Roche Pension Fund

August **2025**

Pensions**Line**

Step into your future

Defined Benefit (DB) Section

WELCOME

We're pleased to share the results of the 2024 actuarial valuation with you in this issue of *PensionsLine*.

The latest three-yearly check on the Defined Benefit (DB) Section of the Roche Pension Fund as at 31 March 2024 showed that the funding level had remained stable (at 99%), with a slightly smaller shortfall than was reported during the check-up the previous year. Roche agreed to make some additional contributions into the Fund towards removing the shortfall, and these have already been paid in full. The full Summary Funding Statement, which provides further details, is available on **pages 3-5**.

Earlier this year, we confirmed the reappointment of Chris Bennett and Marius Scholtz as Member-Nominated Directors – congratulations to them! And a huge thank you to everyone who showed an interest in the role. We expect to run another nomination process around a year from now, so please consider throwing your hat in the ring again! Remember, you can see who's on the Trustee board by visiting **About the Fund** on the member website.

INSIDE THIS ISSUE

SUMMARY FUNDING STATEMENT 2025

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

We last wrote to you about the Fund's funding position last year when we provided details of the Fund actuary's approximate assessment of the funding level as at 31 March 2023. This estimate showed that the Fund had a funding level of 99%.

Since then, the Trustee and the Company have agreed the full valuation of the Fund as at 31 March 2024, and the results of the Fund actuary's assessment are shown on the right.

Funding position as at 31 March 2024

The results of the full valuation as at 31 March 2024 are given below, along with the results of the approximate assessment as at 31 March 2023:

Funding position as at:	Assets	Liabilities	Surplus/ (Shortfall)
31 March 2023 £ million	1,034.6	1,050.1	(15.5)
31 March 2024 £ million	1,097.9	1,108.7	(10.8)

Funding level

The funding level for 31 March 2023 and 31 March 2024 was:

99%

Change in funding position since 31 March 2023

It can be seen 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 2023 to 31 March 2024.

The main reason for this change was a net improvement in market conditions over the year, leading to the market value of the assets rising to a greater extent than the rise in the value of the liabilities, and payment of deficit contributions by the Company, offset to some extent by the change in actuarial assumptions used to calculate the Fund's liabilities at 31 March 2024.

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.

At the date of the full valuation, these contributions, together with assumed future investment returns on the Fund's assets, were expected to eliminate the shortfall by 30 April 2026.

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 an annuity, or pension, for everyone. 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 Fund 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**

Important: If you're 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 is 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. The Trustee's latest **report on climate-related disclosures for the Fund** can be found on the member website. Alternatively, you may request a hard copy of this report from the Fund administrator.

FUND NOTICEBOARD

Earliest retirement age – a reminder

In 2028, the normal minimum pension age (NMPA) will rise from 55 to 57. The NMPA is set by the government as the earliest age at which you can access your pension without a financial penalty.

However, deferred members in the DB Section of the Fund have a protected pension age (PPA) of 50, so you may still be able to retire from age 50.

If you have a PPA of 50 and transfer your benefits out of the Fund, this could impact your PPA, in which case you may have to wait until later to take your benefits.

Also, to be able to take your benefits early from the Fund using your PPA of 50, you would generally need to stop working for Roche and take all your benefits at the same time (including your DC benefits if you have built up benefits in both the DB Section and the DC Section of the Fund).

So, before you make any decisions about taking or transferring your Fund benefits, make sure you fully understand the impact of your choices on your PPA.

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55

57

“UNDERSTAND THE IMPACT OF YOUR CHOICES ON YOUR PROTECTED PENSION AGE”

Claiming your State pension

You can claim your State pension from State pension age (SPA), which is currently 66. From next year, it'll start rising to 67, increasing gradually between 2026 and 2028.

It's planned to go up again, to 68, between 2044 and 2046, but this could change if the government updates the legislation that sets out the SPA timetable.

You can check your State pension age at **www.gov.uk/state-pension-age**

Getting advice

If you haven't started to draw a pension from the Fund, remember you can talk through your options with an adviser at Origen Financial Services. You can have one free session of impartial financial advice from Origen as long as you're a UK resident, not yet in receipt of your pension and aged 55 or over.

Origen is completely independent from the Fund, but its advisers have been specifically trained on how your Fund pension works. The Company pays for this service to help you make the right choices about your retirement savings. 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**.

WAYS TO GET IN TOUCH

You can find more information about your pension on the member website.

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**.

Principal Employer of the Roche Pension Fund