Roche Pension Fund

DC Section member booklet

For employed deferred DB members who joined the DC Section on 1 July 2023

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This guide has been set up as an interactive PDF. Use the links in the Contents to jump to a particular section, or use the back and forward arrows below to navigate through this booklet. Click on the home button to return to this page.

INTRODUCTION

So much of our life entails planning for the future. An important career move, a special holiday, a new car – all of these we plan with excitement. Nevertheless, while we are so forward looking in some ways, we often neglect some of the most important planning of our lives. How will we manage in retirement? How will our families manage if we fall ill?

With people today living longer than ever before, it is never too soon to start planning for retirement. It is now possible to spend over 20 years in retirement – that's around half the average working life.

Some people may believe that the State Pension will be enough to meet their financial needs in retirement. The full flat-rate State Pension for the 2024/25 tax year is approximately £11,502 a year, or £221.20 a week, depending on a number of factors. If that doesn't sound like much to live on, then it's important to start making plans for extra retirement income. The Defined Contribution Section (**DC Section**) of the Roche Pension Fund (the **Fund**) provides you with retirement income payable in addition to any benefits you may receive from the State (see **page 19**). To find out more about your State Pension benefits, visit **www.gov.uk/new-state-pension**.

Words in **bold** link through to the **Glossary of terms,** where they are explained in more detail.

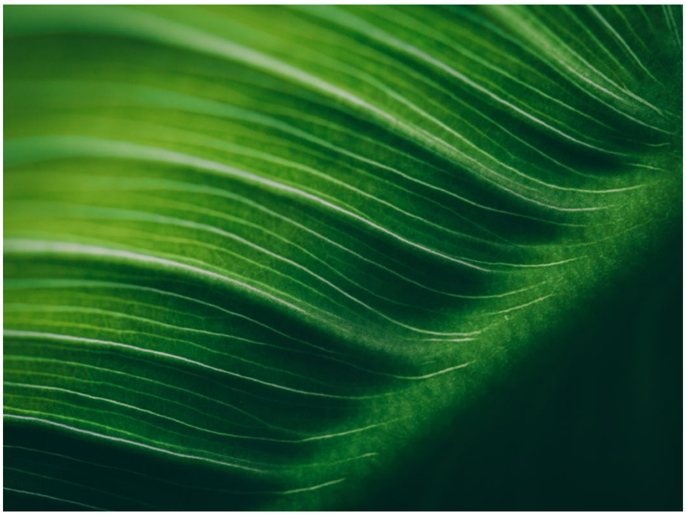
The DC Section gives you the chance to build up the savings you will need for the life you are looking for when you retire. It also provides protection if you become seriously ill, as well as benefits for your **dependants** following your death. This booklet explains the DC Section in a way that we hope you will find easy to follow. There's no doubt about it, pension plans can at times appear complicated.

This booklet provides a summary of the main features of the DC Section as they apply to **employed deferred DB members** (those who joined the DC Section on 1 July 2023 when the **DB Section** closed to future accrual). Please note that full details about the DC Section are in the Trust Deeds and Rules, which govern your legal rights under the DC Section. (As a member of the DC Section, you can ask to see these – details on how to do this can be found later in this booklet.) If there are any differences between the Trust Deeds and Rules and this booklet, then the Trust Deeds and Rules will take priority.

HOW THE DC SECTION WORKS
– A SNAPSHOT

The way the **DC Section** works is simple.

- We open a **pension account** in your name.
- Contributions from you and the **Company** are paid into your pension account and are invested.
- The value of your pension account when you retire depends on the amount of contributions it receives and how your money is invested.



Contributions

- You can choose from a range of contribution levels.
- Before we enrolled you into the DC Section on 1 July 2023, we gave you an opportunity to choose your contribution rate. If you didn't make a choice, we set you up to pay 3% of your **basic contribution salary** into your pension account (with Roche paying in an extra 8.4%). The maximum contribution payable by Roche is 14%, as set out on the table on **page 9**.
- If you want to pay more than 5%, those extra contributions will be paid into your account as **additional voluntary contributions (AVCs)**.

It is important that you think about the lifestyle you are targeting in your retirement and what you can afford to contribute before making your decision.

Investments

- You are able to choose how your pension account is invested.
- There are three Lifestyle strategies, as well as a number of individual investment funds, should you want to manage your own investments.
- If you do not make any investment decisions, we will invest your pension account in the Roche Flexible Retirement Lifestyle Strategy (**drawdown**). Any AVCs you pay as a DC Section member will be invested in the same way as your main pension account.

HOW THE DC SECTION WORKS CONTINUED

Retirement

- Your **normal retirement age** is 65 – this is the default age for the **Fund**. However, you can choose to take your benefits earlier or later than this (but no later than 75).
- You can defer using your **pension account** to purchase benefits up to age 75. If you do this, your pension account will remain invested.
- You can usually take up to 25%* of the value of your pension account as a tax-free cash lump sum, and use the rest to provide you with a choice of benefits:
    - **Drawdown** – you can take income from your pension account, as and when you wish, and continue investing the rest.
    - **Annuity** – a regular, guaranteed income from a pension provider.
    - **Cash** – you can take up to 100% of the value of your pension account as one or more cash lump sums.
    - Or, a combination of the above.

You may need to transfer your pension account out of the Fund to take certain options. As you approach retirement, Fidelity International will write to you with full details about your retirement options from the **DC Section**.

*Up to a maximum of £268,275 for most members, across all pension schemes

Protection for your dependants

If you die before retirement, the benefits depend on whether or not you are still employed by Roche:

- If you are a Roche employee, a cash sum of six times your **basic contribution salary** at the date of your death will be payable.
- Your pension account will be paid as a lump sum, although the **Trustee** has discretion to use this money to provide pensions to any of your financial **dependants**. In addition, any children may be eligible for a children's pension.

If you die after retirement, the benefits received by your beneficiaries from the DC Section will depend on your chosen retirement options.

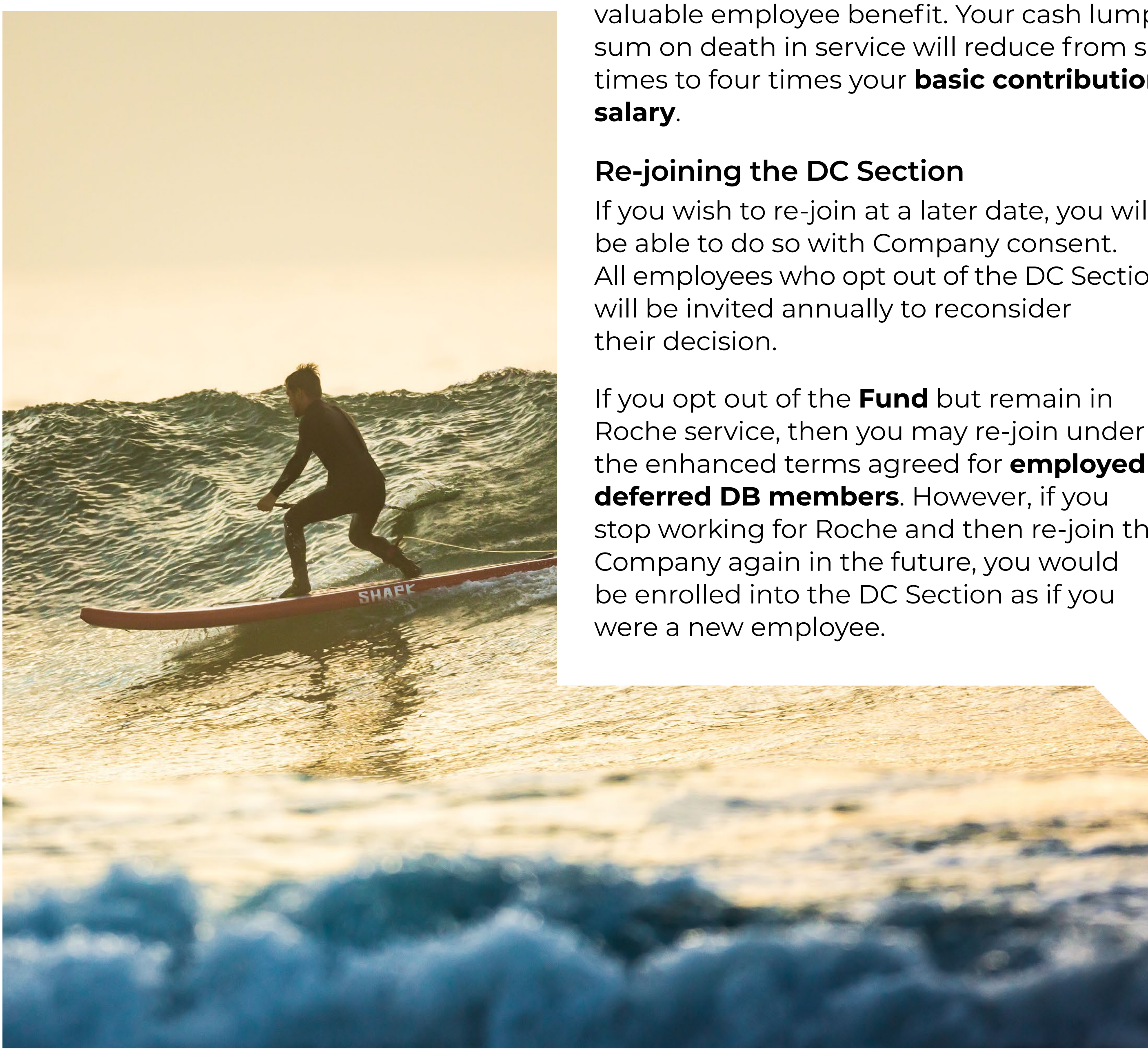
JOINING

Eligibility

We enrolled all active members of the **DB Section** into the **DC Section** on 1 July 2023.

Beyond normal retirement age?

If you are in the DC Section when you reach **normal retirement age** and you are not ready to retire, you will be able to remain a member of the DC Section until age 75.



Opting out of the DC Section

You can opt out of the DC Section if you want to. However, under **auto-enrolment** legislation we will automatically enrol you back into the DC Section around once every three years.

Opting out or leaving the DC Section may substantially reduce your retirement income. The **Company** will not make contributions to any other pension arrangement, so you would miss out on a valuable employee benefit. Your cash lump sum on death in service will reduce from six times to four times your **basic contribution salary**.

Re-joining the DC Section

If you wish to re-join at a later date, you will be able to do so with Company consent. All employees who opt out of the DC Section will be invited annually to reconsider their decision.

If you opt out of the **Fund** but remain in Roche service, then you may re-join under the enhanced terms agreed for **employed deferred DB members**. However, if you stop working for Roche and then re-join the Company again in the future, you would be enrolled into the DC Section as if you were a new employee.

JOINING CONTINUED

Your membership

When you joined the **DC Section on 1 July 2023**:

- we set up a **pension account** in your name;
- you and the **Company** will pay contributions, normally through **salary sacrifice**, as a percentage of your **basic contribution salary**;
- if you do not choose where to invest your pension account, contributions will be invested in the Roche Flexible Retirement Lifestyle Strategy (**drawdown**). Note that for the **Bonus Choice** Section, we will place you in the Roche Lifestyle Strategy Targeting Cash; and
- your **normal retirement age** will be 65 unless you make a different choice.

Forms

It's important that you complete and keep a number of forms up to date, particularly if your personal circumstances change. The **Trustee** will treat the information in these forms in the strictest confidence. You can find all the forms on **www.planviewer.co.uk**. The forms available include:

- **Expression of wish form** – this is an online form that lets the Trustee know your wishes for the payment of any cash sum, should you die in employment with the Company. Any payment would be at the discretion of the Trustee.
- **Nomination form** – this form allows you to nominate one or more financial **dependants** to receive benefits from the Fund following your death (for example, if you're not married to them or in a civil partnership). You don't have to complete this form, as the Trustee will complete its own investigations, but having it makes your thoughts and situations clearer, so we recommend that you do fill one out. Any benefits are payable at the discretion of the Trustee.
- **Transfer-in form** – if you have previously contributed to another pension plan, you may be able to transfer these benefits into the **Fund** subject to Trustee discretion. If you are in any doubt whether to transfer your benefits into the Fund, you should seek advice from an impartial financial adviser. See **page 28** for details of organisations you can contact for financial advice.

CONTRIBUTIONS

The three-step plan

It's important to think about the lifestyle you are targeting in retirement and the income you will need when deciding how much to contribute to your **pension account**. Remember the three-step plan:

1. **Think about how much you will need (when you retire) – set a target**
It's never too early to start thinking about retirement; the earlier you start, the more ready you will be. Think about your likely outgoings in retirement and which retirement option may be most suitable to help you pay for your life after work.

2. **Contribute what you can afford as early as possible**
Once you know how much you may need, you should concentrate on how to reach your retirement savings goal. Ask yourself what you can reasonably contribute to your pension account now, and in the future. If you're eligible, don't forget your **Bonus Choice** options.

3. **Make your contributions work hard for you and check your investments**
How much attention do you pay to your investments? Do you know which investment option you have chosen? It's important to choose an investment approach that suits you and your attitude to risk. Remember to regularly check your investments to make sure they are in line with how you intend to take your retirement income.

CONTRIBUTIONS CONTINUED

Member and Company contributions

The table below shows the levels of contributions you can pay, and the corresponding **Company** contribution.

Your contribution options	3% (default)	4%	5%
Company's contributions	8.4% (default)	11.2%	14%
Total of your basic contribution salary	11.4% (default)	15.2%	19%

When you were first invited to join the **DC Section**, you were given an opportunity to choose your contribution rate. If you didn't make a decision at the time, you would have been enrolled at a rate of 3% of **basic contribution salary**, with the Company contribution of 8.4% of basic contribution salary on your behalf, as set out in the table above.

You can change your contribution level each year during the annual flex enrolment period. This is a set period of time when the Company allows you to make changes to a number of your flexible benefits, including your pension contributions. You will be able to make changes using My Total Roche when the enrolment window is open.

Outside of the flex enrolment window, you can also request to change your contribution rate by contacting the Darwin Online Benefits helpline on **0203 435 7753** (8.30am - 6pm, Mon-Fri) or email **helpdeskEMEA@darwin.com**. They will be able to open a window for you on the My Total Roche benefits platform so that you can make your choice. You can change your contribution rate no more than once a month.

Contributions are normally made through **salary sacrifice**. This means that you do not make contributions directly to your **pension account**; instead you give up salary equal to the contribution amount you choose, and the Company contributes this amount on your behalf. Your contributions are free of income tax and National Insurance (NI) contributions.

CONTRIBUTIONS CONTINUED

Contribution example

Below is an example of what Sarah's monthly take-home pay in the 2023/24 tax year would look like, depending on which contribution level she chooses.

Sarah: Age 30
Basic contribution salary: £2,500 a month (£30,000 a year)

	3%/8.4%	4%/11.2%	5%/14%
Sarah's contributions/Company's contributions on Sarah's behalf	£75/£210	£100/£280	£125/£350
Tax payable at 20%	£276	£271	£266
NI payable	£110	£108	£106
Net take-home pay	**£2,039 a month**	**£2,021 a month**	**£2,003 a month**

Additional voluntary contributions (AVCs)

If you would like to save more money towards your retirement you can pay **AVCs**. Regular AVCs through payroll are also usually made through **salary sacrifice**.

AVCs are a tax-efficient way of saving towards your retirement. However, if you want flexibility and access to your savings before retirement, there are other options outside the **Fund**. It is recommended that you seek impartial financial advice before deciding to increase your contributions or investing in any other financial products. Details of how to get financial advice are on **page 28**.

Before deciding what level of AVCs to pay, please check if you can move to a higher member contribution level to benefit from higher **Company** contributions.

How AVCs work

You choose the amount of AVCs you want to pay. Your AVCs are paid into the same **pension account** as your main DC contributions, so they will be invested in the same range of funds.

When you retire, your AVCs will provide additional retirement benefits for yourself and your **dependants** in line with your wishes. Normally, you cannot withdraw your AVCs before retirement – although the **DC Section** does provide members with some flexibility in when and how they take the money that builds up in their pension account. **See pages 15 to 17**.

If you leave the DC Section before retirement, we will treat any AVCs you built up from 1 July 2023 in the same way as your main DC Section benefits.

CONTRIBUTIONS CONTINUED

Bonus Choice

Bonus Choice gives you the opportunity to sacrifice some or all of your annual bonus for a **Company** contribution. You can also invest this contribution differently from your regular contributions to your **pension account**. At retirement, you can use the money that you have built up through Bonus Choice to provide you with a different retirement benefit to the one you have chosen for your main pension account.

If you paid extra contributions before 1 July 2023

If, as a former active member of the **DB Section**, you paid **AVCs** or Bonus Choice contributions, then this money will be held separate from your new **DC Section** pension account. You will be able to use your 'DB' AVC/Bonus Choice account(s) to fund any tax-free lump sum that you want to take from the DB Section at retirement.

CONTRIBUTIONS CONTINUED

Annual allowance

The total pension contributions that can be paid by you, or on your behalf, each year tax-free is called the **annual allowance**. Contributions that count towards the annual allowance include all contributions paid to the **Fund** by either you or the **Company** and any contributions you make to any other pension arrangement. The standard annual allowance is £60,000 for the 2024/25 tax year. Your annual allowance may be lower than £60,000 if:

- your total UK taxable annual income is more than £200,000. A tapered annual allowance was introduced for higher earners in April 2016, which as of April 2023 can reduce the annual allowance to as little as £10,000. The rules for the tapered annual allowance are complex and more information is available at **www.gov.uk/tax-on-your-private-pension/overview**. This income includes any rental, investment and pension income you may have, as well as your total Roche earnings.
- you have accessed your retirement savings 'flexibly', for example transferring and then accessing **drawdown** outside of the Fund. In this case, a Money Purchase annual allowance applies, and your annual allowance may be reduced to £10,000 for future DC savings. If your retirement savings increase by more than this over the year, you will be taxed at your highest rate on the excess.

You can carry forward any unused annual allowance from the three previous tax years to the current tax year, although you can only use unused allowance you carry forward once. However, even when carrying forward, the amount you can pay into your **pension account** is limited to 100% of your earnings in the tax year the payment is being made. The annual allowance is measured over a year from 6 April to 5 April. The carry forward rule does not apply to the Money Purchase annual allowance.

The lifetime allowance (LTA)

The LTA was a limit placed on the value of benefits in registered pension schemes that you could accumulate in your lifetime but was scrapped from April 2024. The LTA was replaced by two new allowances, which restrict how much tax-free cash can be taken at retirement or on the death/ill health of a member. If you have an earlier LTA protection, you may be eligible to take a higher tax-free cash amount.

The information on this page is based on our current understanding of the situation and is subject to change.

Please seek impartial financial advice if you have any concerns about how the annual allowance might affect you.

INVESTMENTS

Where to invest your **pension account** is a very important decision as it will have a big impact on the value of your pension account at retirement. You can either choose your own investment funds (Self-select), or you can use one of the three Lifestyle strategies.

Please refer to the **DC Section** investment guide for full details of all strategies and funds available at **www.planviewer.co.uk**.

The value of your pension account when you retire depends on the amount of contributions it receives and how your money is invested. It is not guaranteed and may go down as well as up, depending on the returns achieved by the funds in which your pension account is invested.

Lifestyle strategies

In investment, 'Lifestyle' is the term for a pre-set automated investment strategy which aims to grow the value of your pension account when you are far from retirement and gradually switch to funds that aim to protect the value of your pension account as you approach your retirement age.

The **Trustee**, with the help of its advisers, has designed a range of strategies in line with how members may decide to take their retirement benefits, as follows:

- Roche Flexible Retirement Lifestyle Strategy (**drawdown**)
- Roche Lifestyle Strategy Targeting Annuity
- Roche Lifestyle Strategy Targeting Cash

If you don't make an investment choice, we'll place you in the Default Investment Option ('default'), the Roche Flexible Retirement Lifestyle Strategy (drawdown). This option is designed primarily for members who wish to draw down an income in a flexible way during their retirement. Your DC **AVCs** are invested in the same way as your main account, but for the **Bonus Choice** Section, we will place you in the Roche Lifestyle Strategy Targeting Cash. If you paid AVCs in the **DB Section**, the default investment for that account is also the Lifestyle Strategy Targeting Cash.

As the three Lifestyle strategies target different retirement benefits and follow fixed investment paths, they may not be suitable for all members, and you should review how these strategies will invest your savings before making a choice.

INVESTMENTS CONTINUED

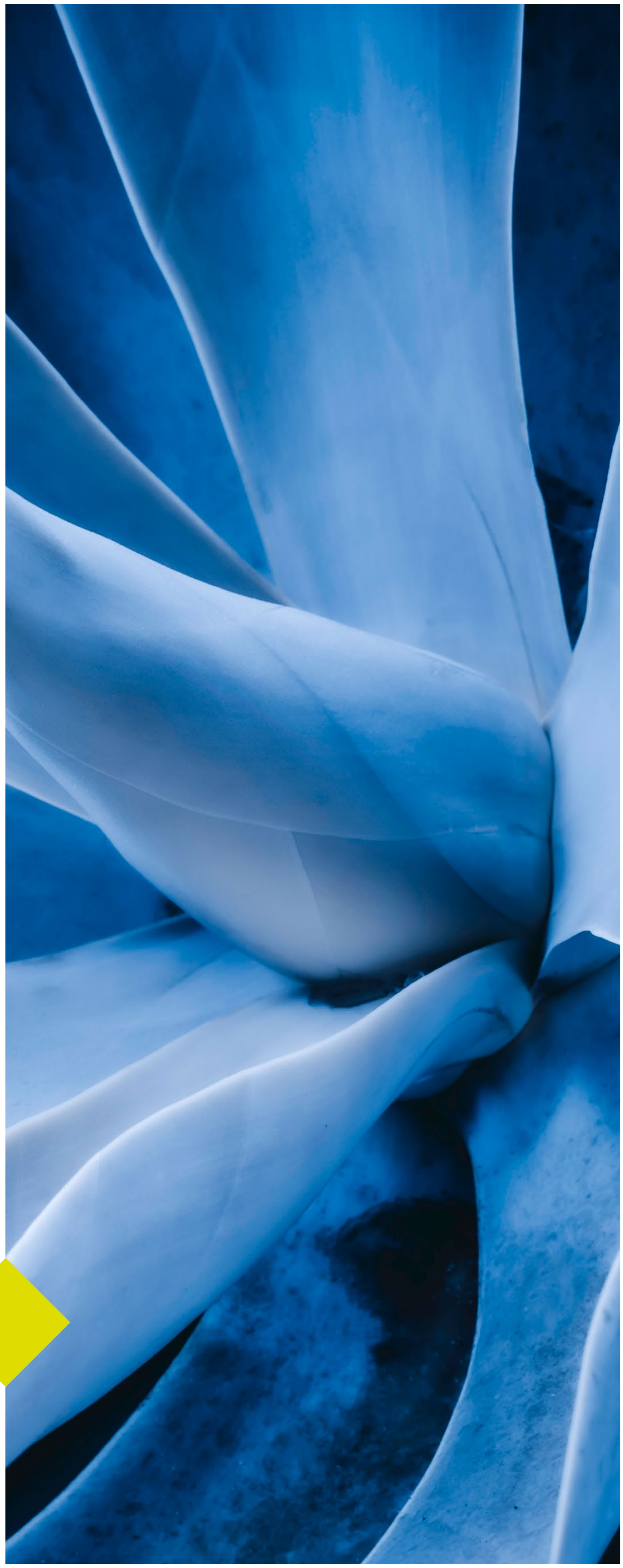
Self-select option

The Self-select option is for members who wish to make their own investment choices for their **pension account**.

Changing your investment choices

You should regularly review your investment decision to check that your choice remains appropriate – especially if you plan to change your retirement date or if your needs change. You can switch between the **DC Section** investment funds at any time by visiting **www.planviewer.co.uk**. You will need your Username and Password to access your pension account. If you do not have your Username and Password, please contact Fidelity International using the details at the end of this guide.

When changing investments between different funds, there may be some indirect transaction costs associated with selling your old investments and buying your new investments. The unit price of your new funds will take these indirect costs into account.



RETIREMENT BENEFITS

Your normal retirement age

Your **normal retirement age** is 65, although you can draw your funds earlier or later, in line with the minimum and maximum ages we describe on **page 5**. It's important to keep Fidelity International informed of your target retirement age, especially if it changes. This is because if you are investing in a Lifestyle strategy, your **pension account** switches to different assets depending on how far you are from your retirement age, so it could mean you either take on too much investment risk or miss out on potentially higher investment returns if your target retirement age is not correct.

Your options at retirement from the DC Section

When you retire you can use your pension account in a variety of ways. The **DC Section** offers 'single retirement options' (where you take all the funds in your pension account in the same way at the same time) and 'dual retirement options', (where you can take it in different ways, at different times).

Single retirement options

You can choose one or more of the following options:

- **Annuity** – use your pension account to buy an annuity from an insurance company. An annuity is an insurance product that provides a guaranteed income, typically for life. You can choose an annuity with a variety of different benefits, such as **dependants**' benefits, although the benefits you choose may change the amount of income you will receive from the annuity. Income from an annuity would be taxed at your marginal rate in retirement. With this option, you may take up to 25%* of your pension account as tax-free cash before using the remainder to buy the annuity.
- **One-off cash lump sum** – you can usually take up to 25%* of the value of your pension account as a tax-free lump sum and use the remainder for **drawdown** or annuity purchase. Alternatively, you can choose to take your entire pension account as cash, in which case you would pay tax at your marginal rate on any amount over 25% of the value of your pension account.
- **Full transfer** – you can transfer all of the money in your pension account to another arrangement, where you might decide to use 'drawdown' to take an income from it over time, as and when you like. Your funds would remain invested and you would pay tax on any drawdown income at your marginal rate in retirement. Please note, you will not be able to use the money in your DC pension account to fund any tax-free cash on retirement from the DB Section. If you paid DB **AVCs**, you would be able to use these to fund your tax-free cash from the **DB Section**.

*Up to a maximum of £268,275 for most members across all pension schemes.

RETIREMENT BENEFITS CONTINUED

Dual retirement options

You can choose one or more of the following 'dual options':

- **Annuity plus one-off cash lump sum** – you can use some of the money in your **pension account** to buy an annuity from an insurer and take the remainder as a one-off cash lump sum. You can usually take up to 25%* as a tax-free lump sum from each option as described above. Both your annuity income and the one-off cash lump sum would then be taxed at your marginal rate.
- **Partial transfer plus one-off cash lump sum** – you can transfer some of your pension account to another arrangement and take the remainder as a one-off cash lump sum (with or without taking a tax-free lump sum as described above).
- **Partial transfer plus annuity** – you can transfer some of your pension account to another arrangement and use the remainder to buy an annuity (with or without a tax-free lump sum as described above).

If you want to use more than two options, you can transfer some or all of the money you have built up in the **DC Section** to an external pension arrangement. If you have a **Bonus Choice** account in addition to your main DC pension account, you can use a dual retirement option in relation to each account – giving you a choice of up to four options in the DC Section.

As you approach retirement, Fidelity International will write to you about your retirement choices from the DC Section.

As an **employed deferred DB member**, you have a protected retirement age that currently allows you to take your benefits from the **Fund** from age 50, subject to meeting certain conditions. This is a complex area and you may want to obtain impartial financial advice if you are considering this. If you want to access your Fund benefits before age 55, you generally have to take everything at the same time (DB and DC benefits) and you will also lose your protected retirement age if you transfer funds to another pension arrangement.

If you paid AVCs or Bonus Choice in the DB Section

If you paid **AVCs** or Bonus Choice contributions during your service in the **DB Section**, those benefits must be used at the same time as your DB benefits. Please see the DB guide and DB AVC guide for more details.

*Up to a maximum of £268,275 for most members across all pension schemes.

RETIREMENT BENEFITS CONTINUED

Flexible retirement

The **DC Section** offers a flexible retirement option whereby you can access some of your **pension account** early, either by taking a one-off cash lump sum or a partial transfer, and leaving the remainder invested in the **Fund** until a later date.

This option applies to your main DC pension account and **Bonus Choice** account separately. This means, for example, you could take all or part of your main DC pension account early and then take all or part of your Bonus Choice account early on a separate occasion.

You can only do this once and must take the remainder of your main pension account/Bonus Choice account (if applicable) at the same time. Additionally, you must leave at least £10,000 in your pension account. You may only leave less than £10,000 in your pension account if the **Trustee** agrees.

The earliest you can take a one-off lump sum under the flexible retirement option is age 55*. You can transfer a portion of your pension account to another arrangement before age 55*, but you would generally need to wait until age 55* to access that money. You must also take all of your retirement benefits by age 75.

Depending on how your DC pension account is invested, you may be asked to make some choices about which investments to sell in order to partially access your funds. Fidelity International will provide you with full information when you approach them with your request. Please refer to the investment guide for information on how your funds will be disinvested.

Limits on tax-free cash

In April 2024, the Government introduced two new allowances which restrict how much tax-free cash can be taken be taken at retirement or on the death/ill health of a member. The **lump sum allowance** restricts the tax-free retirement lump sum to £268,275 for most members, but if you have an earlier lifetime allowance protection, you may be eligible to take a higher tax-free cash amount. The **lump sum and death benefit allowance**, fixed at £1,073,100, is the maximum tax-free lump sum that can be paid on death (including any serious ill-health lump sum), to or in respect of an individual.

*__Employed deferred DB members__ have a protected retirement age which means they can take their benefits from the age of 50, subject to meeting certain conditions. Not all flexibilities will be possible from age 50.

RETIREMENT BENEFITS CONTINUED

Early retirement

You may retire early, either voluntarily or through ill health:

Voluntary early retirement

You can start to take your retirement income earlier than age 65, but no earlier than age 50, provided you meet certain conditions at the time you access your benefits.

Your early retirement income will tend to be lower than that payable at **normal retirement age** for two reasons – you will have:

- built up fewer contributions in your **pension account**; and
- invested your pension account for a shorter period of time.

In addition, you will need your pension account to last for a longer period throughout your retirement.

Ill-health retirement

Group Income Protection (GIP) provides a monthly income to employees who become seriously ill and are unable to work, and who are absent for more than 26 weeks. Any payment will be in line with the terms and conditions of the insurance scheme; it is a **Company** benefit, however neither the Company nor the **Trustee** is involved in the decision-making process.

To receive the benefit, you would need to meet the insurer's necessary medical conditions and have your claim independently assessed against their definition of disability. If your claim is successful, you will receive a benefit of 50% of your base pay from the policy. You will continue to remain a member of the **DC Section** and contributions will go into your pension account. This GIP benefit will be payable for a maximum of five years, unless you recover and return to work, die, or reach **State Pension Age**. If you work beyond State Pension Age and then make a claim, GIP benefits would stop at age 70. During this period the insurer will check your medical condition regularly to make sure you still qualify for the benefit.

You also have the option to retire early and take an ill-health pension from the **DB Section**, but this benefit is paid at the discretion of the Trustee. You can find out more in the DB Section booklet.

RETIREMENT BENEFITS CONTINUED

Late retirement

You can defer taking your retirement income up to age 75. If you decide to do this, your **pension account** will remain invested and your contributions can continue to go into your pension account if you are still employed by the **Company**.

State benefits

The single-tier State Pension came into force for those reaching **State Pension Age** from 6 April 2016, replacing the Basic and Additional State Pension (State Second Pension and SERPS). Your State Pension Age depends on your date of birth and whether you are male or female. You can find a State Pension Age calculator at **www.tax.service.gov.uk/check-your-state-pension**.

The State Pension you will receive depends on a number of factors:

- If you made National Insurance (NI) contributions before 6 April 2016, the Department for Work and Pensions (DWP) will calculate your new State Pension using the higher of:
  - what is payable under the old rules (including Basic and Additional State Pension);
  - what is payable under the new rules.
- The number of years of NI contributions you have paid:
  - you need 35 years to qualify for the full single-tier State Pension;
  - typically, you need at least 10 ‘qualifying years’ to receive any State Pension, but these can be from before or after 6 April 2016 and don’t have to be 10 years in a row; and
  - the amount payable under the new rules will be adjusted to reflect the period of reduced NI contributions for those who were contracted out before April 2016.

Visit **www.gov.uk/new-state-pension** or you can find out how much State Pension you are likely to receive by contacting the Future Pension Centre. Their contact details are on **page 28**.

BENEFITS IF YOU LEAVE

As soon as practical after you have left service, you will be informed of your options for your **pension account**.

The options available to you are to:

- keep your pension account in the **Fund**; or
- transfer all or some of your pension account to another registered pension scheme.

Refunds

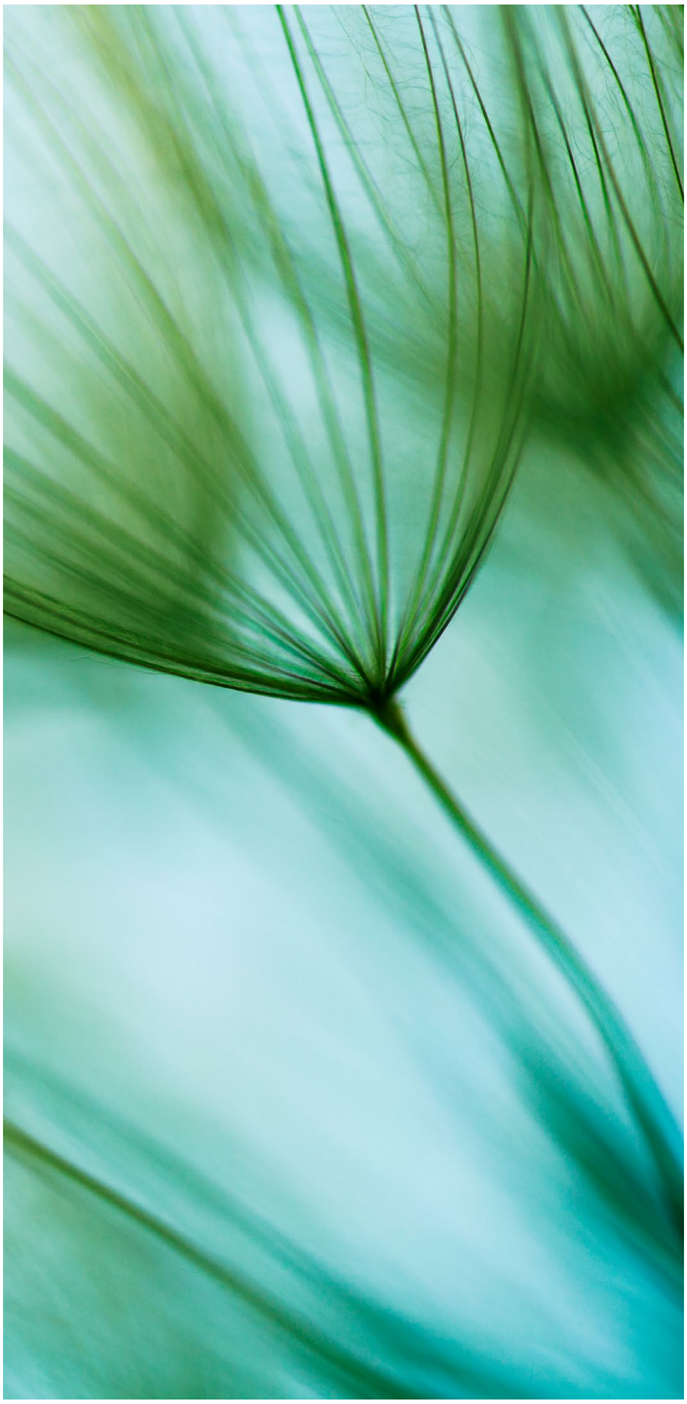
If you have been a member of the Fund for less than 30 days, you will be able to receive a refund of your contributions, less tax and National Insurance.
As contributions normally made through **salary sacrifice** cannot be refunded from the Fund, you will instead receive a payment from the **Company** which is equal to the refund you would have received from the Fund.

Transferring your pension account

If you are considering a transfer or partial transfer of your pension account, please contact Fidelity International. Their details are on **page 32**. You may transfer the total value of your pension account at any time after you have left.

Personal circumstances

It is important that you keep Fidelity International informed of any changes to your name or address or marital status, particularly if you have left service.
Their details are on **page 32**.



DEATH BENEFITS

Death in service

On death in employment with the **Company** before **normal retirement age**, the following benefits are payable from the **DC Section**:

Cash sum

A cash sum of six times your **basic contribution salary** at the date of death will be payable, together with the value of your DC **pension account**. Your **AVCs** will provide an additional cash sum.

If you opt out of the DC Section, you will still be covered for a life assurance benefit. However, in those circumstances, the benefit payable in the event of your death in Company service is a cash sum of four times* your basic contribution salary at the date of death.

The **Trustee** has discretion to decide who will receive any cash sums payable from the **Fund**. Current law allows the Trustee to make this payment free from inheritance tax. The Trustee would like to take account of your wishes for the payment of such sums so having an up-to-date Expression of wish or Nomination form helps them in this regard.

Please complete and return an Expression of wish and Nomination form, and check them from time to time, to make sure they are always up to date. You can state the people you would like to receive the benefit and in what proportion. The Trustee will always take your wishes into consideration but cannot be legally bound by them.

*Prior to 2025, a reduced benefit would have been payable (two times basic contribution salary) but this restriction was lifted with effect from 1 January 2025.

If your circumstances change in the future (for example, if you get married or divorced), you should review your decision and, if necessary, complete a new form.

Dependant's pension

On your death in service, a **dependant's** pension will be payable to your spouse or civil partner, equal to the greater of:

- 30% of your basic contribution salary; or
- 2/3rds of the DB pension you would have received had you retired on the date of your death, based on service to 30 June 2023.

If you do not leave a surviving spouse/civil partner the Trustee may pay this pension to another dependant.

The dependant's pension will be payable for the rest of his or her life. The amount paid will increase each year as explained in the Trust Deeds and Rules (currently up to a maximum of 2.5%).

If you have no legal spouse or civil partner, you can nominate a dependant or dependants to receive a pension by completing a Nomination form. Any financial dependant will be considered by the Trustee, whether or not you have completed this form, but having this information will make the process quicker.

If no pension benefits are payable on death in the Company's employment, a cash sum equal to the value of that part of your account that is attributable to your contributions, plus interest, will be

DEATH BENEFITS CONTINUED

payable to your estate. If you participated in **salary sacrifice**, then the cash sum will be worked out as if you had continued to contribute to the **Fund** outside of salary sacrifice.

Children's pension

In addition to the **dependant's** pension, a children's pension of 1/8th of the dependant's pension will be payable for each child. Under the Rules, the total amount payable from the Fund to all your children cannot exceed 50% of the dependant's pension.

The pension will be payable until the child reaches 18. It may continue up to age 23 at the discretion of the **Trustee** if the child is in full-time education or vocational training, or for longer if the child is disabled.

DEATH BENEFITS CONTINUED

Death after leaving

If you die before your benefits become payable, the value of your **pension account** will be paid as a lump sum, at the discretion of the **Trustee**, in addition to any benefits payable from the **DB Section** of the **Fund**. Please refer to the DB Section booklet for details or contact the DB Section administrator.

Death after retirement

When you reach retirement, you will be able to decide how to use your DC pension account to provide for any **dependants** in the event of your death. Benefits will also be payable from the DB Section of the Fund. Please refer to the DB Section booklet for details or contact the DB Section administrator.

The death benefits described will be considered by the Trustee on a case by case basis. Awards depend on the information they have at the time.

GENERAL INFORMATION

Management of the Fund

The **Fund** has been established under a Trust so that its assets and liabilities are entirely separate from the **Company**. Roche Products Pension Trust Limited (the **Trustee**) has been set up specifically to run the Fund.

The Trustee appoints several professional advisers to assist in the smooth running of the Fund. The Trustee must produce an annual report about the Fund, including details of the Fund's accounts.

The names of the current directors of the Trustee and the Trustee's advisers are available from People and Culture. They also appear on the Roche pensions website.

Tax status

The Fund is a registered pension scheme under the Finance Act 2004. This registration currently brings the following tax advantages:

- most members receive full income tax relief on any contributions they make to their **pension account** within the maximum permitted;
- the cash lump sum payable on retirement is tax free up to the maximum allowed by HM Revenue & Customs; and
- there are benefits from tax advantages in respect of investment income.

In return for these valuable concessions, HM Revenue & Customs sets allowances for the benefits you can receive and the contributions that can be paid. Any benefits and contributions above these allowances will not receive the same favourable tax treatment, and further restrictions apply for people on high incomes.

GENERAL INFORMATION CONTINUED

Data protection

The **Trustee** processes data about you for the purpose of administering and operating the **Fund** and paying benefits under the Fund. This may include passing on data about you to your employer, the Fund's pension administration team, auditor administrator, investment providers, insurers and such other third parties as may be necessary for the administration, operation and investment of the Fund.

The Trustee is regarded as a Data Controller under data protection laws in relation to the data processing referred to above.

Full details of the personal data the Trustee holds, how it uses that information and who it shares it with are in the Trustee's privacy notice which is available to view at **www.planviewer.co.uk** (which is updated from time to time). The privacy notice also sets out your rights in connection with the personal data held about you by the Trustee, and who to contact if you want to act on those rights, make a complaint, or generally have any questions. If you would prefer to receive a hard copy of the notice, please contact the DC Section administrator, Fidelity International (pensions.service@fil.com).

Amendment to the Fund

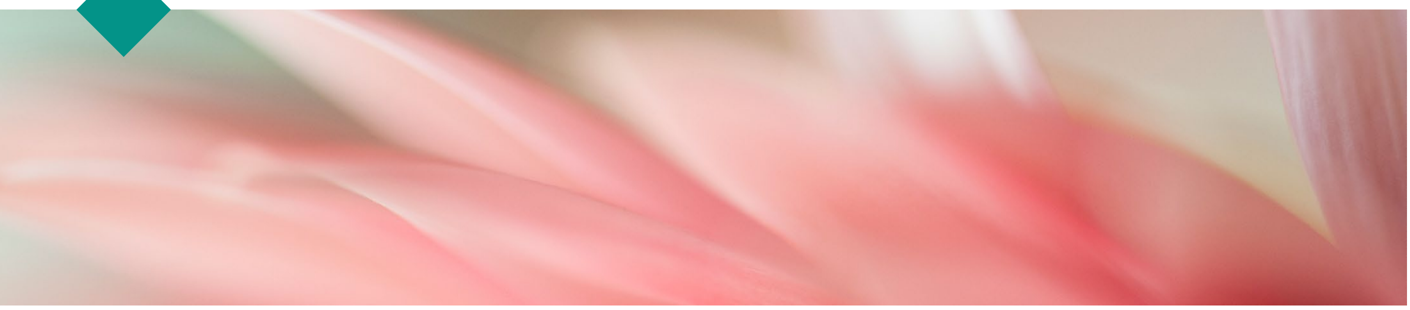
The **Company** hopes to maintain the Fund indefinitely. The Company has the right, however, to change the Fund at any time including the right to reduce or increase the rate of Company contribution. The Company also has the right to terminate the Fund at any time. If this happens, your rights are set out in the Trust Deeds and Rules and the Trustee must abide by them.

Assignment of benefits

Your benefits from the Fund are strictly personal and cannot be assigned to anyone else or, for example, used as security for a loan. If you divorce and where a Court so orders, the Trustee will use part of your benefit to create benefit rights for your former spouse.

Temporary absence

If you are temporarily absent from work due to ill health or for other reasons, your membership of the **DC Section** may continue at the discretion of the Company and contributions to your **pension account** may be allowed to continue. There may be instances, however, of unpaid temporary absence where contributions will cease. With Company consent, it may be possible to arrange additional contributions to your pension account on your return to work.



GENERAL INFORMATION CONTINUED

Part-time working

If your service includes any period where you worked part-time, you will be able to join and/or remain a member of the **DC Section**. In this situation, the contributions to your **pension account** will be based on your part-time salary.

Maternity and paternity leave will be dealt with in line with the relevant **Company** policies.

Disputes

If you have a query about the **Fund**, Fidelity International will normally be able to resolve it. However, in the unlikely event of you being dissatisfied with the response you receive, there is a formal procedure in place for resolving disputes. You may request a copy of the full formal internal dispute procedure from Fidelity International.

If you are dissatisfied with the outcome of the internal dispute procedure, the external organisations on the **next page** are available to investigate complaints.

Security of assets

Contributions to your pension account are invested in a life insurance policy held by the **Trustee** with Fidelity International. Fidelity International invests contributions in funds managed by other investment firms.

- If an insurance company fails, the Trustee is eligible to make a claim for up to 100% of the value of their policy from the Financial Services Compensation Scheme (FSCS). The FSCS may pay compensation for financial loss if the insurance company is unable, or likely to be unable, to pay claims against it, often because they have stopped trading and have insufficient assets to meet claims or is in insolvency. It is important to note that whilst the Trustee is eligible to make a claim, compensation is not guaranteed.
- If the investment firm that manages a fund fails, the legal structure of that fund will typically prevent the failed firm from calling upon the assets in the fund. There are many types of investment firm managed funds, each with different legal structures, so the degree of protection will vary.

GENERAL INFORMATION CONTINUED

Organisations which may be helpful

MoneyHelper

MoneyHelper brings together the support and services of three government-backed financial guidance providers: the Money Advice Service, the Pensions Advisory Service and Pension Wise. They can give help and advice to anyone with queries about their pension or who may be experiencing difficulties over their pension rights. You can contact MoneyHelper at any time, whether or not you have exhausted the internal dispute procedure by:

Phoning:	0800 011 3797
Visiting:	**www.moneyhelper.org.uk**
Online:	Use their webchat service at: **www.moneyhelper.org.uk/PensionsChat/**
Writing to:	Money and Pensions Service 120 Holborn London EC1N 2TD

The Pensions Ombudsman

If MoneyHelper cannot solve your pension problem, The Pensions Ombudsman is available to settle complaints and disputes of fact or law connected with pension schemes, particularly if you have a complaint about the way your pension scheme is run. If you have exhausted the internal dispute procedure, you can contact the Ombudsman by:

Phoning:	0800 917 4487
Visiting:	**www.pensions-ombudsman.org.uk**
Emailing:	enquiries@pensions-ombudsman.org.uk
Writing to:	Pensions Ombudsman Service 10 South Colonnade Canary Wharf London E14 4PU

GENERAL INFORMATION CONTINUED

The Pension Tracing Service

All approved pension schemes have to register with the Department for Work and Pensions (DWP) Pension Tracing Service. If you have lost track of your deferred benefits with a previous employer, you can contact the Pension Tracing Service who will provide you with an up-to-date address of the trustees of that scheme. You can contact the Pension Tracing Service by:

Phoning: 0800 731 0193

Visiting: **www.gov.uk/find-pension-contact-details**

Future Pension Centre

If you want an estimate of your State Pension you can request a forecast from the Department for Work and Pensions (DWP). It will show you, in today's money, the State Pension you have already earned and what you can expect to have earned by **State Pension Age**. To get a forecast, you can contact The Pension Service by:

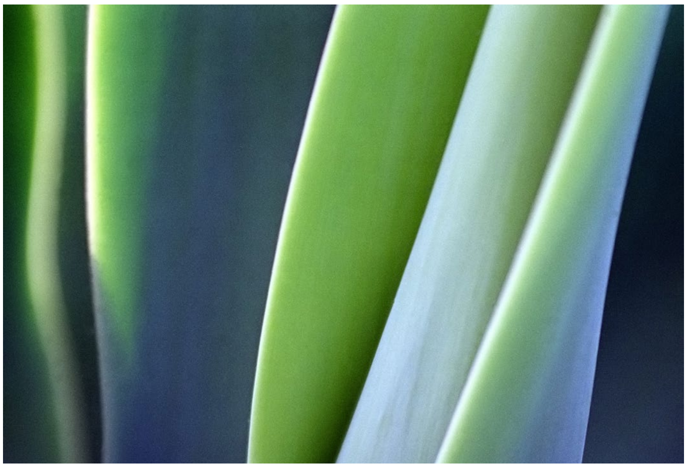
Phoning: 0800 731 0175

Visiting: **www.gov.uk/future-pension-centre**

Writing to: The Pension Service, 9 Mail Handling Site A
Wolverhampton WV98 1LU

Pension Wise

Pension Wise is a free and impartial Government guidance service from MoneyHelper that helps you understand your pension options. It is available to individuals aged 50 or over. Visit the website at **www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise** or call 0800 138 3944 to find out more and book a free appointment.



Financial advisers

Financial advisers are able to provide impartial and personal advice about your pension options, such as whether to join a particular arrangement, whether to transfer benefits and how to invest your **pension account**. The **Company**, the **Trustee** and People and Culture are all prevented by law from giving you financial advice; therefore you may find it helpful to talk to a financial adviser. You may be charged a fee for any advice you receive which the Company will not pay for.

Neither the Company nor the Trustee can take responsibility for the advice you receive or any action you may take as a result. You can find out about choosing a financial adviser by visiting MoneyHelper at: **www.moneyhelper.org.uk**. MoneyHelper is an organisation that provides guidance free of charge on issues relating to money and finances.

FINDING OUT MORE

Additional information

The **Company** and the **Trustee** are committed to ensuring that members have all the information they need about the **DC Section**. In addition to this booklet, the following standard documents and communications are issued or made available to members:

- a DC Section investment guide;
- an annual benefit statement, which gives details of your benefit record;
- an annual projection of benefits (Statutory Money Purchase Illustration, SMPI);
- information about **AVCs**;
- annual member newsletters;
- the Trustee's annual DC Chair's Statement for the **Fund**;
- the Trustee's Statement of Investment Principles; and
- the Trustee's Implementation Statement.

The latter three documents are available online at **www.rochepensionfund.co.uk/employed-deferred-db/library**

Fund documentation

As a member of the DC Section you can ask to see the following items (and in certain cases you can request your own copy):

- Trust Deeds and Rules for the DC Section; and
- formal Trustee Annual Report and Accounts (which includes the audited accounts of the DC Section of the Fund, and a report from the investment managers).

If at any time you have questions about your benefits in the DC Section, please contact Fidelity International. Their details are on **page 32**. Queries about your benefits in the **DB Section** should be directed to the DB Section administrator, Willis Towers Watson (WTW).

The Trust Deeds and Rules

The information given in this booklet summarises many aspects of the benefits under the DC Section of the Fund.
The Trust Deeds and Rules are the legal documents governing the payment of benefits. In the event that the benefits and conditions described in this booklet differ from those in the Trust Deeds and Rules, the Trust Deeds and Rules will prevail.

GLOSSARY OF TERMS

Annual allowance is the maximum amount of retirement savings that you can build up in any single tax year before paying a tax charge on the excess over the annual allowance.

Annuity is the amount of annual pension you can buy with the value of your pension account at your retirement. You would usually buy an annuity from an insurance company and receive it in a series of regular monthly instalments throughout your retirement.

Auto-enrolment is the Government's requirement for employers to enrol all eligible employees into a pension plan.

AVCs are additional voluntary contributions that you can make to your pension account on top of your regular monthly employee contributions. If you built up AVCs as an active DB Section member, they will be held in a separate account to any AVCs you built up as a DC Section member.

Basic contribution salary is the annual rate of your basic salary (excluding overtime and commissions) at any given time. If you participate in salary sacrifice and/or a flexible benefit arrangement, basic contribution salary will be calculated ignoring any change to your salary which has occurred as a result.

Bonus Choice allows you to exchange part, or all, of any bonus you may earn for a lump sum Company pension contribution, within tax limits. If you participated in Bonus Choice as an active DB Section member, this money will be held in a separate account to any Bonus Choice account you built up as a DC Section member.

Company includes Roche Products Limited, Roche Diagnostics Limited and all other companies participating in the Fund.

DB Section is the Defined Benefit Section of the Fund, which closed to future accrual on 30 June 2023.

DC Section is the Defined Contribution Section of the Fund.

Dependant is your surviving widow, widower, civil partner, children under age 18 and anyone who the Trustee believes was financially dependent on you.

Drawdown is when you can draw an income from your pension account over time, as and when you like, with the remainder of your pension account staying invested in the funds of your choice.

Employed deferred DB members are those who were in active service in the DB Section of the Fund on 30 June 2023 and who joined the DC Section on 1 July 2023.

Fund is the Roche Pension Fund.

GLOSSARY OF TERMS CONTINUED

Lump sum allowance (LSA) was introduced from 6 April 2024. The LSA is the maximum amount which a member can receive as a tax-free cash lump sum in connection with taking pension benefits. The LSA will apply across all registered pension schemes, not per scheme. Any lump sums which exceed the LSA will be taxed at your marginal rate.

The standard LSA is £268,275. However, your LSA may be higher if you have previously registered with HMRC for a tax protection under the 'Lifetime Allowance' regime that applied before 6 April 2024, or it may be lower if you had used up some of your LSA before 6 April 2024.

Please note that this is just a summary. You can find more information at: **www.gov.uk/tax-on-your-private-pension/lump-sum-allowance**

Lump sum & death benefit allowance (LSDBA) was introduced from 6 April 2024. The LSDBA limits the tax-free part of certain lump sums that can be paid during your life (including cash at retirement) and after your death. The LSDBA will apply across all registered pension schemes, not per scheme. Any lump sums which exceed the LSDBA will be taxed at your marginal rate.

The standard LSDBA is £1,073,100. However, your LSDBA may be higher if you have previously registered with HMRC for a tax protection under the 'lifetime allowance' regime that applied before 6 April 2024, or it may be lower if you had used up some of your LSDBA before 6 April 2024.

Please note that this is just a summary. You can find more information at: **www.gov.uk/tax-on-your-private-pension/lump-sum-allowance**

Minimum retirement age is set by the Government and is currently 55, rising to 57 from April 2028. This is the earliest you can normally take your pension benefits without incurring a tax charge. However, employed deferred DB members have a protected retirement age which means they can take their benefits from the age of 50, subject to meeting certain conditions.

Normal retirement age is 65 although you can change this if you would prefer to retire earlier or later (subject to certain conditions).

Pension account is the account held by the Trustee in your name to which you and the Company contribute. At retirement the value of your pension account is available to secure retirement benefits for you and your dependants.

Salary sacrifice refers to a way that pension contributions can be paid, leading to a reduction in the NI contributions paid by both the member and the Company. See more detail about this on **page 9**.

State Pension Age is the age from which you can normally claim a State Pension. State Pension Age is currently increasing on a sliding scale – visit **www.gov.uk/state-pension-age** to check your State Pension Age. From 2020, State Pension Age is 66 for everyone and this is expected to increase to 67 by 2028.

Trustee is Roche Products Pension Trust Limited, a trustee company. The Trustee is run by its directors, whose appointment and removal rests formally with Roche Products Limited. However, one third of the directors are appointed in accordance with the law relating to the nomination and selection of member nominated trustee directors.

CONTACT DETAILS

If you have any questions after reading this booklet, please contact Fidelity International by:

Phoning: 0800 3 68 68 68
(8am to 6pm from Monday to Friday)

Visiting: **www.fidelitypensions.co.uk**
or you can view your **pension account** at
www.planviewer.co.uk

Emailing: pensions.service@fil.com

Writing to: Fidelity Pensions Service Centre
Beech Gate
Millfield Lane
Lower Kingswood
Tadworth
Surrey KT20 6RP

DB Section contact details

If you have any questions about your benefits in the **DB Section**, please contact WTW.

Email: **rochepensions@willistowerswatson.com**

Call: **01707 607 608**

Principal Employer of the Roche Pension Fund