Roche Pension Fund

# PensionsLine

Step into your future

**August 2026**

**Defined Benefit (DB) Section**

# WELCOME

**We're pleased to update you on the latest news from the Defined Benefit (DB) Section of the Roche Pension Fund and the wider world of pensions. I hope you find this issue of *PensionsLine* both informative and interesting.**

We've completed the funding check-up as at 31 March 2025, and the results are shared in the Summary Funding Statement on **page 4**. You'll note that while the funding level in percentage terms has remained the same since the full 31 March 2024 valuation, the funding position in monetary terms has improved slightly over the period.

## Trustee changes

Mark Pattenden, one of our Member Nominated Directors (MNDs), resigned from the Company in February 2026, leaving a vacancy on the Trustee Board. As it's not been long since the last MND selection was held, the Trustee agreed that shortlisted candidates from that process should be contacted to see if anyone was interested in taking Mark's place for the remaining one year of his term. We are delighted that Peter McColgan has agreed to join the Trustee Board as Mark's replacement.

We're also delighted to let you know that the newly updated DB Section member booklet is now available, reflecting changes that have taken place since the DB Section closed to future accrual in July 2023. This includes the introduction of Guaranteed Minimum Pension (GMP) conversion, where your GMP will be converted into a different form of pension at retirement and which enables the Fund to address historic sex-based inequalities that apply to GMP built up between 17 May 1990 and 5 April 1997 (called 'GMP equalisation'). The booklet also provides more detail on the bridging pension option (BPO), which aims to provide you with a smoother overall retirement income – we explain briefly how this option works on **page 8**.

We hope you enjoy reading this newsletter and find it useful. If you have any suggestions for future topics, please get in touch with the Trustee using the contact details on the **final page**.

# INSIDE THIS ISSUE

# SUMMARY FUNDING STATEMENT 2026

**This statement is intended to give members important information about the funding position of the Roche Pension Fund ('the Fund').**

We previously wrote to you about the Fund's funding position last year, when we provided details of the Actuary's assessment of the funding level as at 31 March 2024, the date of the most recent full valuation of the Fund. This showed that the Fund had a funding level of 99%.

Since then, the Actuary has completed an approximate assessment of the funding position of the Fund as at 31 March 2025, and the results of this assessment are shown here.

## Funding position as at 31 March 2025

The results of the assessment as at 31 March 2025 are given below, along with the results of the full valuation as at 31 March 2024:

| Funding position as at: | Assets | Liabilities | (Shortfall) |
|---|---|---|---|
| 31 March 2024 £ million | 1,097.9 | 1,108.7 | (10.8) |
| 31 March 2025 £ million | 1,067.1 | 1,076.9 | (9.8) |

## Funding level

The funding level for 31 March 2024 and 31 March 2025 was:

## Change in the funding position since 31 March 2024

You can see that while the funding level in percentage terms has remained at 99%, the funding position in monetary terms has improved slightly over the period from 31 March 2024 to 31 March 2025.

The main reason for this change was the payment of deficit contributions by the Company over the year, although this was offset to some extent by changes in market conditions, which resulted in the market value of the assets falling to a greater extent than the reduction in the value of the liabilities.

## Eliminating the shortfall

To eliminate the shortfall identified at the 31 March 2024 valuation, the Trustee and the Company agreed that the Company would make additional contributions of £0.6m per month between 1 April 2024 and 31 March 2025, with anticipated investment returns on the Fund's assets also expected to make good the shortfall by 30 April 2026. The Trustee will keep the funding position under review.

## Payments to the Company

It is a requirement that we inform you whether any payment has been made from the assets of the Fund to the Company since the last Summary Funding Statement was issued. There has not been any payment to the Company (nor any participating employer) out of the Fund's assets during this period (or any prior period).

## Interaction with the Pensions Regulator

It is also a requirement to state whether the Pensions Regulator has used its powers in relation to the Fund to provide direction regarding the calculation of the Fund's liabilities or impose a Schedule of Contributions. We can confirm that the Pensions Regulator has not used either of these powers in relation to the Fund.

## What would happen if the Fund discontinued?

We are required to tell you what would happen if all the Fund's assets were sold and the proceeds taken to an insurance company to buy a policy that provides the benefits due to all members of the Fund. In the case of the Fund, this is a hypothetical situation as there is no intention of ceasing the Fund, but if this did happen, the Actuary estimated that, at 31 March 2024, the assets represented around 88% of the amount required to secure the benefits with an insurance company. This is lower than the level of cover if the Fund continues, as insurance companies take a more cautious view of the future and need to make a profit, so this is reflected in the rates they offer. By contrast, our funding plan assumes that the Company will continue in business and support the Fund. Inclusion of this information is a legislative requirement and does not imply that the Company is considering winding up the Fund.

## What would happen if the Fund started to wind up?

The Pension Protection Fund (PPF) was set up to protect your pension benefits. It's a type of compensation plan, funded by annual levies which are paid into the fund by all final salary-type arrangements like ours. The PPF will compensate Fund members if the Company becomes insolvent and the Fund does not have enough money to pay members' benefits. However, the benefits provided by the PPF are likely to be less than the full benefits due from the Fund. Further information and guidance are available on the PPF's website: **www.ppf.co.uk**. You can also write to the PPF at: Pension Protection Fund, PO Box 254, Wymondham NR18 8DN.

**Important:** If you are thinking of leaving the Fund for any reason, you should consult a professional adviser, such as an independent financial adviser, before taking any action.

## Climate risk

The Trustee recognises that climate change is one of the most important issues of our time, which will impact all countries, companies and individuals. The Trustee recognises climate change as a significant financial risk that could impact the financial security of members' benefits if it not properly measured and mitigated. As well as providing risks to the Fund, the transition to a lower-carbon economy and the mitigation of, and adaptation to, the physical risks of climate change may create new investment opportunities if managed appropriately.

The Trustee supports the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) as a framework to help manage and report on the actions being taken to identify climate-related financial risks and opportunities in the Fund.

## TCFD report available

We're pleased to announce that the Fund's latest TCFD report, for the year to 31 March 2025, is now available.

Read the report on the member website **here** or find it in the Library under Trustee documents.

Alternatively, you may request a hard copy of this report from the Fund administrator, **WTW**.

# FUND NOTICEBOARD

## Updated DB Section member booklet available now

We've updated the DB Section member booklet to take into account the closure of the section to future accrual in July 2023, as well as the introduction of GMP conversion and the bridging pension option at retirement.

You can find it under Guides in the member website **Library**.


## Aiming for stellar pensions governance

ESOG and ORA might sound like the names of Star Wars characters, but actually they're abbreviations that your Trustee board will understand all too well!

An Own Risk Assessment (ORA) is a new requirement for pension schemes with 100 or more members to evaluate their Effective System of Governance (ESOG) – in other words, they need to be able to demonstrate that the Fund has strong policies, practical processes and effective controls in place.

The ORA looks back on activities over a specific period and must be carried out at least every three years. The ORA helps trustees demonstrate how they're managing risks and considering refinements on an ongoing basis, in line with the Pensions Regulator's expectations, which in 2024 set higher standards for UK pension scheme governance and member protection. The Trustee has completed its review and agreed action points.

## Paid-for advice: a reminder

The Company will pay for you to receive one session of financial advice from Origen Financial Services. Details of how to access this paid-for advice will be included in your retirement pack.

Origen will take into account your overall financial situation (such as other savings or other pensions you have) but they can only advise you on your Fund pension.

You may take advice from your own financial adviser if you prefer, although this will not be funded by the Company.

You can find out more on the **member website**, or otherwise give Origen a call on **0800 141 3972** or email **RochePension@origenfs.co.uk**

# MEMBERS' CORNER

## Creating a smoother retirement income with the bridging pension option

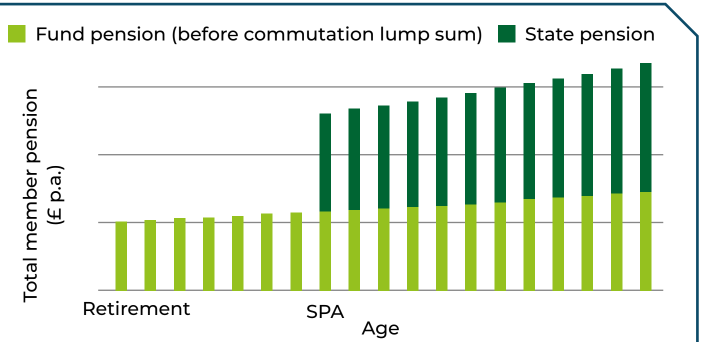
The bridging pension option (BPO) may be available to you at retirement if you are retiring more than two years before your State pension age (SPA).

### *How it works*

This option enables you to receive a higher pension from the Fund at retirement, which is payable until you reach your expected SPA, in exchange for a lower pension from the Fund after your expected SPA. As a result, it aims to provide you with a smoother overall retirement income.

In addition, because your starting pension from the Fund will be higher at retirement under this option, the maximum amount of tax-free cash you can take in exchange for part of your Fund pension may also be higher.

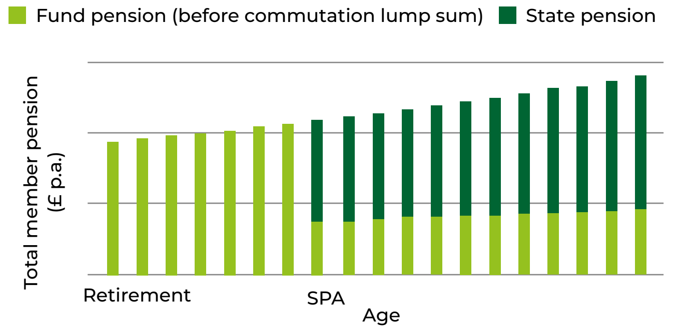
**Example pension without BPO**
Alex starts to receive an annual Fund pension from age 60 (shown in light green in the chart). He then also expects to receive an annual State pension from his expected SPA (age 67) (shown in dark green). Therefore, the total amount of pension Alex expects to receive each year increases once he reaches his expected SPA and his State pension comes into payment.




***State pension age is currently 66, but it's gradually increasing and will reach age 67 by April 2028.***

### Example pension with BPO

If Alex chooses the BPO at retirement, his annual Fund pension starts at a higher amount than he would have otherwise received (shown in light green in the chart). Then, at his expected SPA (age 67), the bridging pension ceases and so Alex's Fund pension reduces. However, his State pension (shown in dark green) is expected to come into payment, approximately replacing the 'bridging' amount that is no longer being paid from the Fund. Overall, Alex's total pension is expected to be smoother in retirement. There's no longer a big jump expected once he reaches his SPA.




**Please note:**

- The reduction in your Fund pension from your expected SPA is for the rest of your life. It's therefore possible that you may 'give up' more total pension income after your SPA than the extra pension income you receive before SPA; this depends on how long you live.
- The size of the reduction in your Fund pension from your expected SPA will depend on your age when you retire, your expected SPA, the pension increases that apply to your pension and wider financial conditions and mortality assumptions. For some members, taking the BPO may mean that no further Fund pension is payable to you once the bridging pension stops at your expected SPA.
- You can find out more about the bridging pension option in the new **DB Section member booklet**. If you're eligible for this option, you'll receive full details in the run-up to your retirement.

# IN THE NEWS

## Earliest retirement age – a reminder

From 2028, the Government will increase the normal minimum pension age (NMPA) from 55 to 57.

The NMPA is the earliest age at which you can access your pension without facing a financial penalty. However, if you're a deferred member of the DB Section, you have a protected pension age (PPA) of 50. This means you may still be able to retire from age 50.

Please note that transferring your benefits out of the Fund could affect your PPA. If your PPA is lost, you may not be able to access your benefits until a later age.

Additionally, to take your benefits early under the PPA of 50, you would usually need to leave employment with Roche and take all your benefits at the same time – including any benefits in the Fund's Defined Contribution (DC) Section.

Before deciding to take or transfer your Fund benefits, please ensure you fully understand how your choices may affect your PPA.

## Pensions & inheritance tax

Last year, we told you that the Government was planning to bring pensions into scope for inheritance tax (IHT) from April 2027. After a consultation, some more details have emerged, although nothing is final until the legislation is in place. The Government has said that death-in-service lump sums will remain exempt from IHT, as will pensions paid to a spouse or other dependant on the death of a member. Once we know more, we'll update you via the member website and in a future issue of *PensionsLine*.

## Pensions dashboards

Work on the Government's pensions dashboards programme continues. The dashboards are set to transform the way we interact with our pensions and help us all plan for retirement more effectively.

The timeline for the dashboards roll-out has been adjusted to allow the pensions industry enough time to prepare for this important initiative. When they're ready, the dashboards will allow you to access information about all your pensions that aren't yet in payment (including your State pension) securely online and in one place.

Pension schemes are required to connect to the pensions dashboards system by 31 October 2026, with deadlines varying depending on the size of the scheme. The Trustee is working hard to get everything ready so that details of your Fund benefits will be accessible when the system goes live. We'll write to you with more details before the public launch.

***Take care! Scammers may attempt to take advantage of the project as public awareness builds. If someone contacts you, claiming to be from a pensions dashboard, just block them or hang up.***

# WAYS TO GET IN TOUCH

## You can find more information about your pension on the member website: www.rochepensionfund.co.uk

If you can't find the answers you need, please email WTW at **rochepensions@wtwco.com** – they'll be happy to help. If your request is urgent, you can call the team on **01707 607 608**.

## Some useful websites

Here are some useful websites that can help you understand, manage and make more of your pension.

### Find an independent financial adviser

The Money Helper website, backed by the Government, has information about how to choose a financial adviser:
**www.moneyhelper.org.uk**

### Check your State pension

Find out when you can claim your State pension and how much you're on track to receive:
**www.gov.uk/check-state-pension**

### Plan your retirement income

The Retirement Living Standards website gives you an idea of how much money you might need for a basic (minimum), moderate and comfortable lifestyle in retirement:
**www.retirementlivingstandards.org.uk**

### Find a lost pension

If you've had multiple jobs, the Government's free Pension Tracing Service can help you track down lost pensions:
**www.gov.uk/find-pension-contact-details**