

# Equity Biased Fund (May 2026)

## What is the EBF?

The EBF is an AVC investment option designed to provide long-term growth while protecting members from negative overall returns. **Your EBF return can never be negative.** The fund combines a guaranteed return with a bonus return linked to investment performance. It consists of two parts – a Guarantee Component and a Bonus Component.

## How your return is calculated

**Guarantee Return** – Based on the Sterling Overnight Index Average (SONIA) (or any other index which from time to time the Management Trustees consider is appropriate having taken suitable advice).

**Bonus Return** – The rate for each month is decided on the last day of that month and is based on how well different types of investments perform. Most of these investments are linked to the changes in prices on stock markets, so returns can go up and down with the market. The returns are smoothed over time, so the returns in years of good performance are kept in reserve to cover years when returns may not be so good and part of the bonus return is used to pay for the guarantee that protects your EBF return; from April 2025, this cost is 6.2% a year and is deducted before the bonus is applied.

<b>Monthly EBF return</b>	<b>= Guaranteed Return + Bonus Return</b>
<b>Guaranteed Return</b>	This rate is based on the return during each calendar month on the Sterling Overnight Index Average (SONIA).
<b>Bonus Return</b>	This rate is based on how well different types of investments perform, smoothed over time to ensure the return can never be negative, but might sometimes be zero.

## How interest is credited

If your money is invested for the whole calendar month: interest is added using both the Guaranteed Return and the Bonus Return for that month.

If you take money out part-way through a month: interest is added using only the Guaranteed Return for the days your money was invested in that month. The Bonus Return is not added for a part month. The monthly rate shown applies to that month only. The total annual return can only be seen once all monthly returns for the year are known.

## At a glance

Feature	What it means for you
<b>Capital protection</b>	Your overall EBF return cannot be negative
<b>Growth</b>	Bonus component is credited monthly. Guarantee component is credited daily.
<b>Smoothed returns</b>	Good years help support weaker years
<b>Variable bonus</b>	The bonus may rise, fall or occasionally be zero

## Classification of the EBF

EBF Accounts are not classed as money purchase benefits, but as 'cash-balance' or 'non-money purchase', which are defined benefit in nature. This is because the EBF has an element of investment return that is guaranteed.

If NAPS was ever to wind up with insufficient funds to pay all of the promised benefits in full, it could result in money held in the EBF being used partly or wholly to make good other promised Scheme benefits. The exact impact would depend on the funding position in the Scheme at the time it wound up.

# Equity Biased Fund

## Monthly interest rates so far this year

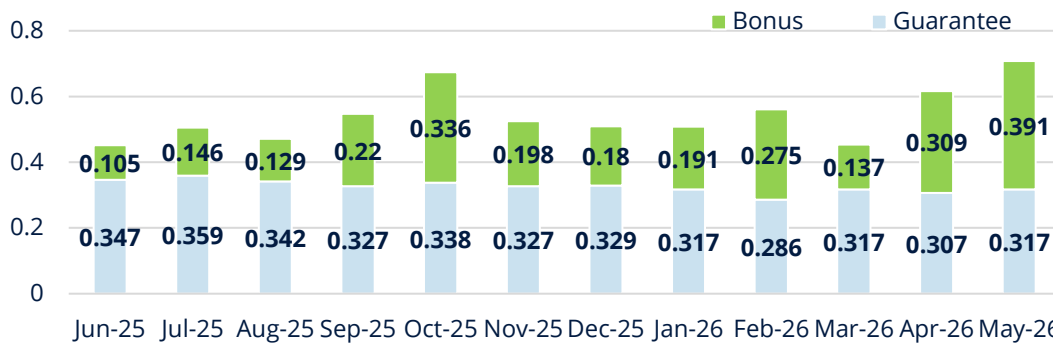
The interest rate you will see each month is the rate to be applied for that month only. Only at the end of the year will you be able to see the total annualised rate of return provided.

## Latest monthly return

The latest monthly return applied to money invested in the EBF account for the whole of the previous calendar month is 0.708% (May 2026).

The cumulative EBF return from 01 April 2026 to 31 May 2026 is: 1.3286353154%.

Your AVC balance will receive the total monthly percentage increase rate comprising of both the Guarantee and Bonus components. The monthly rates will appear in the columns below as they are announced. For simplicity the monthly rates displayed are not presented with full precision.



### Example

If you had an EBF balance of £1,000 on 1 April and the total monthly rate (guarantee plus bonus) for April was 0.5%, your EBF balance at the end of April would be £1,005. If then the total monthly rate (guarantee plus bonus) for May was 0.6%, your EBF balance at the end of May would be £1,011 (£1,005 x 0.6%).

## Actual returns over the past 5 years:

