

Your pension scheme

My Sony Pension.

Costs and charges illustration for a non-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 starting pot value of £2,150 – 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	£2,150	£2,150
2	£2,192	£2,183
3	£2,235	£2,216
4	£2,278	£2,250
5	£2,323	£2,284
10	£2,368	£2,319
15	£2,608	£2,501
20	£2,873	£2,697
25	£3,164	£2,909
30	£3,485	£3,138
35	£3,839	£3,384
40	£4,228	£3,650
45	£4,657	£3,936
50	£5,130	£4,245

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	£2,150	£2,150
2	£2,192	£2,187
3	£2,235	£2,225
4	£2,278	£2,263
5	£2,323	£2,303
10	£2,368	£2,342
15	£2,608	£2,552
20	£2,873	£2,780
25	£3,164	£3,029
30	£3,485	£3,300
35	£3,839	£3,595
40	£4,228	£3,917
45	£4,657	£4,268
50	£5,130	£4,649

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%	
	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	£2,150	£2,150
2	£2,192	£2,183
3	£2,235	£2,216
4	£2,278	£2,250
5	£2,323	£2,284
10	£2,368	£2,319
15	£2,608	£2,501
20	£2,873	£2,697
25	£3,164	£2,909
30	£3,485	£3,138
35	£3,839	£3,384
40	£4,228	£3,650
45	£4,657	£3,937
50	£5,130	£4,246

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	
	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	£2,150	£2,150
2	£2,148	£2,134
3	£2,146	£2,118
4	£2,144	£2,102
5	£2,142	£2,086
10	£2,140	£2,070
15	£2,129	£1,993
20	£2,119	£1,919
25	£2,108	£1,847
30	£2,098	£1,779
35	£2,088	£1,712
40	£2,078	£1,649
45	£2,068	£1,587
50	£2,058	£1,528

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	£2,150	£2,150
2	£2,140	£2,133
3	£2,129	£2,117
4	£2,119	£2,101
5	£2,108	£2,084
10	£2,098	£2,068
15	£2,047	£1,990
20	£1,998	£1,914
25	£1,950	£1,841
30	£1,903	£1,771
35	£1,857	£1,704
40	£1,812	£1,639
45	£1,768	£1,577
50	£1,725	£1,517

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	£2,150	£2,150
2	£2,119	£2,115
3	£2,088	£2,080
4	£2,057	£2,045
5	£2,027	£2,012
10	£1,997	£1,979
15	£1,855	£1,821
20	£1,723	£1,676
25	£1,601	£1,542
30	£1,487	£1,419
35	£1,382	£1,306
40	£1,283	£1,202
45	£1,192	£1,106
50	£1,107	£1,018

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	£2,150	£2,150
2	£2,173	£2,166
3	£2,196	£2,183
4	£2,220	£2,200
5	£2,244	£2,217
10	£2,268	£2,234
15	£2,392	£2,321
20	£2,523	£2,411
25	£2,662	£2,505
30	£2,808	£2,603
35	£2,962	£2,704
40	£3,124	£2,810
45	£3,295	£2,919
50	£3,476	£3,033

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.								
	Av MyM My Future Focus Consolidation S1		Av MyM M&G Feeder of Property		Av MyM BlackRock Sterling Liquidity		Av MyM My Future Growth	
	Assumed growth rate 2.4% (p.a)		Assumed growth rate 3.5% (p.a)		Assumed growth rate 0.5% (p.a)		Assumed growth rate 3.6% (p.a)	
	Assumed costs and charges 0.26% (p.a)		Assumed costs and charges 1.59% (p.a)		Assumed costs and charges 0.19% (p.a)		Assumed costs and charges 0.35% (p.a)	
At end of year	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	£2,150	£2,150	£2,150	£2,150	£2,150	£2,150	£2,150	£2,150
2	£2,148	£2,142	£2,171	£2,137	£2,108	£2,104	£2,173	£2,166
3	£2,146	£2,135	£2,192	£2,123	£2,067	£2,059	£2,196	£2,181
4	£2,144	£2,127	£2,214	£2,110	£2,027	£2,015	£2,220	£2,197
5	£2,142	£2,119	£2,235	£2,097	£1,987	£1,972	£2,244	£2,213
10	£2,140	£2,112	£2,257	£2,084	£1,948	£1,929	£2,268	£2,229
15	£2,129	£2,074	£2,369	£2,021	£1,765	£1,731	£2,392	£2,311
20	£2,119	£2,038	£2,487	£1,959	£1,600	£1,554	£2,523	£2,396
25	£2,108	£2,002	£2,611	£1,899	£1,450	£1,394	£2,662	£2,484
30	£2,098	£1,966	£2,741	£1,841	£1,314	£1,251	£2,808	£2,575
35	£2,088	£1,931	£2,877	£1,785	£1,190	£1,123	£2,962	£2,670
40	£2,078	£1,897	£3,020	£1,730	£1,079	£1,008	£3,124	£2,768
45	£2,068	£1,863	£3,170	£1,677	£978	£904	£3,295	£2,870
50	£2,058	£1,830	£3,328	£1,626	£886	£812	£3,476	£2,975

How we worked out the figures in the tables

It's important to understand the difference costs and 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 no further contributions are made into this pension pot either from yourself or your employer. The starting pot value is assumed to be paid £2,150
2. The figures illustrate the pension pot value in 'today's money' which means they take inflation into account by discounting values by 2.5% a year. Seeing the figures in 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 section of the 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.