

ADMINISTRATION CHARGES AND TRANSACTION COSTS FOR 2024

EX EMPLOYEES OF WELSH//SLATE GPP

This document sets out the costs and charges relevant to your plan in 2024. The first section sets out the costs and charges of the funds that are available for you to invest in. The later sections give some illustrative examples showing the cumulative effect over time of costs and charges on the value of a pension pot.

Costs and Charges

The following costs and charges may apply to your plan:

- **Fund expenses** are the cost of the day to day activities of managing each fund. The figures shown are based on what the fund expenses have been in the past – they may vary over time and may be more or less than this in future. These costs are reflected in the daily unit price.
- **Annual Management Charge (AMC)** are additional charges taken by Fund Managers for running some funds. The figures shown are based on what the charges have been in 2024 - they may vary over time and may be more or less than this in future. These charges are reflected in the daily unit price.
- **Fund Based Charges** are charges taken by Zurich for running your plan. The charges are applied by reducing the number of units in your plan each month. Due to practical system limitations we may collect a lower amount in some circumstances than the figures stated here.
- **Transaction Costs** are the costs incurred as a result of the buying, selling, lending or borrowing of investments. The figures shown are based on what transaction costs have been in 2024 – they may vary over time and may be more or less than this in future. These costs are reflected in the daily unit price.

The default investment strategy for your scheme is a lifestyle strategy. The default lifestyle strategy is designed to allow you to invest payments and money held in your plan automatically in line with a pre-agreed investment profile. The strategy is based on how close you are to your selected retirement date without you having to make day to day investment decisions and moves gradually from higher risk to lower risk investments as your selected retirement age gets near. Please see the product literature or contact us if you would like more information on the lifestyle strategy for your scheme. The table below shows the costs and charges for the funds used in the default lifestyle strategy:

Fund	Fund Expenses % (per year)	AMC% (per year)	Fund Based Charge% (per year)	Transaction Costs % (per year)	Total Fund Cost % (per year)
BlackRock ACS 60/40 Global Equity Tracker EP	0.02%	0.00%	0.60%	0.07%	0.69%
Long Dated Gilt 2 EP	0.16%	0.00%	0.42%	0.00%	0.58%
Secure 2 EP	0.07%	0.00%	0.38%	0.01%	0.46%

If you choose not to invest in the default lifestyle strategy, then a range of other investment options are available to you. The table below shows the costs and charges for all the funds that are available for you to invest in:

Fund	Fund Expenses % (per year)	AMC% (per year)	Fund Based Charge% (per year)	Transaction Costs % (per year)	Total Fund Cost % (per year)
American 2 EP	0.06%	0.00%	0.65%	0.23%	0.94%
American Smaller Companies ZP	0.16%	0.00%	0.75%	1.33%	2.24%
BlackRock ACS 60/40 Global Equity Tracker EP	0.02%	0.00%	0.60%	0.07%	0.69%
Aquila 70/30 Global Equity Index EP	0.00%	0.00%	0.60%	N/A*	N/A*
Aquila Corporate Bond All Stocks Index EP	0.00%	0.00%	0.55%	N/A*	N/A*
Aquila Over 15 Years Corporate Bond EP	0.02%	0.00%	0.60%	0.00%	0.62%
Aquila Over 5 Years Index Linked Gilt EP	0.01%	0.00%	0.55%	0.00%	0.56%
Aquila UK Equity Index EP	0.01%	0.00%	0.55%	0.03%	0.59%
Aquila World Ex UK Equity Index EP	0.01%	0.00%	0.65%	0.02%	0.68%
Aquila Over 15 Years UK Gilt Index 2 ZP	0.01%	0.05%	0.52%	N/A*	N/A*
Asia Pacific 2 EP	0.08%	0.00%	0.65%	0.30%	1.03%
BNY Mellon Multi Asset Global Balanced ZP	0.05%	0.45%	0.40%	0.06%	0.96%
BNY Mellon Global Equity 50/50 ZP	0.00%	0.00%	0.40%	N/A*	N/A*
BNY Mellon Global Equity ZP	0.00%	0.00%	0.36%	N/A*	N/A*
BNY Mellon UK Income ZP	0.04%	0.50%	0.40%	0.08%	1.02%
Equity Managed 2 EP	0.17%	0.00%	0.47%	0.17%	0.81%
European 2 EP	0.06%	0.00%	0.65%	0.54%	1.25%
European Smaller Companies ZP	0.17%	0.00%	0.65%	0.17%	0.99%
Global Select 2 EP	0.07%	0.00%	0.65%	0.23%	0.95%
Japan 2 EP	0.06%	0.00%	0.65%	0.17%	0.88%
Latin America ZP	0.19%	0.00%	0.65%	0.13%	0.97%
Long Dated Gilt 2 EP	0.16%	0.00%	0.42%	0.00%	0.58%
Managed 2 EP	0.19%	0.00%	0.39%	0.11%	0.69%
Managed Equity & Bond ZP	0.22%	0.00%	0.50%	0.18%	0.90%
Managed Equity ZP	0.23%	0.00%	0.50%	0.32%	1.05%
Money Market ZP	0.07%	0.10%	0.51%	0.01%	0.69%
Secure 2 EP	0.07%	0.00%	0.38%	0.01%	0.46%
Sterling Corporate Bond ZP	0.16%	0.00%	0.50%	0.00%	0.66%
UK Equity 2 EP	0.20%	0.00%	0.45%	0.42%	1.07%
UK Fixed Interest 2 EP	0.14%	0.00%	0.41%	0.01%	0.56%
UK Smaller Companies ZP	0.17%	0.00%	0.65%	0.24%	1.06%

*There are no scheme assets invested in these fund(s) and so transaction cost information is not available.

Illustrative Examples for the Default Investment Strategy

The illustrative examples below show the cumulative effect of costs and charges on the value of an existing pension pot of £10,000. The table shows projected pot values in today's prices after allowing for inflation, before and after charges and costs are deducted.

Years	Age Now 25		Age Now 45		Age Now 55		Age Now 60	
	Before charges + costs deducted	After all charges + costs deducted	Before charges + costs deducted	After all charges + costs deducted	Before charges + costs deducted	After all charges + costs deducted	Before charges	After all charges + costs deducted
1	10,300	10,200	10,300	10,200	10,300	10,200	10,200	10,100
3	11,000	10,800	11,000	10,800	11,000	10,800	10,600	10,400
5	11,800	11,400	11,800	11,400	11,800	11,400	10,800	10,500
10	14,000	13,100	14,000	13,100	12,800	12,000		
15	16,700	15,000	16,700	15,000				
20	19,800	17,200	18,000	15,800				
25	23,500	19,800						
30	27,900	22,700						
35	33,100	26,000						
40	35,800	27,300						

Notes

1. Projected pension pot values are shown in today's terms and do not need to be reduced further for the effect of future inflation.
2. The selected retirement age is assumed to be 65.
3. It is assumed no further contributions are paid.
4. Inflation is assumed to be 2.5% each year.
5. Values shown are estimates and are not guaranteed.
6. The charges assumed are as shown in the Costs and Charges section above.
7. The projected growth rates for the funds used in the lifestyle strategy are as follows:
 BlackRock ACS 60/40 Global Equity Tracker EP: 3.4% above inflation.
 Long Dated Gilt 2 EP: 4.3% above inflation.
 Secure 2 EP: 0.5% below inflation.

Illustrative Examples for other Funds

The illustrative examples below show the cumulative effect of costs and charges on the value of the pension pot for a specimen member who has chosen to invest in other available funds. The table shows projected pot values in today's prices after allowing for inflation, before and after charges and costs are deducted. We have shown illustrations for a representative sample of four funds:

- Long Dated Gilt 2 EP is one of the two funds most commonly invested in.
- Secure 2 EP is one of the two funds most commonly invested in.
- Aquila UK Equity Index EP is the equity fund with the lowest costs and charges.
- American Smaller Companies ZP is the fund with the highest costs and charges.

As for the default strategy we have given illustrative examples of the cumulative effect of costs and charges on the value of an existing pension pot of £10,000. As it is assumed that the pension pot is invested in the same funds throughout, these illustrations are relevant for any starting age.

Projected pension pot in today's money (£)								
Fund choice								
	Long Dated Gilt 2 EP		Secure 2 EP		Aquila UK Equity Index EP		American Smaller Companies ZP	
Years	Before charges + costs deducted	After all charges + costs deducted	Before charges + costs deducted	After all charges + costs deducted	Before charges + costs deducted	After all charges + costs deducted	Before charges + costs deducted	After all charges + costs deducted
1	10,400	10,300	9,950	9,900	10,400	10,300	10,500	10,300
3	11,300	11,100	9,850	9,720	11,300	11,100	11,800	11,000
5	12,300	12,000	9,760	9,540	12,400	12,000	13,100	11,700
10	15,300	14,500	9,530	9,100	15,400	14,500	17,300	13,800
15	19,000	17,400	9,300	8,680	19,100	17,500	22,900	16,300
20	23,600	21,000	9,080	8,280	23,700	21,100	30,200	19,300
25	29,200	25,300	8,870	7,900	29,400	25,400	39,800	22,700
30	36,200	30,400	8,660	7,540	36,500	30,600	52,500	26,800
35	44,900	36,700	8,450	7,190	45,400	36,900	69,300	31,600
40	55,700	44,200	8,250	6,860	56,300	44,500	91,400	37,200

Notes

1. Projected pension pot values are shown in today's terms and do not need to be reduced further for the effect of future inflation.
2. The selected retirement age is assumed to be 65.
3. It is assumed no further contributions are paid.
4. Inflation is assumed to be 2.5% each year.
5. Values shown are estimates and are not guaranteed.
6. The charges assumed are as shown in the Costs and Charges section above.
7. The projected growth rate for each fund is as follows:
 - Long Dated Gilt 2 EP: 4.3% above inflation.
 - Secure 2 EP: 0.5% below inflation.
 - Aquila UK Equity Index EP: 4.4% above inflation.
 - American Smaller Companies ZP: 5.6% above inflation.