

## IBM Pension Plan

The following tables give a summary of the projected fund and the impact of costs and charges up to a normal retirement age of 65. The figures are presented using six member examples: youngest active member, average active member, youngest deferred member, average deferred member, youngest deferred DSL member and an average deferred DSL member. Additionally, the tables include the performance of the funds over different time periods depending on the age of the member.

Example Member	Years	Lifecycle Balanced 2020		Lifecycle Annuity 2020	
		Before charges	After charges	Before charges	After charges
Youngest active member (aged 32)	1	£126,400	£126,200	£126,400	£126,200
	3	£146,900	£146,300	£146,900	£146,300
	5	£168,700	£167,600	£168,700	£167,600
	10	£227,100	£224,200	£227,100	£224,200
	15	£275,800	£270,200	£275,800	£270,200
	20	£325,800	£316,800	£325,800	£316,800
	25	£379,700	£366,400	£379,800	£366,600
	30	£445,600	£427,600	£454,200	£436,400
	33	£487,600	£466,900	£506,700	£486,400
Average active member (aged 54)	1	£386,200	£385,400	£386,200	£385,400
	3	£419,400	£417,000	£419,500	£417,200
	5	£455,400	£451,300	£457,400	£453,400
	10	£556,900	£548,600	£574,500	£567,000
	11	£577,200	£568,100	£599,300	£591,200
Youngest deferred member (aged 32)	1	£120,700	£120,500	£120,700	£120,500
	3	£129,100	£128,500	£129,100	£128,500
	5	£138,000	£137,100	£138,000	£137,100
	10	£161,000	£158,600	£161,000	£158,600
	15	£174,800	£170,600	£174,800	£170,600
	20	£187,900	£181,600	£187,900	£181,600
	25	£202,100	£193,400	£202,200	£193,500
	30	£221,500	£210,200	£225,900	£214,600
	33	£233,800	£221,000	£243,300	£230,600
Average deferred member (aged 54)	1	£375,400	£374,700	£375,400	£374,700
	3	£386,600	£384,300	£386,700	£384,400
	5	£399,700	£395,800	£401,500	£397,700
	10	£439,600	£432,100	£454,200	£447,500
	11	£447,100	£439,000	£465,300	£458,100

Projected fund values are rounded to the nearest hundred.

## IBM Pension Plan

Example Member	Years	Lifecycle Lump Sum 2020		Lifecycle Drawdown 2020	
		Before charges	After charges	Before charges	After charges
Youngest active member (aged 32)	1	£126,400	£126,200	£126,400	£126,200
	3	£146,900	£146,300	£146,900	£146,300
	5	£168,700	£167,600	£168,700	£167,600
	10	£227,100	£224,200	£227,100	£224,200
	15	£275,800	£270,200	£275,800	£270,200
	20	£325,800	£316,800	£325,800	£316,800
	25	£379,500	£366,200	£379,600	£366,300
	30	£427,600	£410,400	£437,200	£419,000
	33	£442,300	£424,200	£469,100	£448,100
Average active member (aged 54)	1	£386,200	£385,400	£386,200	£385,400
	3	£419,200	£416,800	£419,300	£416,900
	5	£451,700	£447,600	£453,400	£449,200
	10	£516,600	£509,300	£539,800	£530,700
	11	£524,700	£517,200	£555,800	£545,800
Youngest deferred member (aged 32)	1	£120,700	£120,500	£120,700	£120,500
	3	£129,100	£128,500	£129,100	£128,500
	5	£138,000	£137,100	£138,000	£137,100
	10	£161,000	£158,600	£161,000	£158,600
	15	£174,800	£170,600	£174,800	£170,600
	20	£187,900	£181,600	£187,900	£181,600
	25	£202,000	£193,300	£202,100	£193,400
	30	£212,300	£201,500	£217,200	£205,800
	33	£211,300	£200,000	£224,500	£211,700
Average deferred member (aged 54)	1	£375,400	£374,700	£375,400	£374,700
	3	£386,400	£384,100	£386,500	£384,200
	5	£396,300	£392,500	£397,900	£394,000
	10	£406,100	£399,600	£425,300	£417,200
	11	£404,100	£397,400	£429,400	£420,600

Projected fund values are rounded to the nearest hundred.

Example Member	Years	Lifecycle 2012 (Legacy)		Lifestyle 2002 (Legacy)	
		Before charges	After charges	Before charges	After charges
Average deferred member (aged 54)	1	£375,400	£374,700	£382,600	£382,300
	3	£386,500	£384,300	£409,200	£408,100
	5	£397,900	£394,200	£437,600	£435,600
	10	£441,400	£434,400	£511,500	£507,000
	11	£452,100	£444,700	£524,000	£518,900

Projected fund values are rounded to the nearest hundred.

## IBM Pension Plan

Example Member	Years	Lifecycle Balanced DSL 2020	
		Before charges	After charges
Youngest DSL deferred member (aged 32)	1	£120,700	£120,600
	3	£129,100	£128,900
	5	£138,000	£137,700
	10	£161,000	£160,100
	15	£174,800	£173,500
	20	£187,900	£186,300
	25	£202,100	£200,100
	30	£221,500	£219,000
	33	£233,800	£231,000
Average DSL deferred member (aged 54)	1	£375,400	£375,300
	3	£386,600	£386,200
	5	£399,700	£399,100
	10	£439,600	£438,400
	11	£447,100	£445,800

Projected fund values are rounded to the nearest hundred.

Example Member	Years	IBM Pension Plan Infrastructure Equity		IBM Pension Plan UK Money Fund	
		Before charges	After charges	Before charges	After charges
Average active member (aged 54)	1	£397,200	£395,600	£378,900	£378,600
	3	£455,200	£449,800	£396,500	£395,800
	5	£518,300	£508,400	£413,900	£412,700
	10	£702,200	£676,500	£456,800	£454,300
	11	£744,000	£714,200	£465,200	£462,500
Average deferred member (aged 54)	1	£386,200	£384,700	£368,200	£368,000
	3	£420,900	£415,700	£364,600	£364,000
	5	£458,700	£449,300	£361,100	£360,000
	10	£568,600	£545,700	£352,300	£350,200
	11	£593,600	£567,300	£350,600	£348,300

Projected fund values are rounded to the nearest hundred.

IBM Pension Plan

Example Member	Years	IBM Growth Plus Fund DSL	
		Before charges	After charges
Average DSL deferred member (aged 54)	1	£375,400	£375,300
	3	£386,500	£386,100
	5	£397,900	£397,300
	10	£427,900	£426,500
	11	£434,100	£432,600

Projected fund values are rounded to the nearest hundred.

# IBM Pension Plan

## Assumptions and notes

1. Projected pension pot values are shown in today's terms, and do not need to be reduced further for the effect of inflation.
2. Contributions are paid halfway through the year.
3. Investment returns and costs/charges as a percentage reduction per annum are assumed to be applied at the end of the year.
4. Charges and costs are deducted before the application of investment returns.
5. Switching costs are not considered in the lifestyle strategy.
6. Inflation is assumed to be 2.5% each year.
7. Contributions are assumed to be paid from age 32 to 65 for the youngest active member and from age 54 to 65 for the average active member and increase in line with assumed earnings inflation of 0% per year.
8. The values shown are estimates and are not guaranteed.
9. The real projected growth rates for each fund are as follows:

Fund	Real projected growth rate (p.a.)
Lifecycle Balanced 2020	1.463% - 3.415% (adjusted depending on term to retirement)
Lifecycle Annuity 2020	1.463% - 3.415% (adjusted depending on term to retirement)
Lifecycle Lump Sum 2020	-0.488% - 3.415% (adjusted depending on term to retirement)
Lifecycle Drawdown 2020	0.976% - 3.415% (adjusted depending on term to retirement)
Lifecycle 2012 (Legacy)	1.463% - 2.439% (adjusted depending on term to retirement)
Lifestyle 2002 (Legacy)	2.439% - 3.415% (adjusted depending on term to retirement)
Lifecycle Balanced DSL 2020 ( <i>no IMCs</i> )	1.463% - 3.415% (adjusted depending on term to retirement)
IBM Pension Plan Infrastructure Equity	4.390%
IBM Pension Plan UK Money Fund	-0.488%
IBM Growth Plus Fund DSL ( <i>no IMCs</i> )	1.463%

10. Transactions costs and other charges have been provided by LGIM and covered the period 1 January 2024 to 31 December 2024. Transaction costs have been averaged by WTW using a time-based approach. The transaction costs for Blended funds were estimated by WTW based on the transaction costs for the underlying funds.
11. Pension scheme's normal retirement age is 65.

## IBM Pension Plan

### 12. Example member:

- Youngest active: age 32, total annual contribution: £5,635, starting fund value: £116,700.
- Average active member: age 54, total annual contribution: £10,700, starting fund value: £370,000.
- Youngest deferred: age 32, total annual contribution: nil, starting fund value: £116,700.
- Average deferred: age 54, total annual contribution: nil, starting fund value: £370,000.
- Youngest DSL deferred: age 32, total annual contribution: nil, starting fund value: £116,700.
- Average DSL deferred: age 54, total annual contribution: nil, starting fund value: £370,000.

Values are estimates only and are not guaranteed. Members are reminded of the objective of the illustrations which is to demonstrate the compounding effect of charges and costs on projected DC pension savings. It is not intended to demonstrate the merits of different investment strategies or investment funds. Before making any changes to your investment choices, you should consider the financial risk associated with the different types of investment. Please refer to the "Guide to Investing" section on our client microsite <https://www.legalandgeneral.com/workplace/uk/ibm/on-your-way/guide-to-investing/>. If you wish to review your investment decision, or are starting to plan your retirement, you should speak to a financial advisor. For help with choosing a financial advisor in your area, please contact the Money Helper (formerly the Money Advice Service) <https://www.moneyhelper.org.uk/en>. If you are aged 50 or over you have the right to contact 'Pension Wise', a free and impartial Government service, that helps you understand your pension options. You can find more information at [www.pensionwise.gov.uk](http://www.pensionwise.gov.uk).