funds, for example.