

now:pensions

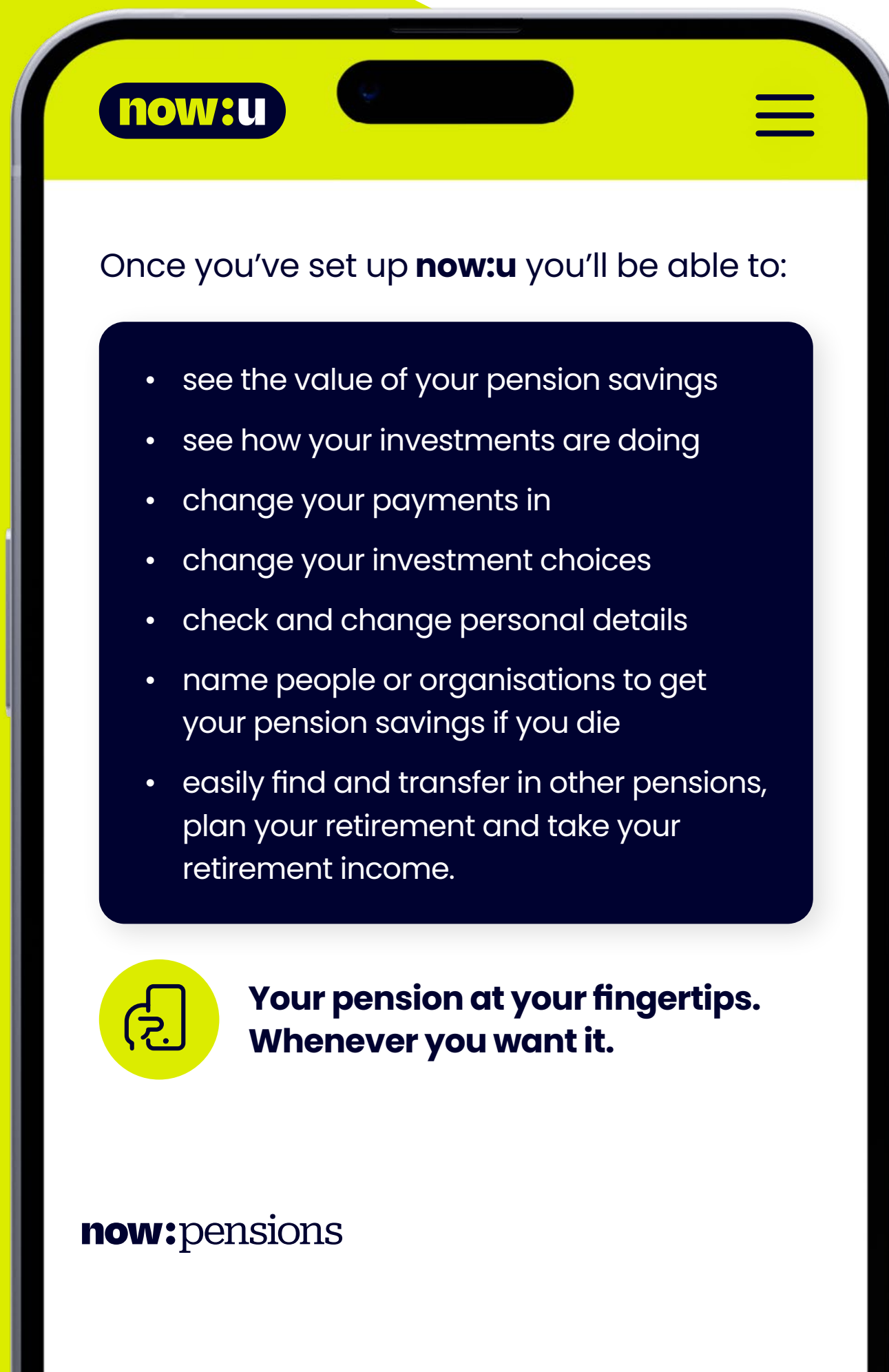
Explaining our *costs and charges*

Simple. Fair. And easy to understand with the help of this guide.



See your *costs and charges*

with **now:u**



Our **now:u** app gives you 24-hour secure access to your pension account, making it easy to see the costs and charges that come out of your pension savings.

You can also use **now:u** on a computer or tablet at nowu.nowpensions.com.

- 1** Log in to **now:u** and go to **Investments**.
- 2** Under **Your investment plan**, choose **See details** to see the charges you pay us to manage your pension savings.



Haven't got the app yet?

Download it from the App Store or Google Play and get yourself set up. [Find out how to set up now:u](#)

Explaining our *costs and charges*

How much you pay for running your pension can make a difference over your lifetime. We've designed this guide to help you understand how our costs and charges could affect the amount of your pension savings over time.

Here are our charges

A monthly **administration charge** for running **now:pensions**. This is **£2.00** a month or **£24** a year.

An **investment management charge** for investing the money in **now:pensions**. This is **0.3%** of the value of your pension savings each year.

Transaction costs for buying and selling investments. We don't charge for these separately – we factor them into the returns on **now:pensions'** investments.

We split our charges up in this way to spread the costs fairly across all members of **now:pensions**. For example, we don't use the investment charge to subsidise administration costs.

How the investment charge works

This table shows how the investment charge works in a year for different amounts of pension savings.

Total pension savings before investment charge (0.3% a year)	Investment charge in a year	Total pensions savings after investment charge
£500	£1.50	£498.50
£1,000	£3.00	£997.00
£2,500	£7.50	£2,492.50

We don't take the monthly administration charge if it would make the value of your **now:pensions** savings less than £100.

	Charges	When paid and how
Administration charge	£2 a month.	Comes out of your account each month, as long as this doesn't take the value of your account below £100.
	+	
Investment management charge	0.3% of the value of your pension savings each year.	Comes out of your account each month.

Our people *profiles*

To help you understand how our costs and charges could affect you over time, we've created some people profiles with different ages.

- We show how much different amounts of pension savings could be worth at each age.
- We show them **before** and **after** we take off the charges.
- And, we show the effect of putting them in different investment options - the lump sum plan and the shariah equity fund. There's more about the investment options on the next page.



Name: Fiona

Age: 22



Name: Leo

Age: 35



Name: Klein

Age: 45



Name: Margaret

Age: 55

Lump sum plan

The **lump sum plan** is what you automatically go into when you're enrolled in **now:pensions**. It's designed for taking your pension savings as one or more cash 'lump sums'. It could be suitable if you want to grow your savings for most of your working life but want more stability in the years leading up to starting to take your savings.

The **lump sum plan** follows a three-phase pension journey. It aims to offer growth in the **now: growth fund** over most of your working life. Ten years before your planned retirement age, your savings start to move into the **now: retirement countdown fund**. A part moves every three months until, at your planned retirement age, 30% of your pension savings is in the **now: growth fund** and 70% is in the **now: retirement countdown fund**. This is intended to prepare your money for retirement, including reducing investment risk.

[Find out more about the lump sum plan](#)

Shariah equity fund

Important: the **shariah equity fund** doesn't follow a three-phase pension journey. So it doesn't move into investments designed to prepare your money for retirement, including reducing investment risk, as you near your planned retirement age.

This fund is designed for investing your pension savings in equities (shares in companies) in line with the requirements of shariah law and the principles of Islam. It could be suitable if you're willing to take investment risk to get higher returns and accept the higher risk of falls in value.

Islamic finance emphasises social responsibility, ethical investment and profit-sharing. Shariah law prohibits investment in areas such as alcohol, tobacco, weapons, gambling and adult entertainment. It also avoids types of investment that involve speculation, such as derivatives. The shariah equity fund is monitored by a group of shariah law experts, who screen the investments to make sure they always comply with shariah law.

[Find out more about the shariah equity fund](#)

Other investment options

These are not the only investment options. We offer five other investment plans to suit different needs and preferences, including different retirement options and attitudes to risk.

[Find out more about your investment options](#)

[Find out more about your retirement options](#)



Fiona's future pension savings



Fiona is 22.

At the start:

- her pension savings are worth £2,000
- the total payments into her pension, from Fiona and her workplace, are £120 a month.

Years of pension saving	Age	If invested in lump sum plan:		If invested in shariah equity fund:	
		Before charges	After charges	Before charges	After charges
1	23	£3,506	£3,474	£3,506	£3,474
3	25	£6,674	£6,562	£6,674	£6,562
5	27	£10,062	£9,847	£10,062	£9,847
10	32	£19,599	£19,004	£19,599	£19,004
15	37	£30,878	£29,686	£30,878	£29,686
20	42	£44,219	£42,144	£44,219	£42,144
25	47	£59,999	£56,669	£59,999	£56,669
30	52	£78,664	£73,601	£78,664	£73,601
35	57	£100,740	£93,338	£100,740	£93,338
40	62	£124,140	£113,857	£126,852	£116,341
45	67	£141,787	£128,711	£157,737	£143,149
46	68	£144,331	£130,754	£164,561	£149,020

What if Fiona stops paying into now:pensions?

This table shows what happens if Fiona stops paying in to her **now:pensions** account after one, three and five years. The costs and charges carry on coming out of her account.

Years of pension saving	Age stopped paying in	Retirement age	Future pensions savings value:	
			Before charges	After charges
1	23	68	£13,871	£10,662
3	25	68	£24,690	£20,142
5	27	68	£34,806	£29,060

Our costs and charges apply whether you're...

- currently paying in to your pension savings, or
- have stopped paying in, but still have savings in **now:pensions**.

Even if you're no longer paying in to your pension savings, we're managing and investing them. So the costs and charges still apply. Over time these can eat away at your pension savings.

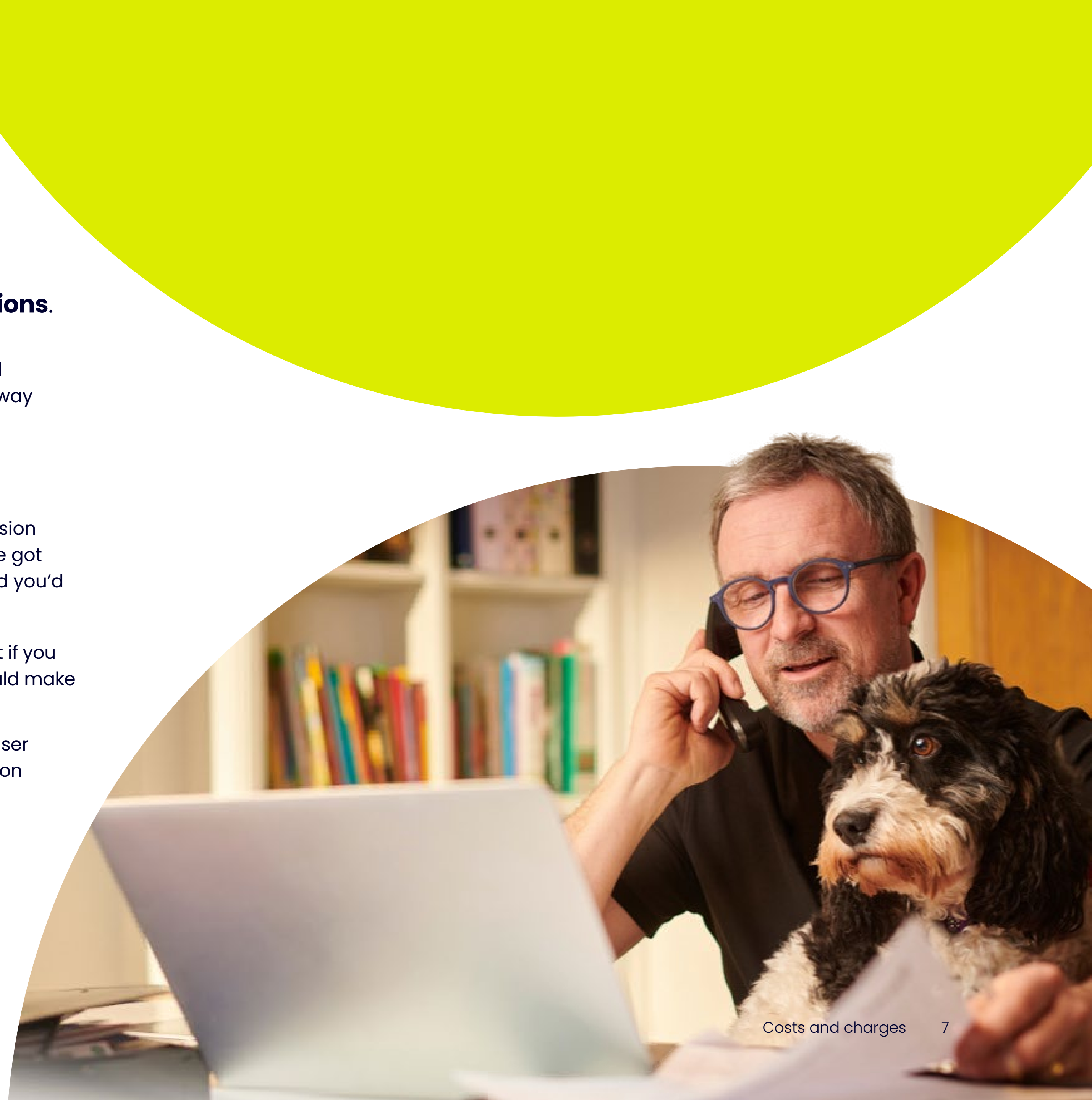
Think about transferring

It could make sense to put your **now:pensions** savings together with other pension savings you have. For example, you could transfer other pension savings you've got into **now:pensions**. That way, you could take advantage of our low charges and you'd be able to manage all your pension savings with **now:u**.

We don't charge you to transfer pension savings into or out of **now:pensions**. But if you transfer your pension savings out, the pension provider you're transferring to could make a charge. You should check this before transferring your pension savings out.

Transferring a pension is a big decision. It's a good idea to talk to a financial adviser who's regulated by the Financial Conduct Authority (FCA). See 'Financial advice' on page 14 for more about this.

• [Find out more about transferring pensions](#)



Leo's future pension savings



Leo is 35.

At the start:

- his pension savings are worth £3,000
- the total payments into his pension, from Leo and his workplace, are £135 a month.

Years of pension saving	Age	If invested in lump sum plan:		If invested in shariah equity fund:	
		Before charges	After charges	Before charges	After charges
1	36	£4,702	£4,667	£4,702	£4,667
3	38	£8,284	£8,159	£8,284	£8,159
5	40	£12,114	£11,874	£12,114	£11,874
10	45	£22,893	£22,228	£22,893	£22,228
15	50	£35,643	£34,304	£35,643	£34,304
20	55	£50,724	£48,387	£50,724	£48,387
25	60	£68,185	£64,449	£68,562	£64,804
30	65	£84,130	£78,778	£89,660	£83,942
33	68	£91,636	£85,327	£104,127	£96,914



Klein's future pension savings



Klein is 45.

At the start:

- his pension savings are worth £3,800
- the total payments into his pension, from Klein and his workplace, are £145 a month.

Years of pension saving	Age	If invested in lump sum plan:		If invested in shariah equity fund:	
		Before charges	After charges	Before charges	After charges
1	46	£5,669	£5,631	£5,669	£5,631
3	48	£9,600	£9,466	£9,600	£9,466
5	50	£13,804	£13,545	£13,804	£13,545
10	55	£25,637	£24,914	£25,637	£24,914
15	60	£39,419	£37,966	£39,633	£38,172
20	65	£52,839	£50,444	£56,188	£53,632
23	68	£59,752	£56,746	£67,540	£64,112



Margaret's future pension savings



Margaret is 55.

At the start:

- her pension savings are worth £4,400
- the total payments into her pension, from Margaret and her workplace, are £160 a month.

Years of pension saving	Age	If invested in lump sum plan:		If invested in shariah equity fund:	
		Before charges	After charges	Before charges	After charges
1	56	£6,442	£6,402	£6,442	£6,402
3	58	£10,724	£10,582	£10,738	£10,596
5	60	£15,168	£14,895	£15,333	£15,057
10	65	£26,353	£25,634	£28,264	£27,488
12	67	£30,601	£29,664	£34,076	£33,020



How we worked out the *examples*

We know there's no such thing as an 'average' member of **now:pensions**. But we've had a good look at the membership and worked out some 'typical' examples of members at different ages, with different amounts of pension savings.

Here's how we did this

- 1 We split the membership into age bands.
- 2 We took the average value of pension savings, and payments in, from each age band.
- 3 We used these as the starting value of pension savings, and monthly payments in, for each example.

i Remember

These are just examples to help you understand the effect of the costs and charges on your pension savings. Even if you're the same age, or have the same value of pension savings, as one of the examples, the amounts are likely to be different for you.

How the tables work

1. We've assumed earnings, and payments in, increase by **2.5%** each year.
2. All the figures are in **today's money**. This means we've projected them forward, then taken out the effect of inflation to suggest how far your money could go in future. We've assumed inflation is **2.5%** each year.
3. We've based payments in on the current minimum rate for auto enrolment – **8% of qualifying earnings**, with 3% from your workplace and 5% from you. Qualifying earnings are all your earnings between £6,240 and £50,270 in 2025-26. The government could change these amounts in future.
4. **Before charges** shows the total value of the pension savings if there were still transaction costs but no charges.
5. **After charges** shows the effect of the charges on the pension savings of people in that age band.
6. The assumptions we've used for investment returns are shown in the table on the next page.
7. Charges are the same for each workplace.
8. We worked these values out on **13 June 2025**.

Making assumptions about the future

We've listed the assumptions we use in the table below. We think these are reasonable assumptions. But, over the long term, even small differences between our assumptions and what happens in reality can make a big difference.

Salary increase	2.5% a year
Inflation, measured by the Consumer Prices Index (CPI)	2.5% a year
now: growth fund investment return, after transaction costs, before charges	6% a year
now: growth fund investment return, after transaction costs and charges	5.68% a year
now: retirement countdown fund investment return, after transaction costs, before charges	2% a year
now: retirement countdown fund investment return, after transaction costs and charges	1.69% a year
now: shariah equity fund investment return, after transaction costs, before charges	6% a year
now: shariah equity fund investment return, after transaction costs and charges	5.68% a year
Administration charge	£2.00 each month
Investment management charge	0.3% a year
Retirement age	State Pension age

The illustrations of the lump sum plan and shariah equity fund on the previous pages are only examples and are based on a set of standardised assumptions. If you're not in the lump sum plan or shariah equity fund, these assumptions may not reflect your own investment choice accurately. Although they're based on assumptions, these illustrations can still be a helpful guide to how charges could affect your pension savings over time, even if you're in a different plan. The actual growth of your savings could be higher or lower than the assumptions used in these illustrations. This will affect the overall amount of your charges.

Get in touch

Useful organisations

MoneyHelper and Pension Wise

The government's **MoneyHelper** service offers free, impartial guidance about a whole range of money matters including budgeting, money troubles, savings and pensions. Trained experts are available to help by phone and webchat.

MoneyHelper includes **Pension Wise**, a service for people over 50 that explains your options for taking money out of your pension savings.



Website, including live webchat: moneyhelper.org.uk/en
(webchat opening hours: Monday to Friday, 9am to 5pm)



Pensions helpline: **0800 011 3797** (Monday to Friday, 9am to 5pm)

Citizens Advice

Citizens Advice is a charity offering confidential help and advice to help people sort out their problems, including money and debt.



Website (including online chat facility):
citizensadvice.org.uk/debt-and-money/pensions



Adviceline (England): **0800 144 8848**
Adviceline (Wales): **0800 702 2020**



**Ask us on
webchat**



Visit our help centre
nowpensions.com/support

You can also write to us at this address: **now:pensions,
3rd Floor, 37 Park Row, Nottingham NG1 6GH.**

Regulated Financial advice

The organisations we've listed here can give you guidance. But they can't give advice that's tailored to you. To get this kind of personalised advice, you need to talk to a financial adviser who's regulated by the Financial Conduct Authority (FCA).

The government's **MoneyHelper** website has a guide to finding a regulated financial adviser and a directory of FCA-regulated financial advisers who can give advice on pensions. You'll find the directory at moneyhelper.org.uk/en/pensions-and-retirement/taking-your-pension/find-a-retirement-adviser

The **Personal Finance Society (PFS)** has a **What we do for the public** section, including a directory you can filter to find regulated financial advisers that specialise in retirement planning. Visit thepfs.org/about-us/what-we-do-for-the-public



You usually have to pay for regulated financial advice, so remember to ask your adviser how much they charge.

now:pensions

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NOW: Pensions Ltd and **NOW: Pension Trustee Limited** (together “now:pensions or “we”).

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