

Lloyd's Register Superannuation Fund Association (LRSFA) Defined Contribution Section

Investment Guide

Important things you need to know before you invest



Your plan

This guide sets out details of the investment options available – the default investment option (the 'low involvement option'), the alternative strategic lifestyles and the self-select investment options.

Unless you choose another option, you will be automatically invested in the default investment option. Once in the lifestyle you don't need to do anything. Although we do recommend that you regularly review your investments to make sure they are on track to meet your goals.

For details of each investment, their aims and how they invest, please read their fund factsheet. You can find these by clicking on the fund name.



Your charges

There are charges for managing your plan and investments. These are taken from the value of each of the funds you're invested in. These charges are summarized in the tables below.

Charges and discounts aren't guaranteed. They are regularly reviewed and may change in the future.



Important information

All funds are subject to risk and their value can go down as well as up and may be worth less than what was paid in.

The information in this document is correct as at September 2024.

If you are in any doubt as to which investment option(s) you should choose, we strongly recommend you seek advice from a financial adviser.

Your Investment Options

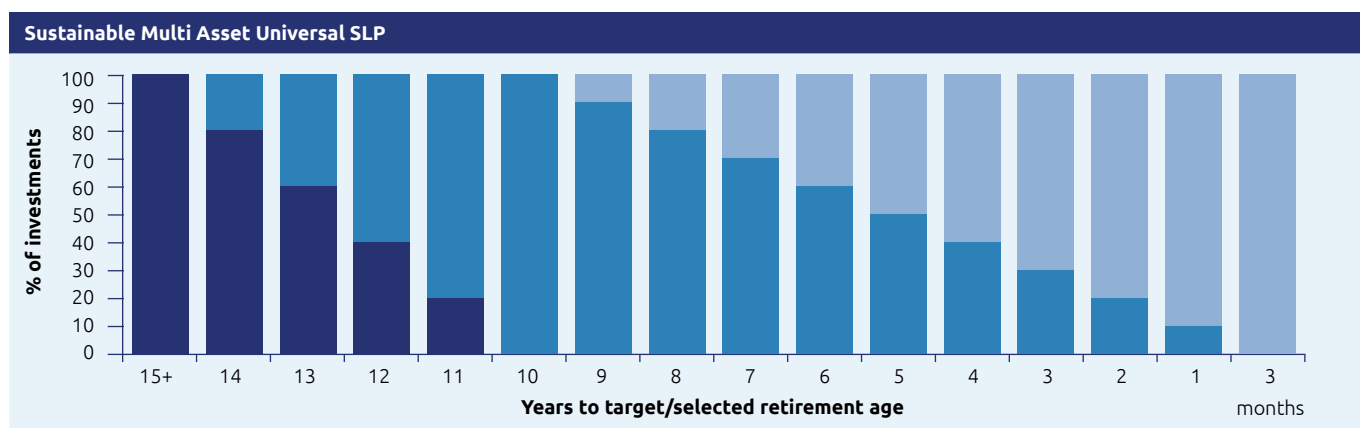
Option 1

Default investment option (the low-involvement option)

The low-involvement option is the **Sustainable Multi Asset Universal Strategic Lifestyle Profile (SLP)**.

As you can see in the graph below, investments are moved toward lower risk funds as you approach your selected retirement age. If you don't make an investment choice, your payments will be automatically invested in the Sustainable Multi Asset Universal SLP. This option is suitable for the majority of members, as it offers you the flexibility to take your money the way you want when you retire. For more information on how our lifestyle profiles work and how long your investments are held in each fund, please visit standardlife.co.uk/investments/funds/lifestyling

Profile Name: Sustainable Multi Asset Universal SLP



Fund name	Fund code	Volatility rating	FMC*	Additional expenses	Discount	Total annual fund charge
Standard Life Sustainable Multi Asset Growth Pension Fund	LPNL	5	0.98%	0.01%	0.83%	0.16%
Standard Life Sustainable Multi Asset Pre Retirement Pension Fund	CEMH	5	0.98%	0.01%	0.83%	0.16%
Standard Life At Retirement - Universal Pension Fund	PLND	4	0.98%	0.02%	0.83%	0.17%

*Fund management charge (FMC).

Option 2



Alternative strategic lifestyles

The Trustee has selected a range of alternative strategic lifestyle profiles (SLPs) for you to choose from in recognition of the different ways you can take your money when you come to retire. These SLPs aren't recommendations. You can choose from this range or from the wider range of funds that are available to you if you have a clearer idea how you would like to use your pension savings.

Profile Name: Sustainable Multi Asset Annuity SLP

Sustainable Multi Asset Annuity SLP



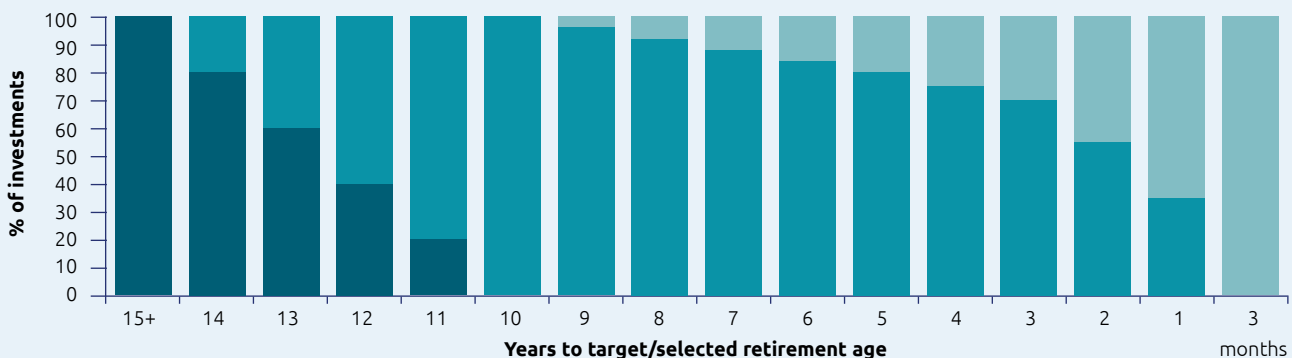
Fund name	Fund code	Volatility rating	FMC*	Additional expenses	Discount	Total annual fund charge
Standard Life Sustainable Multi Asset Growth Pension Fund	LPNL	5	0.98%	0.01%	0.83%	0.16%
Standard Life Sustainable Multi Asset Pre Retirement (Annuity) Pension Fund	MFNJ	5	0.98%	0.01%	0.83%	0.16%
Standard Life At Retirement – Annuity Pension Fund	LNHA	4	0.98%	0.01%	0.83%	0.16%

This lifestyle profile aims to provide investment growth in the initial stage of the lifestyle (15+ years from retirement) by investing in the same funds as the Sustainable Multi Asset Universal (SLP). As you move towards retirement, it automatically switches into other funds that are considered appropriate if you plan to set up a guaranteed income for life (an annuity) with your pension. Buying an annuity is a way of turning your pension savings into a regular income that will continue for the rest of your life. The cost of buying an annuity is driven by a number of things including the amount of money in your pension pot and annuity rates at the time you buy. The Standard Life Sustainable Multi Asset Pre-Retirement (Annuity) Pension Fund aims to reduce the impact of changes in these annuity rates which are broadly linked to the movement of interest rates. It does this by holding a range of different funds which invest in long-term bonds (loans to a government or company) whose value is also associated with changes in interest rates. Where annuity rates fall, the value of this Fund will typically increase, and vice versa, providing an offsetting effect.

*Fund management charge (FMC).

Profile Name: Sustainable Multi Asset Lump Sum SLP

Sustainable Multi Asset Lump Sum SLP



Fund name	Fund code	Volatility rating	FMC*	Additional expenses	Discount	Total annual fund charge
Standard Life Sustainable Multi Asset Growth Pension Fund	LPNL	5	0.98%	0.01%	0.83%	0.16%
Standard Life Sustainable Multi Asset Pre Retirement (Lump Sum) Pension Fund	JMHG	5	0.98%	0.01%	0.83%	0.16%
Standard Life At Retirement – Lump Sum Pension Fund	GFFA	2	0.98%	0.02%	0.83%	0.17%

This lifestyle profile also aims to provide investment growth in the initial stage of the lifestyle (15+ years from retirement) by investing in the same funds as the Sustainable Multi Asset Universal (SLP). As you move towards retirement date, it automatically switches into other funds that are considered appropriate if you plan to take all of your pension pot as one lump sum.

*Fund management charge (FMC).

Profile Name: Sustainable Multi Asset Drawdown SLP



Fund name	Fund code	Volatility rating	FMC*	Additional expenses	Discount	Total annual fund charge
Standard Life Sustainable Multi Asset Growth Pension Fund	LPNL	5	0.98%	0.01%	0.83%	0.16%
Standard Life Sustainable Multi Asset Pre Retirement (Drawdown) Pension Fund	MFED	5	0.98%	0.01%	0.83%	0.16%
Standard Life At Retirement – Drawdown Pension Fund	KBNI	4	0.98%	0.02%	0.83%	0.17%

This lifestyle profile also aims to provide investment growth in the initial stage of the lifestyle (15+ years from retirement) by investing in the same funds as the Sustainable Multi Asset Universal (SLP). As you move towards retirement date, it automatically switches into other funds that are considered appropriate if you plan to take your money as a flexible income (known as drawdown).

*Fund management charge (FMC).

Lifestyle profile notes:

It is not possible to invest in more than one lifestyle profile at a time.

The lifestyle uses your plan retirement date so it is important to keep this updated. This can be done by logging in to your member dashboard. If you change your plan retirement date within 27 weeks of your original retirement date, we will remove you from the Lifestyle profile. Your fund(s) will continue to be invested in the current fund(s) until you inform us otherwise. This means your investments will no longer be moved automatically going forward. If you wish to go back into a Lifestyle profile, you are able to do this by requesting a Fund Switch.

The figures shown in this table reflect the charges of the most expensive fund in which the lifestyle profile invests. As you get closer to retirement, the investment aims of the lifestyle profile move away from growth and towards preparing your pension pot for how you plan to take your money.

For more information on how our lifestyle profiles work and how long your investments are held in each fund, please visit standardlife.co.uk/investments/funds/lifestyling

There are potential advantages and disadvantages to investing in a lifestyle profile.

Advantages

- This investment option offers an alternative to changing your investment funds independently as you head towards retirement
- During the period leading up to your retirement, your pension pot is moved from investments with a greater exposure to the stock market into a more diversified portfolio. This aims to reduce your exposure to risk from stock market fluctuations
- Your investments can be amended if you choose to take your benefits earlier or later than planned
- You can choose to leave the lifestyle profile at any time

Disadvantages

- There is no guarantee that the lifestyle profile will prove beneficial to your pension pot
- The value of your investments, even in a more diversified portfolio, can go down as well as up and the value is not guaranteed
- Taking your retirement benefits earlier or later than planned may have an impact on this investment option and may mean that it is no longer suitable for your individual circumstances

Option 3

Self-Select Funds

Do you have a good understanding of investments and how assets perform? If you do, then the self-select fund range could be a choice for you. Things to consider:

- You may need to build your investment portfolio from a number of funds
- It is up to you to regularly monitor the performance of your funds and decide whether to make any changes
- You may need to adjust your portfolio regularly to keep it in line with your investment objective

Standard Life's Future Advantage Pension Funds

Our Future Advantage range consists of five risk-rated funds. Each fund is designed to match a different attitude to risk – 1 being lowest and 5 being highest. Generally, the higher the risk the greater the potential return, and the lower the risk the lower the potential return. However, even the lowest risk fund can still fall in value.

These funds will place your money in different types of investments, some of which will make responsible investment considerations. The level of responsible investment will vary across these funds with more information available in the fund factsheets.

Fund name	Fund Code	Volatility rating	FMC*	Additional expenses	Discount	Total annual fund charge	Active/Passive investment
Standard Life Future Advantage 1 Pension Fund	MJMN	3	0.98%	0.02%	0.81%	0.19%	Active
Standard Life Future Advantage 2 Pension Fund	NIAE	4	0.98%	0.02%	0.81%	0.19%	Active
Standard Life Future Advantage 3 Pension Fund	IABB	4	0.98%	0.01%	0.81%	0.18%	Active
Standard Life Future Advantage 4 Pension Fund	IDEC	5	0.98%	0.01%	0.81%	0.18%	Active
Standard Life Future Advantage 5 Pension Fund	EBLG	6	0.98%	0.01%	0.81%	0.18%	Active

*Fund management charge (FMC).

Other Self-Select Funds

Fund name	Fund Code	Volatility rating	FMC*	Additional expenses	Discount	Total annual fund charge	Active/Passive investment
Bonds							
Standard Life Active Corporate Bond (LR) Pension Fund	GDNA	3	1.00%	0.02%	0.81%	0.21%	Active
Standard Life Active Gilt (LR) Pension Fund	GBBB	3	1.00%	0.01%	0.81%	0.20%	Active
Standard Life Annuity Purchase (LR) Pension Fund	EFIB	4	1.00%	0.01%	0.81%	0.20%	Active
Standard Life ESG Sterling Corporate Bond Index (LR) Pension Fund	DCMH	4	1.00%	0.04%	0.81%	0.23%	Passive
Standard Life Global Sukuk (LR) Pension Fund	DBKJ	3	1.00%	0.90%	0.81%	1.09%	Active
Standard Life Global Total Return Credit (LR) Pension Fund	JEKF	3	1.00%	0.56%	0.81%	0.75%	Active
Standard Life Index Linked Gilt Index (LR) Pension Fund	KPKP	5	1.00%	0.01%	0.81%	0.20%	Passive
Standard Life Passive Corporate Bond (LR) Pension Fund	BKNP	3	1.00%	0.02%	0.81%	0.21%	Passive
Standard Life Passive Gilt (LR) Pension Fund	PMGE	4	1.00%	0.02%	0.82%	0.20%	Passive
Global Equities							
Standard Life Active Emerging Markets Equity (LR) Pension Fund	BDPN	7	1.00%	0.81%	0.81%	1.00%	Active
Standard Life Global Equity 50:50 (LR) Pension Fund	LCDE	6	1.00%	0.01%	0.81%	0.20%	Active
Standard Life Global Equity Opportunities (LR) Pension Fund	PFHK	6	1.00%	0.60%	0.81%	0.79%	Active
Standard Life Overseas Equity (LR) Pension Fund	JINJ	6	1.00%	0.01%	0.81%	0.20%	Active
Standard Life Passive Emerging Markets Equity (LR) Pension Fund	LMKE	7	1.00%	0.22%	0.81%	0.41%	Passive
Standard Life Passive Global Equity 50:50 (LR) Pension Fund	NKCB	6	1.00%	0.00%	0.83%	0.17%	Passive
Standard Life Passive Overseas Equity (LR) Pension Fund	BDAG	6	1.00%	0.00%	0.83%	0.17%	Passive
Standard Life Shariah Global Equity (LR) Pension Fund	JEJG	6	1.00%	0.30%	0.81%	0.49%	Passive
Standard Life Sustainable Index World Equity (LR) Pension Fund	MCBE	6	1.00%	0.00%	0.81%	0.19%	Passive
UK Equities							
Standard Life Active UK Equity (LR) Pension Fund	KILH	6	1.00%	0.01%	0.81%	0.20%	Active
Standard Life Passive UK Equity (LR) Pension Fund	NBKL	6	1.00%	0.02%	0.81%	0.21%	Passive
Standard Life Sustainable Index UK Equity (LR) Pension Fund	LHDC	6	1.00%	0.00%	0.81%	0.19%	Passive
Money Market Instruments (including cash)							
Standard Life Deposit & Treasury (LR) Pension Fund	NADB	1	1.00%	0.01%	0.86%	0.15%	Active
Multi Asset							
Standard Life Ethical (LR) Pension Fund	LBBB	6	1.00%	0.01%	0.81%	0.20%	Active
Other							
Standard Life Global Diversified Growth (LR) Pension Fund	EGMG	3	1.00%	0.61%	0.81%	0.80%	Active
Property (including property securities)							
Standard Life Property (LR) Pension Fund	JEBA	3	1.00%	0.02%	0.72%	0.30%	Active

*Fund management charge (FMC).

Choosing where to invest

Investment approaches

Passive management

A passive fund aims to track or replicate the performance of a benchmark (usually a market index or blend of market indices). The performance of this type of fund will be affected by the rise or fall of the market or markets it's seeking to track and any charges which apply. Charges are typically lower for passive funds than active alternatives. But as these funds aren't trying to outperform the markets they track, returns will usually be lower than their benchmark because of the impact of charges. You may also see passive funds called tracker or index-tracking funds.

Active management

An active fund usually aims to achieve returns that are higher than a benchmark (such as the returns from a market index, cash/inflation, or the average return of other similar funds). The fund manager will try to outperform the benchmark by analysing potential investments to find the ones that they believe will provide higher returns over the longer term. Because of this, active funds are usually more expensive than passive alternatives. There's also no guarantee that returns will be higher than the benchmark.

Responsible investment

At Standard Life we're actively committed to helping you invest your pension savings responsibly. To support this goal, we offer a wide range of investment options that can help you do this. This includes our Sustainable Multi Asset lifestyle profile range which focus on the areas of responsible investing that can help grow your pension pot. Also available are a range of funds that can help you invest in line with your own beliefs and principles. So whether your primary focus is on growing your pension pot or you are keen to invest for a specific impact, there's lots of choice. You can read more about our approach to responsible investing at standardlife.co.uk/investments/guides/invest-responsibly.

Risk

When you invest, there is always an element of risk. Putting money into a pension plan is no different. How you balance this risk against any potential reward is the key to investing. Depending on how you want to take your pension savings we recommend you regularly review your plan to ensure you are on track.

Volatility ratings

The volatility rating of a fund indicates how much the fund price might move compared to other funds. The higher the volatility rating, the less stable the fund price is likely to be. You can use this to help you decide how much risk you're comfortable taking with your investments.



Standard Life regularly review volatility ratings for funds, and these may change.

Standard Life set ratings based on experts' judgement, using data on:

- How the fund price has varied from month to month in the past, compared to other funds available
- How investments in similar asset classes vary from month to month and the investment policy of the fund

Typically, higher volatility ratings mean greater potential investment returns over the longer term. But high volatility funds are more likely to suddenly fall or rise in value. The volatility rating is not the only factor you should consider when selecting a fund. When selecting the default investment strategy, the Trustees aim is for your pension pot to be moved into a more diversified portfolio in the period leading up to retirement. The intention of doing this is to reduce the volatility of your pension pot however there is no guarantee that this more diversified portfolio will be lower in volatility in all scenarios. The Trustees take a long-term forward-looking approach to measuring volatility when selecting and reviewing the default investment strategy (along with many other factors). This differs to the approach Standard Life use to provide volatility ratings on their funds. If you're not sure which funds to choose, please seek advice from a financial adviser.

Please note that the value of investments can go down as well as up, and may be worth less than was paid in.

Charges

Fund management charge

We apply a charge to money invested in our funds. This is known as the fund management charge (FMC) and is shown as an annual rate. However, we deduct the charge from each fund on a daily basis, which has the effect of reducing its unit price.

Additional expenses

Additional expenses may be deducted from some funds. These are the costs of holding assets in the fund, for example regulatory or audit fees. Where a fund invests in other underlying funds, they may also include the underlying management charges.

Any additional expenses for a fund are shown as an annual rate based on past costs although in practice they are allowed for as they arise in the fund's unit price. These costs can vary over time, sometimes significantly if shown as an annual rate.

All additional expenses figures shown are rounded to two decimal places.

Plan discount

We've agreed to provide enhanced terms to give you a discount on some of the amount you have invested in each fund. The figure is the annual rate of the discount, although the discount is given to you as additional units in your fund each month. This reduces the effect of the FMC and additional expenses.

As part of the enhanced terms, your employer may have agreed to pay an administration fee directly to Standard Life that increases the plan discount. Where this fee isn't paid in full by your employer, Standard Life reserves the right to decrease the plan discount which will increase the effect of the FMC and additional expenses. Standard Life will give you three months' written notice of this change.

If you leave your employer, the discount on all funds will remain in place.

Effective total annual fund charge

The effective total annual fund charge is the FMC plus additional expenses, minus any plan discount which applies.

For example, if you invest in a Standard Life fund with an FMC of 1.00%, additional expenses of 0.02% and a discount of 0.81%, this will give an effective total fund charge of 0.21%.

The FMC and additional expenses are deducted daily, while the plan discount is applied monthly.

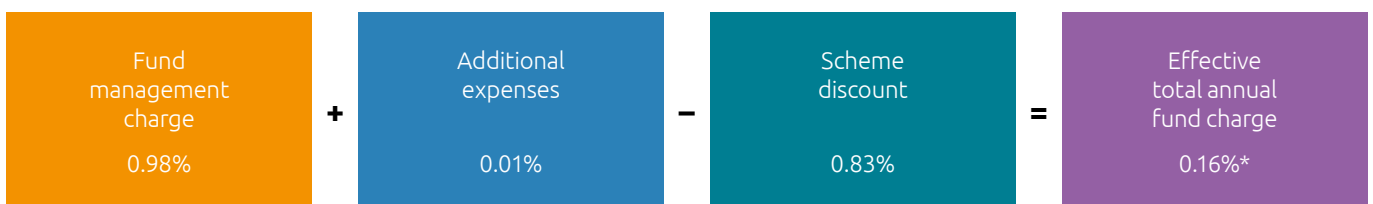
So over the long term, the actual net amount of the FMC and additional expenses, minus the plan discount, should be close to the effective total annual fund charge.

However, it will be affected by factors such as:

- the period it has been measured over
- any single payments and transfer payments you make
- changes in the timing of your regular payments
- daily changes in fund values

Charges and discounts are not guaranteed. They are regularly reviewed and may be changed in the future. The information in this guide is correct as at September 2024.

Example: Standard Life Sustainable Multi Asset Growth Pension Fund



*In this example the effective total annual fund charge equates to a monetary cost each year of £16 for every £10,000 invested in this fund.

Find out more:

To manage your pension online, including reviewing your investment performance and changing your investment options, visit the member dashboard or mobile app.

If you need more information on your LRSFA DC Section visit: www.lrpensionport.co.uk or



Contact Standard Life on **0345 850 9186** (call charges will vary)

If you're unsure what to do, then you may need to speak to a financial adviser.

www.standardlife.co.uk

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