

The Standard Life Smoothed Return Pension Fund – at a glance

For financial advisers

Exclusively available for financial advisers using the Fidelity Adviser Solutions platform for their clients' pension accounts - this simplified guide provides an overview of the Standard Life Smoothed Return Pension Fund (referred to throughout this document as the Fund).

Helping to alleviate some of the concerns clients may have about full-investment market exposure, the Fund has been designed to provide growth over the long term whilst reducing day-to-day volatility. It's designed to be suitable for clients who are looking for a low-medium risk investment.

Which of your clients might benefit?

Clients looking to grow their retirement savings over the medium to long term (a minimum of five years) and see value in using the Fund, alongside other pension solutions (including the state pension), as part of their overall retirement planning. And for clients seeking a little more certainty over their retirement plans, who have, or could benefit from having, a Fidelity Adviser Solutions pension account on the platform.

Accumulation phase:

- Typically aged 45 to 65 and consolidating retirement plans.
- Option to make regular or single contributions.

Retirement phase:

- Typically aged 55 to 75.
- Seeking some peace of mind over their retirement plans – balancing income and growth needs, while taking account of inflation.

Good to know

- With people living longer, a more phased approach to retirement might be required. The Fund can help offer the potential for a more stable long-term income.
- A simpler route to diversification, designed to take advantage of a smoothing mechanism. Over the long term, this could help to shelter your clients' investments from some of the daily ups and downs of investment markets. While nothing is guaranteed, this could help you provide your clients with a more comfortable route to, and through, retirement.

- In response to economic uncertainty, rising cost of living and longer life expectancy, it's likely your clients will be looking for a solution that aims to help grow their retirement savings and provide potential for a more stable long-term income.
- The Fidelity platform offers a range of benefits including easier administration, drawdown flexibility and transparent pricing. Plus, a robust and disciplined framework and processes ensure funds and solutions are kept under continuous review.
- A further benefit is that the Fund offers the opportunity to diversify your clients' investment portfolios helping reduce concentration risk.

How the smoothing mechanism works

- Designed to cushion daily ups and downs, aiming to deliver smoother returns, via the use of the Estimated Growth Rate (EGR).
- The net asset value of the Underlying Fund without the smoothing mechanism (Unsmoothed Price) moves up and down each day in line with the assets it invests in.
- The Smoothed Price will normally change daily in line with the EGR and any smoothing adjustments, less the fund charge.
- Limits are set to ensure the Unsmoothed Price does not diverge from the Smoothed Price beyond pre-set levels. Daily checks ensure the Unsmoothed Price is not more than 10% higher or 10% lower (the smoothing corridor). If exceeded, a unit price adjustment is made to bring it within 2.5% of the Unsmoothed Price.
- Twice monthly checks ensure that the Unsmoothed Price is not more than 5% higher or 5% lower. If this level is exceeded, a unit price adjustment is made to the Smoothed Price to halve the difference.
- In rare circumstances we may suspend smoothing. For more details, read the **Standard Life Smoothed Return Pension Fund Technical Guide – What you need to know.**

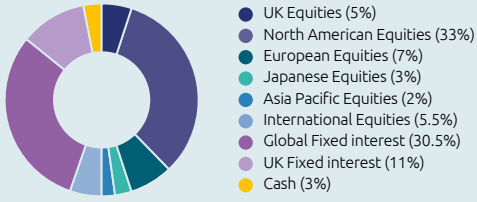
Estimated Growth Rate (EGR)

- Over the longer term, we expect the Fund to grow in line with the EGR, but this does depend on the investment markets. **There may also be times when the value of your client's Fund could fall, sometimes frequently, or significantly, if for instance there are sustained falls in the investment market over an extended period of time.** So, while the Fund smooths out some of the daily ups and downs, it doesn't provide any guarantees and your client may get back less than they paid in.
- Each day, the Smoothed Price of each unit in the Fund will normally increase in line with the EGR and any smoothing adjustments, less the fund charge. However any unit price adjustments will move the Smoothed Price up or down, as outlined in the previous section.
- The EGR is annual and is reviewed at least every quarter, in line with the estimate of the future performance of the underlying investments.
- We use data from external asset management companies, who specialise in analysis of different asset types and how they might perform in future market conditions, to calculate the EGR.

Important features of the Fund

- An independently risk-rated multi-asset solution, combined with a smoothing overlay that dampens day-to-day market volatility. Provides clients with an opportunity to participate in a growth strategy, without worrying about some of the effects of daily ups and downs experienced in investment markets.
- The Fund is actively managed in conjunction with leading global asset manager Fidelity. We set and govern the investment strategy and oversee performance of the Fund. We use long-term, 10 years+, capital market assumptions to help set the strategic asset allocations for the Fund, which we keep under regular review to optimise the expected return against the target risk corridor. The Fund's 'building blocks' are agreed with and managed by Fidelity in line with our mandate for the Fund and the Investment Management Agreement.
- We regularly review the Fund's strategic asset allocation and building block selections with Fidelity to ensure that performance and risk-management align with our investment objectives and expectations. We are also responsible for selecting and overseeing the manager on an ongoing basis.

Product profile summary

Availability	For investors with a Fidelity Adviser Solutions pension account.
Smoothing mechanism	Estimated Growth Rate.
AMC	0.8% – the AMC does not include any charges relating to the Fidelity pension account including, for example, a platform charge.
Daily priced	Yes.
Unit-Linked/With-Profits	Unit-Linked.
Risk rated/mapped by leading risk profiling agencies	Defaqto, Dynamic Planner, E-Value, FinaMetrica, Oxford Risk, Synaptic.
Death benefits	The relevant fund value will be included in the overall benefits awarded to beneficiaries after death.
Switches out	One permitted every 90 days. There can be a delay of 10 working days on certain transactions. All switches out are subject to an additional settlement period.
Min/max investments	None.
All investments	Can be made at any time, subject to a 10-working day holding period in the Feeder Fund plus an additional settlement period for the instruction to switch.
How funds are allocated	<p>The Fund invests in a diversified portfolio of equities, fixed interest securities, money market instruments (including cash), and other related instruments managed by Fidelity. The chart opposite shows the asset allocation at the time of publication (April 2024).</p> 
Some peace of mind	Aiming to help shelter your clients' pension savings using a smoothing mechanism that reduces volatility and encourages investors to remain invested over the longer term.

For further information, please refer to the **Standard Life Smoothed Return Pension Fund Target Market and Fund Governance** and the **Standard Life Smoothed Return Pension Fund Technical Guide – what you need to know** documents.

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