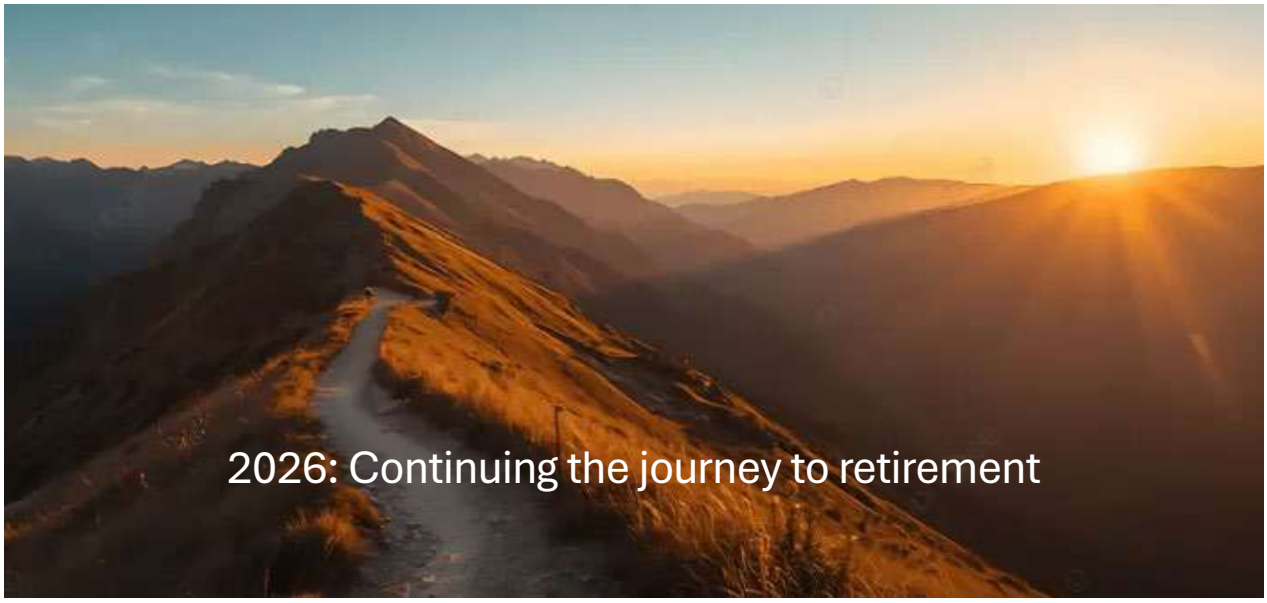
Newsletter

QUARTER ENDING 31ST DECEMBER 2025



Welcome to Your Pension Update!

With our very best wishes for the New Year, we're delighted to welcome you to the first TLWPT newsletter of 2026. Inside, you'll find important updates, helpful guidance and key information to support you in planning and managing your retirement with confidence.

Stay informed with Pension News: In this edition, we're launching a new summary of key pension updates to keep you informed on the latest developments. **Find out more.**

WORLD MARKET OVERVIEW	DEFAULT FUND PERFORMANCE	UPDATE: CHANGES TO SALARY SACRIFICE
A brief overview of world markets and current world events.	The default portfolio fund performance to 31st December 2025.	Changes announced in the Autumn budget will affect as all.
Read more	**Read more**	**Read more**

Performance Figures

The performance figures to **31st December 2025** for the Default and Model portfolios are:

Portfolio	1m	3m	6m	1y	3y	5y
Lewis Default Portfolio 1 (for ages up to 60)	**0.86%**	**4.27%**	**12.70%**	**16.12%**	**45.77%**	**75.28%**
DP 1 Benchmark	0.52%	4.86%	13.50%	14.14%	47.27%	64.09%
Lewis Default Portfolio 2 (for ages 60 +)	0.59%	3.39%	9.49%	11.85%	37.53%	57.62%
DP 2 Benchmark	0.57%	3.84%	10.08%	11.63%	36.86%	49.25%
Lewis Default Portfolio 3 (for ages 62 +)	0.52%	2.52%	6.36%	9.00%	28.26%	39.87%
DP 3 Benchmark	0.49%	2.65%	6.66%	8.61%	27.32%	34.97%
Lewis Default Portfolio 4 (for ages 64 +)	0.36%	1.21%	2.58%	5.05%	15.88%	19.50%
DP 4 Benchmark	0.44%	1.32%	2.66%	5.26%	15.90%	18.12%
Lewis Cautious Portfolio (for any age)	0.46%	2.82%	4.89%	7.28%	18.59%	13.86%
Cautious Benchmark	-0.34%	2.40%	6.01%	9.39%	15.72%	18.07%
Lewis Moderate Portfolio (for any age)	1.39%	5.14%	12.61%	17.90%	40.28%	53.86%
Moderate Benchmark	-0.21%	3.27%	10.60%	12.31%	38.13%	51.31%
Lewis Speculative Portfolio (for any age)	1.36%	4.87%	13.83%	19.74%	45.22%	64.96%
Speculative Benchmark	-0.26%	3.31%	11.79%	12.97%	44.15%	59.76%
Lewis Responsible Investing Portfolio	1.10%	2.90%	10.30%	5.90%	48.60%	64.00%
Lewis Sharia Portfolio	-0.50%	4.90%	18.80%	12.60%	83.00%	95.30%

Past performance is no guarantee of future performance and the value of your investment may be less than originally invested. Source: FE Trustnet.

World Market Overview

Written by Kristan Ward

World Market Overview – Q4 2025

The fourth quarter of 2025 saw financial markets continue to navigate a complex economic landscape defined by slowing growth, persistent inflation concerns, and shifting central bank policies. Global equities maintained positive momentum for much of the quarter, supported by resilient corporate earnings and easing inflationary pressures in major economies. However, heightened fiscal concerns, geopolitical tensions, and mixed macroeconomic data raised intermittent volatility throughout the reporting period.

Commodity markets experienced varied outcomes with oil prices remaining sensitive to geopolitical developments and supply expectations, while precious metals like gold and silver, continued to benefit from investors seeking safer asset classes. In the currency markets, there was relative stability, although sterling (GBP) faced downward pressure amid weaker UK economic data and evolving interest rate expectations.

Overall, diversified equity portfolios delivered strong performance during 2025, supporting our preference for an overweight allocation to global equities. Our core Default 1 portfolio posted a return of 16.12% during 2025, and our risk adjusted Model portfolios, all performing as expected, with Speculative increasing by an impressive 19.74% over the 12 months.

UK

The UK economy entered the final quarter of 2025 with sluggish growth and persistent cost pressures, presenting a mixed outlook for investors. Recent data suggest the economy expanded by around 0.1% in Q3, highlighting a clear slowdown compared with earlier in the year. Consumer price inflation (CPI) moderated to 3.2% in November, down from earlier peaks but still higher than at the beginning of 2025, offering some relief to households.

The labour market has weakened further, with higher taxes and living costs impacting disposable incomes and confidence, along with rising unemployment levels.

In response to weaker growth and easing inflation, the Bank of England reduced the base rate in December by 0.25% to 3.75%. Markets anticipate further cuts in 2026, but expectations should be cautious. The FTSE100 finished the year near record levels, with its strongest annual gain in 16 years, to rise more than 21% over the year.

Eurozone

In the Eurozone, economic growth remained subdued in late 2025, with performance varying significantly across member states. Inflation continued its gradual decline toward the European Central Bank's target, allowing policymakers to maintain a cautious and supportive stance.

Spain continued to outperform, supported by domestic demand, while Germany's manufacturing sector faced ongoing export headwinds. Overall, the region's recovery remains uneven, and structural challenges such as demographics and fiscal constraints continue to shape the outlook.

Bulgaria, which is the poorest country in the European Union, has become the 21st member of the eurozone, leapfrogging more obvious and prosperous candidates like Poland, the Czech Republic and Hungary.

United States

The US economy demonstrated relative resilience during Q4, supported by robust consumer spending and solid corporate earnings. Inflation eased further, with headline CPI at 2.7% in November, strengthening expectations that the Federal Reserve may be in a position to begin easing interest rates during 2026. Labour market conditions have softened slightly but remained healthy by historical standards.

US equity markets continued to attract strong investor interest, particularly in technology and consumer-related sectors, although volatility increased around key economic data releases and policy commentary. Trade and fiscal policy uncertainty remain important risks for the outlook.

Japan

Japan's economy continued to expand modestly in Q4, supported by firm domestic demand and improving wage growth. While exports faced challenges from weaker global trade, household spending and investment helped underpin activity. Inflation remained above the Bank of Japan's long-term target, but policymakers maintained a cautious approach, balancing the need to support growth with gradual policy normalisation. Long-term challenges, including an ageing population and productivity constraints, remain key considerations.

Asia & China

Across Asia, economic performance was mixed in Q4. China's economy continued to face headwinds from a weak property sector and softer investment, with growth likely falling short of official targets for 2025. Nevertheless, targeted policy support has helped stabilise domestic consumption. Elsewhere in the region, economies such as India and parts of Southeast Asia continued to benefit from strong domestic demand and structural growth trends, supporting positive equity market performance despite global uncertainties.

Parts of Asia could benefit if US$ continues to weaken during 2026.

Summary and Outlook

As 2025 drew to a close, global markets reflected a balance between moderating growth and improving inflation dynamics. Central banks are increasingly focused on supporting economic activity while ensuring price stability, and this shift has helped underpin investor sentiment. Equity markets performed very well in 2025 despite weaker growth signals, placing greater emphasis on earnings quality and sector selection.

Commodity markets remain sensitive to geopolitical risks, while bond markets increasingly reflect expectations of lower interest rates ahead.

Outlook for 2026

Looking ahead to 2026, global growth is expected to remain moderate, with forecasters anticipating a continuation of expansion across developed markets and stronger momentum in parts of Asia. Inflation is likely to move closer to central bank targets, creating scope for cautious interest rate cuts in the US, UK and Europe over the year.

While a more supportive monetary backdrop could benefit risk assets, e.g. equities, investors will need to remain mindful of ongoing risks, including geopolitical tensions, high public debt levels, and the potential for renewed inflationary pressures.

For members of the workplace pension scheme, a long-term, diversified geographical investment strategy, coupled with an overweight equity allocation, remains the most effective way to manage market fluctuations and benefit from long-term global growth. Our investment committee is continuing to review alternative investment strategies, which may be introduced if they are considered appropriate for the portfolios.

Changes to Salary Sacrifice

UPDATE

Salary Sacrifice – The Essentials

- **Salary sacrifice** means you give up part of your pay and your employer pays it into your pension instead
- This usually means you **pay less Income Tax and National Insurance**
- **More money goes into your pension**, even though it costs you less in take-home pay
- Pension savings grow in a **tax-efficient way**, helping your money go further over time
- It can also help some higher earners **stay below certain tax thresholds**

A Future Change to Be Aware Of (from April 2029)

The Government is introducing a new rule that will **limit the National Insurance benefit from salary sacrifice to £2,000 a year**. This means:

- The first £2,000 you put into your pension via salary sacrifice in each tax year will still save National Insurance
- Any amount above £2,000 will **continue to go into your pension** and you'll still get Income Tax relief, but **you'll pay National Insurance on it** instead of saving it.

What this means in practice

- This change **does not stop you contributing more to your pension,** it only changes how National Insurance is treated above £2,000
- Most members making typical contributions **won't be affected much**
- But those contributing more may see **smaller National Insurance savings in the future**

Thinking ahead

Some experts online are already talking about these changes and advising people to **review their pension contributions before the cap starts** so they can make the most of the *current* tax and National Insurance benefits while they still apply. For example, financial commentators and personal finance sites such as *Money Saving Expert* and *The Telegraph* have answered questions about whether people should consider increasing salary

sacrifice before 2029 and pension-industry commentary has noted how widely salary sacrifice is used and why this cap matters to members and employers alike.

Need help or advice?

All members can access independent financial advice through the Trust's appointed financial adviser, Lewis Investment, including one-to-one appointments, in person during your employer's annual site visit or by video. To arrange an appointment, contact the Member Helpline:

01202 738650

mypension@TLWPT.co.uk

The Lewis Workplace Pension Trust – helping you make the most of your retirement savings

An Ode to Workplace Pensions

At eighteen, life's a grand parade,
Big plans, big dreams, not yet afraid.

Retirements for the old, you think -
So far away you barely blink.

Then comes a job, a steady pay,
but somehow money slips away.

You meet someone, you settle down,
A car, a house, a sofa brown.

Bills appear from every side,
That pension plan? You let it slide.

"Plenty of time," you laugh and say,
"I'll start that pension… another day."

In a blink you're forty-five,
Still juggling bills to stay alive.

"Next year," you say, "I'll start a plan,"
And kick that pension down the can.

Then sixty's near - surprise, surprise,
Retirement's suddenly before your eyes.
But thank your stars (and workplace rules),
Your pension's grown while life amused.

Your employer nudged, matched what you paid,
A quiet pot you're glad you made.
That little pot you barely noticed,
Quietly growing, never boasted.

So, here's the moral, short and fair:
Don't leave your pension to despair.
Because while life spends cash with flair,
Your pension's working… while you're not aware.

Keep Your Money Working Hard for You

The internet is full of “get rich quick” ideas, but most of us earn our money the steady way – through our wages. That’s why it’s so important to make sure every pound is working properly for us and not quietly slipping away.

Doing a simple financial check-up can really help. It might sound daunting, but knowing where you stand brings peace of mind and you may even find extra money you didn’t realise you had. Here’s a straightforward way to get started.

Step 1 – Be honest with yourself

Think about what really matters to you. Are you saving for retirement, a holiday, helping family, or simply wanting to feel more secure? Being clear about your goals helps you look honestly at your current situation.

Step 2 – Give yourself time

Don’t rush it. Set time aside, even if you do it in small chunks. Treat it like an important appointment and pop it in your diary. This is about you and your future.

Step 3 – Gather everything together

Collect anything money-related: bank statements, bills, loan or mortgage details, pension information and insurance policies. It may feel uncomfortable but having everything in one place is the only way to see the full picture.

Step 4 – Follow the money

Look at your spending habits.

Do cash withdrawals disappear without you quite knowing where they went? Do you tend to overspend at certain times of the month? Even if you *can* afford things, it’s worth asking: could some of that money be used better elsewhere – perhaps saving for the future?

Now check your regular payments.

- Are all your direct debits and subscriptions still needed?
- Are you getting good value?
- Could you switch to a better deal on energy, broadband or your mobile?

Comparison sites can help you check quickly and don't forget to review insurance policies too.

You can also use tools like the **MoneyHelper Budget Planner** to see where your money really goes.

Step 5 – Make a plan

Once you've done the review, you'll understand your finances better and be able to make sensible decisions. If you've freed up some money, you could:

- reduce debts
- build an emergency savings pot
- add to your pension or start saving regularly

Agree a budget with yourself and try to stick to it. Life can be unpredictable, but having a plan helps you feel more in control. And don't forget to cancel anything you no longer use!

Need a hand?

If you find something you're unsure about, discover an old pension, or simply want help planning your finances, Lewis Investment, our scheme appointed financial adviser can support you.

Give them a call on 01202 718400 – they'll be happy to help.

Lewis & Co (Investments & Pensions) Limited are authorised and regulated by the Financial Conduct Authority. Firm reference number 143646.

Four Simple Checks to Help Protect Your Pension

We encourage all our members to take a few minutes at least once a year - or whenever your circumstances change - to complete these four quick checks. They don't take long, but they can make a real difference in keeping your pension safe, secure and up to date.

✓ 1. Make sure you can access your Member Portal

Make sure you can access your account, messages and documents. You can reset your password via the Scheme website if needed.

✓ 2. Check your personal details are correct

Please ensure your address, phone number and email are correct. Update phone and email in the Portal. If your address has changed, let your employer know or use the Change of Details form on the Scheme website.

✓ 3. Keep your account safe online

Use a strong, unique password and never share it. If you think your account has been compromised, change your password immediately. **We'll never ask you for it.**

✓ 4. Tell us who you want your pension to go to

Complete or update your nomination form in the Portal so we know who you'd like your pension paid to if you die.

A few small checks now can make a big difference later. Ready, steady... log in today!

Stay informed with Pension News

A lot has been happening in pensions over the last few months. While much of it happens behind the scenes, the changes are designed to help your pension work better for you. Here's a quick update.

New pension rules are on the way

The government is moving ahead with new pension legislation aimed at improving outcomes for savers. The focus is on well-run, good-value pension schemes that are large enough to invest effectively and keep costs under control.

"The goal is simple: better value and better outcomes for pension savers."

For members of a master trust, this reinforces the importance of strong governance, scale and long-term planning.

It's about value — not just cost

Pension schemes are now being judged on *value for money*, not just how low charges are.

That means looking at:

- How investments perform over time
- The quality of service and communications
- How efficiently the scheme is run

"A good pension is about how well everything works together — not just price."

Keeping your pension safe and well run

The Pensions Regulator continues to stress the importance of good administration, accurate records and strong cyber security. This helps make sure contributions are invested on time and your pension details are kept secure.

"Strong governance helps protect your pension savings."

Making pensions easier to manage

Plans are progressing to help bring together small pension pots from old jobs. The aim is to make pensions easier to keep track of and reduce the risk of money being forgotten.

“Fewer small pots could mean a clearer picture of your retirement savings.”

What you can do now

✓ Check your details

Make sure your contact details and beneficiary information are up to date.

✓ Keep track of old pensions

If you’ve had several jobs, think about where your old pensions are and whether combining them could help.

✓ Stay engaged

Regularly review your pension and make use of online tools and communications from your scheme.

✓ Ask questions

If you’re unsure about how your pension works or your investment options, support is available.

Looking ahead

Pensions are changing — with a stronger focus on value, security and long-term growth. Staying informed and engaged can help you make the most of your retirement savings.

What we’ll do for you

- ### Deliver value and long-term growth
  We regularly review investments, costs and performance to support better retirement outcomes.

- ### Protect your pension
  Strong governance, administration and cyber security help keep your savings and personal details secure.

- ### Keep things clear and simple
- We'll make pensions easier to understand and keep you informed about changes that matter.

We'd Love Your Ideas

This newsletter is for you – so tell us what you'd like to see in future editions! Whether it's pension updates, helpful tips, or something new, we'd love to hear your thoughts.

*Drop us a line at **mypension@TLWPT.co.uk***

Frequently Asked Questions

Why not visit our dedicated webpage with the most commonly raised questions about the scheme.

We hope this will help you find answers to your questions quickly and easily without contacting us.

Our team are, of course, still here to help and assist you with your queries, however, our office is only staffed Monday to Friday from 9 am to 5 pm. We appreciate that from time to time, you may have a query outside these hours and while you are welcome to drop us an email with any questions you may have, we encourage you to browse the FAQ's page as you may get an answer straight away.

You can scan the QR code to visit our website for both the Members and Employers FAQ Pages. Other ways to contact us:

Email us at: mypension@TLWPT.co.uk
Or call on: 01202 738650
https://tlwpt.co.uk.

ALERT

Warning: pension and investment scams are increasing

Trusted organisations like **The Pensions Regulator, the Financial Conduct Authority (FCA), Which? and Action Fraud** are warning that scammers are targeting pension scheme members more than ever.

Scammers are targeting pension savers and investors with messages and offers that look official but are **designed to steal your money or personal information**.

Here's what you need to know — and what to do.

Fake Letters and Contacts

Scammers may send:

- Official-looking letters or emails about a "failed investment," "lost pension," or compensation
- Cold calls, social media messages, or texts about pension deals
- Invitations to a "free pension review" or "special investment opportunity"

These are often scams that aim to get you to transfer money, reveal personal details, or pay fees.

Do not reply or provide information.

Investment Scams to Watch Out For

Beware of:

- Offers that promise high or guaranteed returns
- Claims that a scheme is government-approved or FCA-regulated
- Pressure to act fast or keep it secret
- Cold calls about investments or pensions — these are a red flag

If it *sounds too good to be true*, it probably is.

Government or Cost-of-Living Scams

Scammers also send fake messages about “winter fuel” or “cost-of-living payments” that ask you to:

- Click a link
- Confirm personal or bank details

Real government payments are automatic — you never have to apply or give bank details.

Delete these messages. Do not click links.

How to Protect Yourself

- **Never give personal, pension or bank details** unless you are sure who you are dealing with
- **Always use official contact details** from a regulators or government website
- Be cautious if you’re contacted out of the blue
- Check that a firm is authorised before discussing an investment
- Ask a trusted friend, financial adviser or a free independent service before acting

Where to Report Scams in the UK

If you suspect a scam or have been contacted by fraudsters, report it to one or more of these trusted organisations:

Financial Conduct Authority (FCA)

- Report scams or unauthorised firms
- Check firms and individuals on the FCA *register* or *Firm Checker* tool
  Phone: 0800 111 6768
  Online: www.fca.org.uk/scamsmart

Action Fraud

(UK’s national reporting centre for fraud)

- Report suspected fraud or scam contact
  Phone: 0300 123 2040
  Online: www.actionfraud.police.uk

The Pensions Regulator (TPR)

- Offers guidance on pension scam warning signs
  Website: www.thepensionsregulator.gov.uk/en/pension-scams

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The Pensions Ombudsman

- Investigates pension complaints
  Website: www.pensions-ombudsman.org.uk
  (They will never ask for money or bank details.)

MoneyHelper (Free, impartial support)

- Advice on pensions and scams
  Phone: 0800 138 7777
  Website: www.moneyhelper.org.uk

Stay Alert — Protect Your Savings

By staying informed and cautious, you reduce your risk of being scammed and help protect others in your community.

Find out more

Stay up to date with the latest scam warnings on the **Which? Scam Alerts** page:

The latest scam alerts from Which?

Your e-Member Portal

Your e-Member portal provides details of your funds, transactions and other useful information including your annual benefit statement.

Should you need any help accessing your e-Member Portal contact employee support on

+44 (0) 0330 912 8571, or

via email pensionadmin@lewispa.co.uk

You should ensure personal details and your home email address are up to date; you can change your email online via the portal but will need to advise any change of your postal address in writing.

Also, remember that we welcome your feedback. If you have difficulty finding any information, please let us know at
mypension@TLWPT.co.uk or 01202 738650

Useful LinksState Pension Forecast

Your State Pension is a regular government payment you can claim at State Pension age. An online forecast shows you how much you may get, when you can claim and any gaps in your NI contributions. **Visit:**

https://www.gov.uk/check-state-pension

The Pension Tracing Service

The Department for Work and Pensions' online Pension Tracing Service helps people find lost pensions by giving details to help track them down. **Visit:**

https://www.gov.uk/find-pension-contact-details

Retirement Budgeting

A budget shows your income and spending, helping you plan and control your money in retirement.

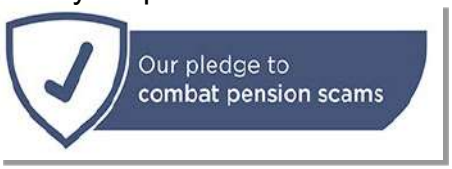
https://www.moneyhelper.org.uk/en/everyday-money/budgeting/budget-planner?source=mas#

Pension Wise

Before pension benefits can be accessed members will be offered an appointment with Pension Wise, if this is not taken up we will need to obtain an "opt-out" confirmation; without this we will be unable to proceed. This change was introduced by The Pensions Regulator to ensure pension savers know enough to make informed decisions about their pension pot.
https://www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise

The Financial Conduct Authority (FCA) has raised concerns that the cost of living crisis could make you more vulnerable to scams. Beware of:

- Pressure when making a decision, particularly a time limit on a 'great' deal
- Unexpected contact, calls or emails offering a 'free pension review'
- Unsolicited calls from IFAs who try to start a discussion about a transfer
- Promises of 'investment deals' and 'early access' to your pension before age 55



Pensions Regulator website which offers advice on preventing scamming, **for more information visit: The Pension Regulator website.**

We're here to listen

If you have any questions concerning this newsletter, or any other matter, or would like to share your views, or have any suggestions, please do not hesitate to contact the Workplace Pension Team

Best Regards

Trustees of The Lewis Workplace Pension Trust