DECEMBER 2021

SMALL CHANGES
BIG DIFFERENCE

AMG and the Trustee of the MRA are keen to make sure that all members save as much as possible for their retirement, but they also understand that it might not always be a priority for younger members.

This leaflet shows how making small changes to your contributions can have a big impact later on.

START PAYING SOONER

Paying minimum contributions from age 22, rather than from 30, can give you an extra 8 years of contributions from you and your employer, as well as investment growth.

See assumptions overleaf

For members of the Member Retirement Account (MRA) section of the AMG UK Group 2006 Pension Plan ('the Plan')

PAYING AN EXTRA 1% ABOVE THE MINIMUM CONTRIBUTION, FROM AGE 22:

The minimum contributions for someone aged 22 is 3%, but by paying just 1% more from this age, this could provide you with a bigger savings pot at retirement:

- What an extra 1% of salary could get you
- If you pay minimum age related contributions only from age 22

See assumptions below

ASSUMPTIONS

To calculate the overall retirement savings in this leaflet, we have assumed that:

- Salary is £20,000 per year at age 22, with annual salary increases of 2.5% per year
- Retirement age is 68, at which point contributions cease
- Values include employer contributions as well as employee contributions
- Contributions will increase with age (in accordance with the Plan's normal age related contribution scales)
- Contributions are invested in the default lifestyle strategy and stop at 68
- The investment return assumptions are 5.0% per year for the MRA Diversified Fund and 0.75% per year for the LGIM Sterling Liquidity Fund (note that actual returns may be higher or lower than this assumption)
- An allowance for charges has been made of 0.621% per year in respect of the MRA Diversified Fund and 0.090% per year in respect of the LGIM Sterling Liquidity Fund. Transaction costs have been ignored.

This leaflet is for illustrative purposes only and does not reflect your own personal circumstances. The actual value of your retirement savings will be affected by a number of factors, including how much you contribute, market prices and investment returns, and cannot be guaranteed.

If you wish to build up extra benefits by paying a little bit more, you can do so by making Additional Voluntary Contributions (AVCs). AVCs are regular contributions that you may make, and they are invested in the same way as your normal contributions to the Plan. If you are interested in paying AVCs, please either log on to Sharepoint where you will find a form you can complete and return or contact the HR Department or Payroll in Rotherham.