

## Pension Builder 2014 (PB 2014)

# Investment and bonuses

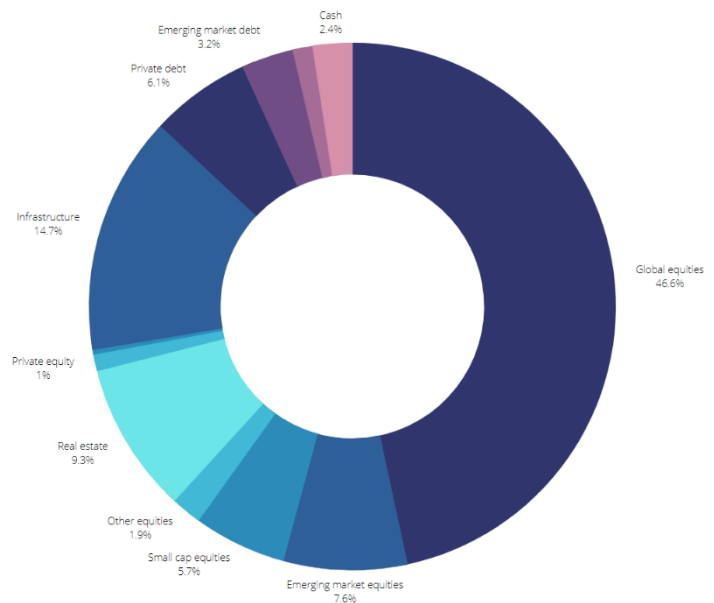
May 2021

### Overview

PB 2014 is 'cash balance' pension scheme. Contributions are added to member's individual accounts so the account builds up over time. We aim to add a bonus to this every year. Bonuses are linked to our investment performance and are discretionary. All contributions and bonuses are guaranteed not to go down in value, unless the member retires or transfers before age 65 and market conditions are poor at that time. At retirement, members can take their account as cash, put it into drawdown or buy an annuity.

### How are contributions invested?

We pool all members accounts together and invest this in our Common Investment Fund. This is a collective fund for all our pension schemes, amounting to over £3bn. Through this we invest PB 2014 assets in four asset pools. This chart shows current allocation to the main assets within these pools.



All of our investments adhere to our Church of England ethical investment criteria. You can find out more about our ethical investment policies and work at [Pensions Board Investments](#)

### Bonuses

At the end of every year, we look at how well our investments performed over the last 12 months and if performance has been strong, after allowing for expenses (0.75% p.a.) and the cost of guaranteeing member accounts will not reduce (capping future bonuses at about 10%), we will add a bonus to member accounts the following April.

The nature of our investments means there may be big differences in bonuses year to year. If our investment performance is negative, i.e., we made a loss, we will not add a bonus for that year.

Here are the bonuses over the last 5 years. The average over the last 5 years has been about 7%.

		Bonus				
		2017	2018	2019	2020	2021
Contributions paid during a calendar year	2014	15%	9.6%	0%	4.8%	6%
	2015	15%	9.6%	0%	4.8%	6%
	2016		9.6%	0%	4.8%	6%
	2017			0%	4.8%	6%
	2018				10.2%	6%
	2019					6%

You can find out more about bonuses and how they work at [PB 2014 bonuses - April 2021](#)

