

Pension news

Avon Rubber Retirement & Death Benefits Plan Newsletter 2026

SPRING 2026

AVON TECHNOLOGIES PLC

Letter from the Chair of the Trustee

Welcome to this year's newsletter for members of the Avon Rubber Retirement & Death Benefits Plan. This newsletter covers both our Defined Benefit (DB) and Defined Contribution (DC) sections with content signposted for which section(s) it is applicable to.

As Trustees, we are committed to managing the Plan in your best interests and keeping you up to date on Plan developments, as well as other pensions news. It has been another busy period and I would like to thank my fellow Trustees and the Plan's advisers and administrators for all their contributions and support. You can read more below on some of the recent initiatives we have been working on including the Pensions Dashboards programme, which should enable members to keep track of all their pensions online in one place, and the latest actuarial valuation for the DB Section which is still in progress.

We continue to work closely with the employer, Avon Technologies plc, which plays an important role for the Plan including the payment of employer contributions to both the DB and DC sections.

The newsletter also includes a summary of the year's accounts and membership figures and wider pensions news, including commentary on the changes announced in the autumn Budget to the tax treatment of contributions made by salary sacrifice.

On the final page you will find a section on how to keep us to date with any changes to your circumstances – for example if your address changes. Please also complete an Expression of Wish form if you have not done so already, or if your personal circumstances have changed recently. This helps us understand your family circumstances and your wishes in the event of your death. These forms can be obtained from the administrators for the relevant section of the Plan and on the Plan website.

The Plan website also contains useful documents, communications that have been issued previously and contact names for the Plan. You can access the website at any time and documents are generally available online sooner than via this annual communication.

avon-technologiesplc.com/pensions

Mike Jaffe

Trustee Chair,
Avon Rubber Pension Trust Limited



Key facts and figures

Scheme membership

	DC Section	
	31 March 2025	31 March 2024
Active members	288	303
Deferred members	300	253
Total	588	556

	DB Section	
	31 March 2025	31 March 2024
Deferred members	914	965
Pensioner members	1,948	1,961
Total	2,862	2,926

Summary of movement in the value of the plan

	DB Section (£M)	DC Section (£M)	Total (£M)
Value of the Plan at 31 March 2024	237.9	20.7	258.6
Contributions and other money in	4.8	2.3	7.1
Pension payments and other outgoings	-18.1	-1.0	-19.1
Changes in market value of investments*	-7.5	1.1	-6.4
Value of the Plan at 31 March 2025	217.1	23.1	240.2

* The DB section is invested in assets that are intended to move in line with the value of liabilities and there has been a corresponding decrease in this section's liabilities. This is as a result of changes in interest rates and is to be expected when invested in this way.

Pension news
(relevant to both DB and DC sections)

2025 Autumn budget

The Budget brought about one major pension change – the introduction of a £2,000 cap on salary sacrifice contributions. Further details are included in Section 4 below. In the run-up to the Budget there was also much speculation about possible changes to the 25% tax-free lump sum allowance but this remained unchanged. The government confirmed its commitment to maintain the state pension triple lock.

The changes relating to salary sacrifice contributions will not come into force until 2029. Further details on implementation timelines will be communicated closer to that date.

Is your financial future on track?

Recent research highlights the issue of financial security in retirement:

- Over half of people are not optimistic about being prepared for retirement (Source: State Street Global Advisers)
- Almost 10% of retired people over 55 are back in work or looking for work due to financial pressures, a lack of pension provision, or a desire for social connection. (Source: Standard Life)

The Retirement Living Standards help you to picture what type of lifestyle you might have in retirement based on what you might need to spend. Three different levels are defined:

- **Minimum** – covers the cost of all your basic needs, with some left over for fun
- **Moderate** – more financial security and flexibility than the minimum, with an annual overseas holiday, a long weekend off peak break in the UK, a take away each week and eating out a couple times a month
- **Comfortable** – more financial freedom and some luxuries

For a two-person household the Standards show that you might need to spend £43,900 a year to achieve a moderate living standard in retirement.

The underlying research is regularly updated to ensure that standards reflect changing spending habits. Recent changes include a rise in the cost of the moderate and comfortable standards largely due to inflation across many spending categories, and a reduction in the minimum standard mainly because of lower energy costs.

For more information, visit www.retirementlivingstandards.org.uk





Stay alert – Beware of Fraud

Criminals are constantly trying to develop new ways to tempt you into giving or providing access to your personal information. As far as pension savings are concerned, you are at most risk if you're aged between 50 and 69 as most pensions related activity takes place within this age band.

In 2024, over £17.5 million was lost to pension fraud while the average loss per person was more than £33,000. (Source: Action Fraud)

One current scam tactic is to impersonate a trusted organisation such as a bank or leading retailer. Watch out for scam emails and texts that pretend to be from trusted organisations like your bank or a major retailer, often using real logos and urgent language, such as suggesting you need to update your personal information or passwords in order to continue using their services, or asking for updated bank details for your direct debits. Never click unexpected links or share passwords or one-time passcodes; instead, go directly to the official website or app to verify. Never disclose any personal information or financial details from any unexpected contact – be it over the phone or by email.

It's equally important that you use strong passwords for all your personal accounts. And never click on a link in an unexpected email, text message or social media post.

- Read more about the warning signs and how you can protect yourself: www.thepensionsregulator.gov.uk/en/pension-scams
- If you suspect fraud, report it to Action Fraud: www.actionfraud.police.uk/

Pensions Dashboard

The Pensions Dashboards programme is a Government driven initiative to introduce an online framework that will enable savers to keep track of all their pensions online in one place, including the State Pension. We touched on this in the last newsletter, but while work continues, there have been some recent updates.

1. Since April 2025, over 40 million pension records have been connected, although they cannot be viewed by the public as yet. This includes the Avon Rubber Plan, which connected with effect from 30 September 2025.

2. All UK pension schemes must connect to the system by 31 October 2026.

3. The date for going live to the public is yet to be confirmed but there will be at least six months' notice. You can expect to see lots of media coverage during this time.

4. MoneyHelper's dashboard will be the first to be publicly available. In time, we expect a range of organisations to provide access, from pension providers to banks.

In the meantime, you can get the latest news at: www.pensionsdashboardsprogramme.org.uk/

Pensions and inheritance tax

In the 2024 Autumn Budget, the Government announced plans to bring certain pension-related payments into a person's estate for inheritance tax purposes from 6 April 2027.

For members of the DC Section, the proposed changes will bring any unused pension funds into the member's estate for inheritance tax purposes from 6 April 2027 if the legislation is passed unchanged. For members of the DB Section, death benefits will also be brought into scope, however, certain pension-related payments are expected to remain excluded:

- Lump sums only payable if a member dies in service,
- Pension benefits paid to a dependant as a regular Scheme pension, and
- Payments to a surviving spouse, civil partner or registered charity.



DC Section focus

Benefits in the Defined Contribution (DC) Section of the Plan are determined by a combination of contributions paid by members and the Company, and investment returns earned on those contributions after deduction of fees. The Company pays an amount that depends on each member's chosen contribution rate. The Company currently matches contributions at either 5% or 7.5% of salary.

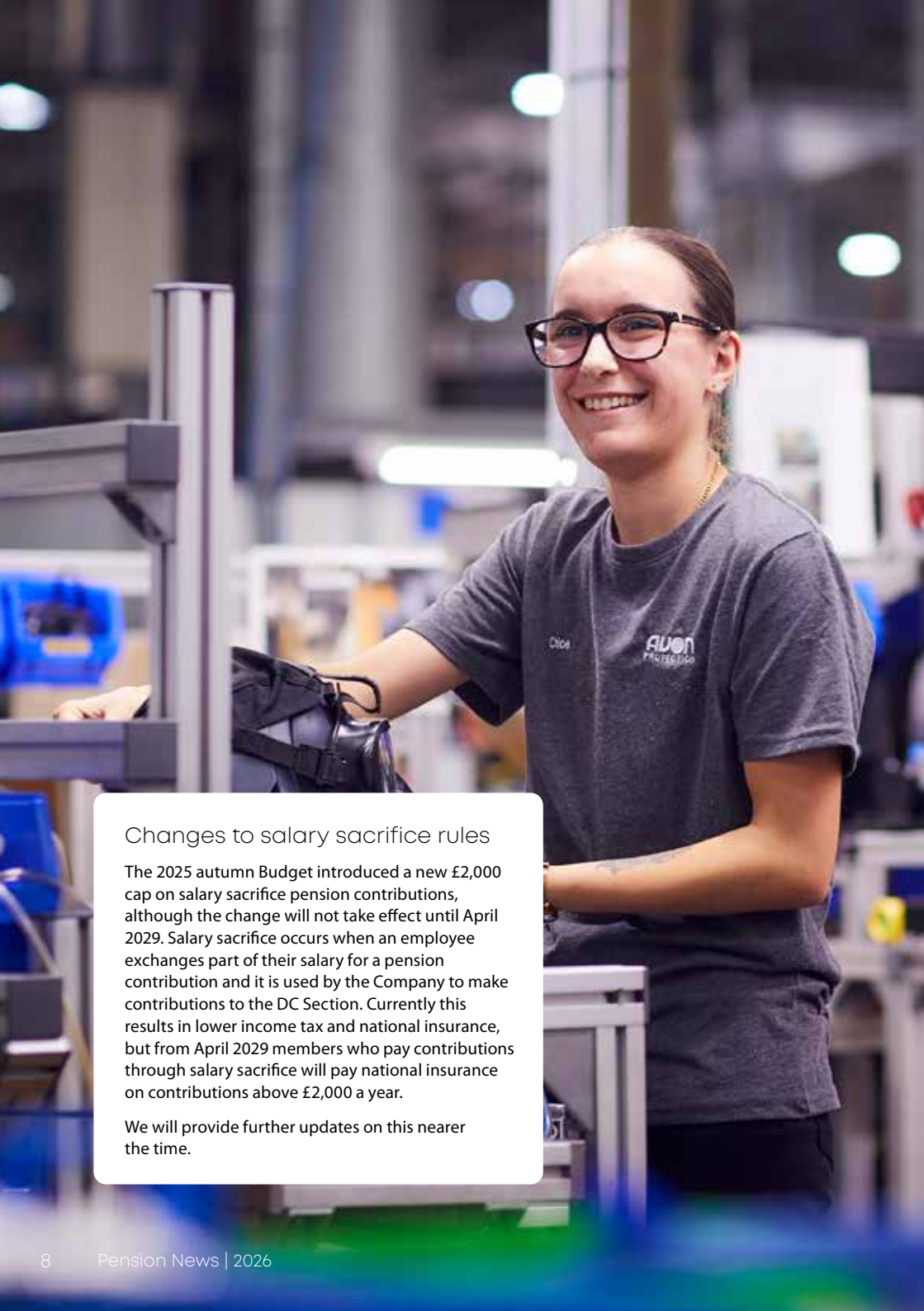
This is a valuable benefit provided by the Company and we want members to be in a position to get the best possible outcomes from this.

We have partnered with Standard Life to provide a range of funds you can choose to invest in.

You should review your investments and the contributions you are making regularly. You can make a change to your investments and contributions at any time.

Standard Life offer a great online portal to access all the information you might need in relation to your personal benefits and the options available to you: www.standardlifepensions.com/avonprotection





Changes to salary sacrifice rules

The 2025 autumn Budget introduced a new £2,000 cap on salary sacrifice pension contributions, although the change will not take effect until April 2029. Salary sacrifice occurs when an employee exchanges part of their salary for a pension contribution and it is used by the Company to make contributions to the DC Section. Currently this results in lower income tax and national insurance, but from April 2029 members who pay contributions through salary sacrifice will pay national insurance on contributions above £2,000 a year.

We will provide further updates on this nearer the time.

Where can you find more information on the Avon Plan?

For further information on receiving tax benefits from the Government and also receiving additional contributions from the Company, you can visit the Standard Life Avon portal at www.standardlifepensions.com/avonprotection

Current members of the Plan can manage their pension online at: www.standardlife.co.uk/1/site/employeezone/login

Current members of the DC Section of the Plan can view an annual statement of their funds on the Standard Life Avon portal.

You can also access and manage your pension using the Standard Life App.





Your planned retirement age

The DC Section's default investment strategy, in which you will be invested unless you have selected alternative funds, is a lifestyle strategy which relies on your planned retirement age (for the majority of members this will be in line with State Pension Age) to automatically move your money into funds designed to be suitable for how you plan to access your savings at retirement. This involves moving your money from more volatile but generally higher performing assets at younger ages into less volatile assets to protect the savings you have built up as you approach your preferred retirement age. It is therefore important that you regularly review your personal information on the Standard Life portal and ensure it is updated if your retirement plans change.

Delivering value for money for you

Each year we are required to assess the extent to which being a member of the DC section of the Plan represents good value to our members. In order to do this, we compare the costs and charges paid by members to the benefits of Plan membership.

We're pleased to confirm that the Trustees' latest assessment concluded that the Plan continues to provide good value for members.

If you'd like more detail, our Value for Members assessment forms part of the Chair's Statement which is required by legislation. This is available from the 'Defined Contribution Scheme' section of the Avon Technologies website: www.avon-technologiesplc.com/pensions/defined-contribution-scheme/

Pension Schemes Bill 2025

The Pensions Schemes Bill was introduced in June 2025 and aims to make a number of changes to the UK's pension system. The Bill focuses on several elements of Defined Contribution (DC) pension schemes including value for money, consolidation of small pension pots, and new rules for how schemes manage DC benefits on retirement. While many of these changes will take place behind the scenes, they're designed to improve the long-term security and efficiency of DC schemes.



Consolidating small pension pots

The Government is working with the pensions industry to enable the automatic consolidation of small, inactive pension pots (of less than £1,000 each) into a single arrangement. This could be a welcome change if you have lots of small pensions across multiple schemes. The change is expected to take place by 2030. We'll keep you updated.

DB Section focus

Actuarial Valuation

The Trustee Board is responsible for ensuring that sufficient contributions are paid into the Plan to cover benefits payable in accordance with the Rules and to build up funds to pay for future benefits.

Since the Defined Benefit section of the Plan was closed to employee contributions in 2009, benefits in the Defined Benefit section are paid for by a combination of contributions paid by the Company and investment income earned.

The amount of contributions to be paid is agreed between the Company and the Trustee and recorded in a Schedule of Contributions, a copy of current contributions can be found on the website. The Trustee Directors are advised by the Scheme Actuary who helps them agree appropriate assumptions with the Company for valuing the Plan's liabilities based on the benefits that must be paid out. Once the assumptions are agreed the Scheme Actuary assesses the amount of money in the Plan relative to its liabilities, both now and in the future. This assessment is known as an actuarial valuation of the Plan and is normally carried out every three years.

We are currently carrying out a valuation with an effective date of 31 March 2025 and have received some initial results from the Scheme Actuary which we are now discussing with the Company. The actuarial valuation needs to be completed,
and a new schedule of contributions put in place, by 30 June 2026 so expect to communicate the outcome of this review later this year.

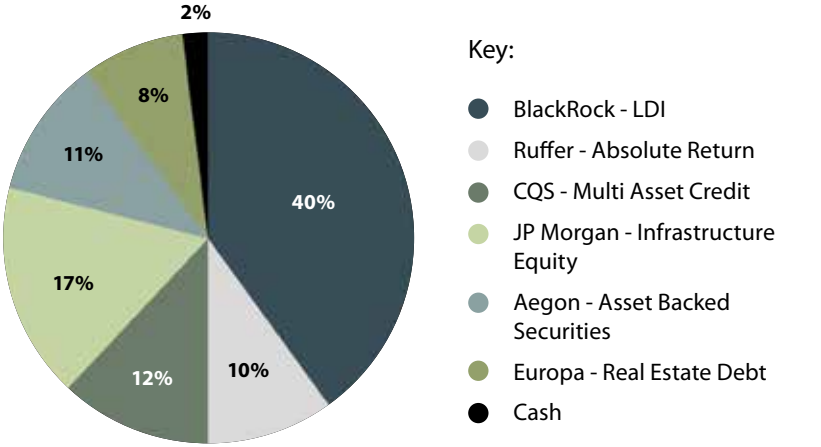


Investment strategy

The Plan invests in a range of assets, including growth assets which seek higher investment returns, and matching assets which reflect the liabilities the Plan needs to pay. The Plan's matching assets are invested in a strategy known as Liability Driven Investment (LDI).

We continue to monitor the Plan's investments and consider new asset classes as appropriate and have recently undertaken a review of our Liability Driven Investment (LDI) strategy, resulting in the appointment of Schroders to replace BlackRock

The chart below shows how the assets of the DB section of the Plan were invested as at 31 March 2025.



You can find details of the investment strategy we have in place on the Plan website www.avon-technologiesplc.com/media/quuo2jb4/avon-rubber-db-only-sip-september-2025.pdf

GMP Equalisation

We have told you previously about our work to adjust benefits to make up for unequal Guaranteed Minimum Pensions (GMPs). A GMP is a minimum level of pre-1997 benefit some members built up in the Scheme instead of part of the State Pension while the Scheme was 'contracted out'. Since 1990, pension schemes have been legally obliged to work out benefits in the same way for men and women. However, by law GMPs are still different for men and women. Following a High Court ruling in 2018, pension schemes must 'equalise' their members' pensions to correct this inequality where necessary.

The Trustee has started a project to equalise GMPs and will be contacting all affected members with details but we expect this to be a long process so please don't worry if you don't hear from us for a while.

State Pension

The DB Section of the Plan was 'contracted out' of the additional State Pension. This means you will have paid lower National Insurance (NI) contributions into the state system while contributing to, and building up benefits in, the Avon Plan. The lower NI contributions will be taken into account when calculating your State Pension when you reach the appropriate retirement age so you may not be automatically offered the full amount of the current State Pension (£230.25 per week with effect from April 2025).

You will of course have your Avon benefits on top of your State benefits and you may have the option to increase the State Pension by making an additional contribution. The State Pension age is currently age 66 and, under current legislation, is due to increase to age 67 between 2026 and 2028 and then age 68 between 2044 and 2046. These dates may change if the government updates the rules.

Further information on contracting out and how this impacts your State benefits can be found here: www.gov.uk/government/publications/new-state-pension-if-youve-been-contracted-out-of-additional-state-pension/the-new-state-pension-transition-and-contracting-out-fact-sheet

We would encourage you to obtain a State Pension forecast from the Government website: Check your State Pension forecast - www.gov.uk/check-state-pension

Meet the Trustee directors



Mike Jaffe
Chair



Miles Ingrey-Counter
Company Nominated



Eric Fielding
Member Nominated



David Little
Member Nominated



Mike Harral
Company Nominated

Further information

Taking advice

If you would like advice about your retirement plans, we recommend you speak with an independent financial adviser (IFA). MoneyHelper has some useful guidance on finding and comparing retirement advisers:

www.moneyhelper.org.uk/en/pensions-and-retirement/taking-your-pension/find-a-retirement-adviser

Before you appoint anyone, you should check that the adviser is suitably qualified and authorised. You can do this online at https://register.fca.org.uk or by phoning the Financial Conduct Authority helpline on 0800 111 6768.

For more general information on pensions and saving for retirement, the following websites are useful resources:

Money Helper

Money Helper provides general advice on all money matters including pensions and finding an independent financial adviser.

www.moneyhelper.org.uk

The Pension Wise section of Money Helper explains the flexible DC retirement options.

www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise

GOV.uk

The Government's website features a section called 'Working, jobs and pensions', which includes a State Pension Age calculator.

www.gov.uk

FCA

The FCA provide information on pension scams, how to avoid them and what to do if you suspect a scam.

www.fca.org.uk/scamsmart



Contact points

Please use any of the methods below to get in touch with the administration team.

Defined Benefit Plan Administrators:
www.aptia-group.com/en-gb/contact

Avon Rubber Retirement & Death Benefits Plan, c/o Aptia Group Limited, Maclaren House, Talbot Road, Stretford, Manchester, M32 0FP

Member Helpline: 0800 046 6183

Defined Contribution Plan Administrators: Standard Life, Dundas House, 20 Brandon Street, Edinburgh, EH3 5PP.

Member Helpline: 01243 530000

Trustee Report & Accounts

The Trustee Directors publish a formal Report and Accounts each year that covers some of the items outlined in this newsletter. Please ask Aptia if you would like a copy or a copy of the Funding Review by the Scheme Actuary. You should write to Mercer if you would like to see the Plan's Trust Deed and Rules or if you want a further copy of the current Members' Booklet. All of these documents are available on the Plan's website at: www.avon-technologiesplc.com/pensions

Internal Dispute Resolution

If you do have any problems with the Plan it is hoped that these can be resolved by the Administrators. If necessary, however, the Trustee Directors have a formal process for dealing with member disputes. Further details of this are available from Aptia or via our website. You may also be able to obtain assistance from the following external bodies:

The Pensions Ombudsman

The Pensions Ombudsman has the power to investigate and decide upon complaints and disputes involving occupational pension schemes. The Ombudsman will normally expect to act only when a matter has been through the Plan's Internal Dispute Resolution Procedure and referred to TPAS and not satisfactorily concluded. The web address is: www.pensions-ombudsman.org.uk

The Pension Tracing Service

The Pension Tracing Service enables ex-members of schemes with pension entitlements, and members' dependents, who have lost touch with earlier employers, to track down their pension benefits.

The web address is: www.gov.uk/find-pension-contact-details

If you need to contact the Pension Tracing Service, the telephone number is 0345 6002 537 or you can write to The Pension Service 9, Mail Handling Site A, Wolverhampton, WV98 1LU.

Reminder to keep us up to date

Please let us know if you change your name or address, not only to keep your records up to date and so we can continue to contact you about the Plan and your benefits, but also to make sure personal or sensitive information going to your old address doesn't put you at risk of identify fraud. So when you move, please let us know your new address as soon as you can.

Please also ensure you complete an Expression of Wish form if you have not done so already, or update your existing form if your personal circumstances have changed recently. This enables us to understand your family circumstances and your wishes in the event of your death. These forms can be obtained from the administrators for the relevant section of the Plan and on the Plan website.

AVON TECHNOLOGIES PLC

AVON PROTECTION

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