THE AMG UK GROUP 2006 PENSION PLAN

The Member Retirement Account Section (MRA)

Explanatory Booklet

January 2021

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1. Definitions

Account
An individual **Account** is opened in the name of each member of the **MRA** and is credited with contributions from the member and the **Company**, any investment **Returns** and any money transferred in from another pension scheme.

Actively Managed
This describes funds whose performance depends on the investment managers' judgement in stock selection (choosing which companies to invest in), usually aiming to outperform the relevant Index.

Additional Voluntary Contributions (AVCs)
Contributions paid to the **MRA** by the member over and above normal **MRA** contributions.

Annuity
An insurance contract or policy bought at retirement which pays your pension, on an agreed basis, for the rest of your life.

Bonds
These are securities issued by companies and governments. **Bonds** are traded and provide income in the form of interest, usually at a fixed rate.

Child
Your legitimate or legally adopted child, stepchild or, at the discretion of the **Trustees**, any other person to whom you stood as a natural parent who is under 18 years old, or under 23 years old and still in full-time education.

Company
Means:

- AMG Superalloys UK Limited (formerly London & Scandinavian Metallurgical Co Limited)
- AMG Aluminum UK Limited
- AMG Alpoco UK Limited (formerly The Aluminium Powder Company Limited)

Death Benefit Earnings
A Member/Employee's gross earnings (including overtime, and to the extent that they have been declared as included by the **Company,** shift allowances, car allowance and discretionary bonus, but excluding gratuities and any other allowance, including but not limited to, relocation and living allowances, fixed term contract loyalty payments and long-term incentive plan payments) prior to any salary sacrifice in the tax year immediately prior to the date of death.

Dependant
A person who is financially dependent on you at the date of your death and who has been accepted by the **Trustees** of the **MRA** to qualify for **Spouse's** benefits even though they are not your **Spouse**.

Diversified growth funds
These are funds which invest in a number of asset classes. They are funds which seek to deliver long term investment growth similar to **equities** but with lower short-term volatility.

Equities
These are shares in a company and are traded on a stock market. **Shares** in a company provide the shareholder with a variable income from that company's profit (known as a dividend). The value of shares can go up or down.

Gilts
These are securities issued by the UK Government which pay a fixed rate of interest. The value of **Gilts** can go up or down.

Index
Is a measure of performance of a market.

Index Funds
Are designed to perform broadly in line with a given market index.

Index-linked Gilts
These are securities issued by the UK Government which pay an inflation-linked rate of interest. The value of **Index-linked Gilts** can go up or down.

Life Assurance Member
An employee whose only benefit from the **Plan** is a lump sum death benefit.

Member Retirement Account ("MRA")
Is the section of the **Plan** to which this guide relates.

Normal Retirement Date
Your **State Pension Age**. However, if you joined the **MRA** before 1 February 2014 you may still elect to take your pension from age 65 even if you remain in employment with the **Company**.

Pensionable Salary
A Member's gross earnings (including overtime but excluding any bonus and gratuities and any other allowance except where such allowance has been declared as pensionable by the **Company**) prior to any salary sacrifice, less the Lower Earnings Limit. The Lower Earning Limit is the lower limit at which you start paying National Insurance and this is reviewed each year by the Government.

Pensionable Service
The number of complete years and months as a contributing member of the **MRA**. A **Life Assurance Member** is not in **Pensionable Service**.

Plan
The AMG UK Group 2006 Pension Plan of which the **MRA** is part.

Returns
This varies by investment but is the income derived from the investment together with any changes in capital value. For the pooled funds in which the **MRA** invests, any income from the underlying investments is reinvested into the fund and reflected in an increase to the unit price. The value of all the funds in which the **MRA** invests could go up or down, although in the case of the Sterling Liquidity Fund, this is very unlikely and would only be in the most extreme market circumstances.

Risk
The possibility that an investment will lead to a gain or loss – the higher the **Risk**, the higher anticipated rewards or potential losses, the lower the **Risk**, the lower the anticipated rewards or potential losses.

Rules
The formal legal documentation governing the operation of the **Plan**, as updated/amended from time to time.

Salary Exchange
This is an arrangement whereby you agree to give up part of your salary in exchange for the **Company** making an equal additional contribution to the **MRA**. This is often referred to outside the **Company** as 'salary sacrifice'.

Spouse
The person who is your legal spouse (including a same sex spouse if you were married in accordance with the Marriage (Same Sex Couples) Act 2013) or civil partner at the date of your death).

State Pension Age
Your **State Pension Age** is the earliest age you can start receiving your State Pension, and it may be different to the **Plan's Normal Retirement Date**. It is based on your gender and date of birth, and you can find out more by going to https://www.gov.uk/state-pension-age.

Trustees
Means AMG UK Group Pension Trustee Limited or such other person and/or **Company** appointed from time to time as the **Trustees** of the **Plan**. The **Trustees** are responsible for the proper oversight and running of the **Plan**.

2. Introduction

This guide explains how the defined contribution **Member Retirement Account** (“**MRA**”) section of the **Plan** works and the main benefits it provides.

The guide is only a summary of the terms and conditions of the **MRA** and it is not intended to be a legally binding document. If there is any conflict between this guide and the **Rules** of the **MRA**, the **Rules** prevail.

What is a Defined Contribution Pension Scheme?

Commonly known as a ‘money purchase’ pension scheme, with this type of arrangement your contributions, together with those from the **Company**, are paid into a separate **Account**, which is then invested. The value of this **Account** at retirement will depend on a number of factors including the amount of money paid in and how well the underlying fund(s) have performed.

On retirement, the value of your **Account** will be used to buy retirement benefits.

The **Plan** is established under trust. This means that it remains separate from the assets of the **Company**, and is managed by **Trustees** in accordance with the **Plan’s** legal documents. The **Trustees’** job is to ensure the **Plan** is run in accordance with the **Rules**.

Every effort has been made to avoid using technical terms. However, the ones that are necessary to use are explained in Section 1 **Definitions**.

Further Information

We have tried to keep the guide as straightforward as possible, but if you have any questions or would like more information about any aspect of the **Plan** or, specifically, the **MRA**, please contact the **Trustees** at the address below:

AMG Superalloys UK Limited
Fullerton Road
Rotherham
South Yorkshire
S60 1DL

Please note, however, that neither the **Trustees** nor the **Company** are able to give financial advice.

Details of where you can find someone who can give you financial advice are set out in Section 15 Useful contacts.

3. Eligibility and joining (first-time joiners)

Joining – Automatic enrolment

If you:

- ordinarily work in the United Kingdom under a contract;
- are between age 22 and **State Pension Age**; and
- receive earnings of more than £10,000 per annum (tax year 2020/21) from the **Company** (before any **Salary Exchange**),

then you are an "Eligible Jobholder", and you will be automatically enrolled to membership of the **MRA** by the **Company** within three months of meeting the above criteria.

You will also be entitled to a lump sum death benefit should you die in employment with the **Company** (see Section 10 Death for how this is calculated).

Joining – Opting-in voluntarily

Whether or not you meet the above criteria, you can elect to join the **MRA** before you are automatically enrolled by giving an opt-in notice to the **Company.**

You can get a copy of the opt-in notice by contacting: payroll@amg-s.com or the form is available on SharePoint or on the pension scheme's website (address details shown in Section 15 Useful Contacts).

If you do not meet the auto-enrolment criteria the **Company** will send out an invitation to join the **MRA** after you have been at the **Company** for three months.

When you join the **MRA** for the first time, you are entitled to pay and receive contributions at the Enhanced Contribution Rate (see Section 6 Contributions).

You will also be entitled to a lump sum death benefit should you die during employment with the **Company** (see Section 10 Death for how this is calculated).

Life Assurance Only Members

All employees who are not members of the **MRA** are automatically entitled to a lump sum death benefit (see Section 10 Death).

4. Opting-out

Opting-out – automatic enrolment

If you are an Eligible Jobholder and are automatically enrolled (or re-enrolled) to membership of the **MRA**, you may opt-out of membership of the **MRA** by giving an opt-out notice to the **Company**.

You can get a copy of the opt-out notice by contacting: payroll@amg-s.com or the form is available on SharePoint or on the pension scheme's website (address details shown in Section 15 Useful Contacts).

If you opt-out within one month of being automatically enrolled (or automatically re-enrolled as the case may be) the **Company** will then refund to you any contributions made by you to the **MRA** and you will be treated as not having become an active member of the **MRA** or commencing **Pensionable Service** on that occasion.

Opting-out – generally

If you are an active member of the **MRA** (whether or not you were auto-enrolled or opted-in), and you have been a member for more than one month you may only opt-out of **Pensionable Service** by giving three months' notice in writing of your intention to opt-out.

You can get a copy of the opt-out notice by contacting: payroll@amg-s.com.

Contributions that you and the **Company** have paid to the **MRA** before you opt-out will remain invested for you until you retire, otherwise take your benefits or transfer them to another registered pension scheme (see Section 8 Leaving before Retirement).

Consequences of opting-out

Membership of the **MRA** is voluntary and is not a condition of your employment. However, by opting-out you will miss out on pension contributions from the **Company** which could make a difference to your income in retirement.

If you opt-out – either from automatic enrolment or from **Pensionable Service** as an active member while remaining in employment with the **Company** – you will become a **Life Assurance Member** and will be entitled to a lump sum death benefit of 1 times **Death Benefit Earnings** (see Section 10 Death). This is lower than if you remained an active member of the scheme.

If you want to re-join the **MRA** at a later date, you can still do so (see Section 5 Automatic re-enrolment and other re-joining) but you should note the differences in benefits that would then be available to you.

5. Automatic re-enrolment and other re-joining

If you do not join the **MRA** at your first opportunity and re-join at a later date, the benefits you will receive will be different to those you would receive if you had joined at your first opportunity. This is designed to encourage you to join as soon as you can and remain in the **MRA**.

Automatic re-enrolment

If you met the eligibility criteria for an "Eligible Jobholder" (see Section 3 Eligibility and joining (first-time joiners)) but you opted-out of membership of the **MRA**, you will be automatically re-enrolled to membership from time to time (normally once every three years). Upon being re-enrolled, you may opt-out again. You cannot opt-out in advance of being re-enrolled and you cannot opt-out on a permanent basis.

If you opted-out within one month of being originally auto-enrolled (see Section 4 Opting-out automatic enrolment) so that you were treated as never having joined the **MRA**, you will be entitled to pay and receive contributions at the Enhanced Contribution Rate (see Section 6 Contributions) upon being automatically re-enrolled.

Other re-joining

If you were previously a member of the **MRA**, but decided to opt-out (see Section 4 Opting-out) while remaining in employment with the **Company**, and have either deferred benefits in the **MRA,** or have taken your previous benefits from the **MRA**, you may opt-in to the **MRA** by giving an opt-in notice to the **Company**.

You can get a copy of the opt-in notice by contacting: payroll@amg-s.com or the form is available on SharePoint or on the pension scheme's website.

Alternatively, you may be automatically re-enrolled by the **Company** (normally once every three years).

In this event, you will be entitled pay and receive contributions at the Standard Contribution Rate (see Section 6 Contributions).

If you do not join the **MRA** at your first opportunity, and you are either automatically re-enrolled or you otherwise opt-in in accordance with this Section, you will be entitled to a lump sum death benefit (see Section 10 Death). However, you should note that this may be lower than if you had joined at your first opportunity.

6. Contributions

How much do I pay? – Enhanced Contribution Rate

If you are either automatically enrolled, automatically re-enrolled or you otherwise opt-in to the **MRA**, and you have never been a member of the **MRA**, you will pay contributions to the **MRA** at the Enhanced Contribution Rate. Your contributions are calculated as a percentage of your **Pensionable Salary** based upon your age, as follows:

Age band	Member contributions	Company contributions	Total contributions
16 – 25	3%	6%	9%
26 – 35	4%	8%	12%
36 – 45	5%	10%	15%
46 – 55	6%	12%	18%
56+	7%	14%	21%

The **Company** pays a contribution which is currently twice the relevant member contribution. Your contributions will initially be based on your age at 1 April each year. As you can see from the table, as you get older, the contribution rate i.e. the percentage of **Pensionable Salary** paid into the **MRA**, increases for both you and the **Company**.

How much do I pay? – Standard Contribution Rate

If you were a member of the **MRA**, but you previously decided to opt-out, and you:

- have not left the **Company's** employment;

  and

- have deferred benefits in the **MRA**; or
- have taken your previous benefits from the **MRA** (or transferred them to another registered pension scheme),

and you have now decided to opt-in to the **MRA** again (or you have been automatically re-enrolled by the **Company**) you will pay contributions to the **MRA** at the Standard Contribution Rate.

The Standard Contribution Rate is currently set to match the minimum required under the Automatic Enrolment Laws (the Pensions Act 2008 and associated regulations). The current rates are as shown overleaf:

	Minimum member contributions	Minimum employer contributions	Total minimum contributions
On and from 6th April 2019	5%	3%	8%

The Automatic Enrolment Laws set out the total minimum contributions that have to be paid and what proportion of that total must be paid by the employer. The balance is paid from a combination of your contributions and tax relief.

These contributions are based on "Qualifying Earnings", which are your gross earnings received in a pay reference period, and include:

- Salary or wages.
- Commission.
- Bonuses.
- Overtime.
- Statutory sick pay.
- Statutory maternity, paternity, shared parental and adoption pay.

For the 2020/21 tax year, qualifying earnings in a 12-month pay reference period are an individual's earnings between £6,240 and £50,000.

Example:

This means that, if your gross earnings during the pay reference period were £50,000, your annual minimum contributions would be calculated as follows:

Qualifying Earnings =
£50,000 – £6,240 = £43,760

Any earnings above the upper limit of £50,000 or below the lower limit of £6,240 are not taken into account in calculating your minimum contributions.

	Minimum employer contributions (5%)	Minimum staff contributions (3%)	Total minimum contributions (8%)
On and from 6th April 2020	£2,188.00	£1,312.80	£3,500.80

How does tax relief work?

Under current legislation, you receive tax relief on your pension contributions, which reduces the actual cost to you. For example, if you are paying tax at 20%, each £1 you contribute only costs you 80 pence; for someone eligible for higher tax relief the cost is 60 pence. The **Company's** payroll system automatically administers the tax relief without any action on your part.

Example:

If you are 40 years old, have a **Pensionable Salary** of £20,000 per year

Your annual gross contribution (20,000 x 5%) = £1,000
but you get tax relief on your contribution at 20% = £200
Net cost to you = £800

Total contribution to the **MRA**
Employee = £1,000
Company = £2,000
Total contribution= £3,000

As you can see, the total credited to your **Account** during the year is £3,000; but the net cost to you is £800.

Note: The above example is for contributions under the Enhanced Contribution Rates, but tax relief would work in the same way under the Standard Contribution Rate.

Can I pay more?

You may wish to provide yourself with a larger pension than the **MRA** would ordinarily provide or you may want to fund for early retirement.

You can do this by making **Additional Voluntary Contributions** (**AVCs**). These are contributions made by the member only with no additional contributions made by the **Company**.

To pay **AVCs**, first you should complete the **AVC** application form to confirm your **AVC** choices. This can be obtained from Payroll/HR in Rotherham, on Sharepoint under the Payroll tab or on the pension scheme's website.

AVCs must be invested in the same way as your normal contributions. As with standard **MRA** contributions, you will receive full tax relief on your **AVCs** at the highest rate of tax that you pay.

The Finance Act 2004 allows all members to take their **AVCs** as cash subject to maximum levels (see Section 9 Benefits on Retirement).

Salary sacrifice

The **MRA** allows the use of '**Salary Exchange**' to make contributions more effective for you and the business.

Using **Salary Exchange** your contributions into the **MRA** do not alter but your take-home pay may rise and the **Company** will save costs through paying lower National Insurance contributions.

Of the savings made by the **Company**, half the saving will be returned to you by way of an additional **Company** contribution into the **MRA.**

Whilst **Salary Exchange** is an option for you, and not compulsory, it is hoped you'll choose to take part and enjoy the advantages that **Salary Exchange** offers.

What is **Salary Exchange**?

Normally your pension contributions would be taken as a deduction from gross pay in a similar way to union deductions for example. With **Salary Exchange**, your gross contractual pay is reduced by the amount of your pension contribution and the **Company** makes an extra, employer pension contribution (generally equal to the amount of normal pension contributions included in the **Salary Exchange**) instead.

Put simply – this is what happens:

- You stop making your normal pension contributions from your salary.
- Your gross contractual pay decreases by the amount you were paying as a contribution.
- The **Company** then pays a contribution, equal to the amount you were paying, on your behalf.
- Your take-home pay increases as you only pay National Insurance on the lower earnings after the **Salary Exchange** has been taken into account, rather than on your previous higher earnings.
- The **Company** will also make a saving because we pay National Insurance on your earnings after the **Salary Exchange** has been taken into account, rather than on the previous higher earnings as well.
- The **Company** will share this saving with you by returning half of it as an additional contribution into your **MRA**.

- We will use the term ‘Reference Salary’ to describe your salary before the deduction for the **Salary Exchange**. The **Company** will continue to use this figure to calculate its pension contributions, overtime rates and pay, other **Company** benefits linked to earnings, and for any salary reviews.

If the Company ends the Salary Exchange (for example due to a change in legislation) your gross contractual pay will go back up to your Reference Salary.

Salary Exchange Example

In this example, your Reference Salary is £24,680 a year. After deduction of the Lower Earnings Limit (currently £6,240 a year) your Pensionable Salary becomes £18,440 and your normal pension contributions are £922 a year (i.e. for a 40 year old paying contributions of 5%).

You stop making your normal pension contributions of £922 a year. Your gross contractual pay goes down to £23,758 (£24,680 - £922).

The **Company** pays £922 a year as extra contributions into the **MRA** in addition to its standard £1,844 a year. The **Company** also pays half of its National Insurance contribution saving as a further contribution (£55 a year) into your **MRA**. Here are the figures at a glance.

	Before	After
Gross contractual pay	£24,680	£23,758
Employee’s pension contributions	£922	NIL
Employer’s pension contributions	£1,844	£2,821*
Income tax	£2,436	£2,436
National Insurance	£1,822	£1,711
Total deductions	£5,180	£4,147
Net Pay	**£19,500**	**£19,611**

** Includes £55 employer NI bonus*

Your Reference Salary for calculating benefits will stay at £24,680 a year.

Your annual take-home pay goes up by £111 a year.

The total amount credited to your MRA goes up by £55 a year.

The example is based on the latest available figures (at the time of writing) for the standard single persons income tax and National Insurance contribution rates and allowances. **Salary Exchange** does not affect the amount of income tax you pay. If you earn more than the Upper Earnings Limit (£50,000 for the 2020/21 tax year) you will save less, because you pay a lower rate of National Insurance on earnings above the limit.

The actual increase to your take-home pay depends on your current pay and normal pension contributions.

AVCs

If you pay **AVCs** these will also be included for **Salary Exchange**. **This will include the additional contribution due to NI savings paid in by the Company on your behalf.**

Impact on State benefits

The following State benefits are based on your National Insurance payments, and so lower National Insurance due to **Salary Exchange** may mean lower state benefits. The benefits in question are usually as follows:

- State Second Pension
- Statutory Sick Pay
- Statutory Maternity Pay
- Statutory Paternity Pay
- Statutory Adoption Pay
- Incapacity Benefit
- Jobseeker's Allowance

You should still qualify for these benefits if your gross contractual pay is over a certain amount, called the earnings threshold' (for the tax year 2020/21, it is £6,240), although the amount of your benefit may change slightly in some cases.

Salary Exchange will not affect any income tax credits you may receive.

What you need to do

If you decide that you would like to take part in **Salary Exchange** you do not need to do anything further. It will start automatically when you join the **MRA.** The **Salary Exchange** will be detailed on your payslip.

We believe the majority of the membership will benefit from **Salary Exchange** for contributions, however, if you want to opt-out of the change please fill in and return the "**Salary Exchange** Opt-out Form" which can be obtained from the HR Department or Payroll.

If you do choose to **Salary Exchange**, you may always change your mind later and opt-out at any subsequent 6 April for the following tax year.

Suspending Salary Exchange

The **Company** will not implement or will suspend the **Salary Exchange** if you meet one of the following conditions:

- You are/start receiving long-term incapacity benefit from the **Company;**
- Your gross contractual pay is/falls below the earnings threshold (£6,240 for the tax year 2020/21) and you are not on approved unpaid leave;
- You begin Maternity Leave and receive Statutory Maternity Pay

Suspension means that the **Salary Exchange** stops for the time being and you pay full pension and National Insurance contributions directly out of your Reference Salary.

If your circumstances change so that the suspension no longer applies, we will re-start the **Salary Exchange**.

What if I have a previous pension entitlement?

The **Trustees** may accept transfer payments from other pension arrangements. If you wish to consider this option, please contact the **Trustees** who will be pleased to give you more information. They will urge you to seek financial advice before transferring any benefits.

Can I contribute to a Personal Pension Plan?

If you currently contribute to a personal pension plan, you can continue this arrangement after you join the **MRA** as you wish (subject to a total allowance set by HM Revenue and Customs each year).

If you want advice about personal pensions or any other arrangements outside the **MRA**, please consult a Financial Adviser.

Note: The **Company** will not contribute to a member's own external pension arrangement.

7. Investment of Contributions

What happens to the contributions?

Your contributions and the **Company's** contributions are invested through an investment platform provided by Mobius Life Limited ("Mobius"). Mobius provides access to regulated investment funds and, through using the Mobius Platform, the Scheme benefits from reduced investment charges from the pooling of the Scheme's assets with those of other pension schemes.

This money is kept completely separate from the **Company's** assets and will only be used to provide benefits for you.

You have a choice as to which fund(s) your **Account** is invested in and this is described further below.

You will receive a statement each year showing the value of your **Account** and an estimate of the pension it could buy. The investment performance of the funds will be reported biannually in communications to members.

Investment decisions – something to think about

The **Trustees** have decided to offer a choice of investment options to members of the **MRA**. This section will help you think through where you might want to invest your contributions and provides information on the funds available. Neither the **Company** nor the **Trustees** are able to offer any advice or guidance about these investment choices. If you need it, you should seek independent financial advice.

The investment options you choose will directly affect the value of your **Account** when you retire, so it is important that you understand the aims of each fund and the **Risks** associated with the investment performance of the funds. Your pension is a long-term savings plan, so you need to consider the likely time span over which your **Account** will be invested when you make your choice.

Developing an Investment Strategy – it's personal to you

While there are general investment 'principles' that may apply, every member is different and has a different set of personal circumstances. Neither the **Company** nor the **Trustees** can tell you where to invest your money but we hope to give you enough information to help you make an informed decision.

A key part of deciding your investment strategy is your capacity for **Risk**. This is the amount of **Risk** you are willing to take, based on your current personal situation and the amount of time you have until you need the money you are investing. For example, if you have 30 years to go until retirement, your **Risk** capacity is usually much greater than somebody with 5 years to go until retirement.

It is also important to think about the form in which you expect to take your benefits – for example taking your benefits as cash, using some or all of your **Account** to purchase an **Annuity**, or taking a transfer elsewhere to consolidate with other investments. This is because as you approach retirement, different types of investments would be suitable to preserve the purchasing power of your fund against the different options.

It is important that you review your investments periodically and make any changes if your circumstances change. You may make up to two changes to your investment funds during the year. If you wish to make more than two changes in a year a charge will apply (currently £250). Please contact Payroll/HR who can provide more information and explain how to switch your investments between funds.

Investment Options

Members have a choice of two main investment options:

- **MRA Lifestyle Strategy** – contributions allocated to funds automatically
- **'Self Select' programme** – you choose from a range of funds

The Trustee has decided that the MRA Lifestyle Strategy is the "default strategy" for the Scheme. This means that your contributions will be invested in the MRA Lifestyle Strategy if you do not wish to, or feel unable to make an investment choice.

Both the MRA Lifestyle Strategy and the range of funds available within the Self Select programme are described further below.

MRA Lifestyle Strategy

How does it work?

The MRA Lifestyle Strategy has been designed to reflect the implications of the post April 2015 pension reforms and in particular on the type of benefits that are expected to be drawn from the **MRA.**

Your contributions will be invested 100% in the MRA Diversified Fund until you are within 5 years of your **Normal Retirement Date**.

Under a lifestyle strategy, your accumulated account will be transitioned into funds that reflect the likely types of benefits that will be drawn at retirement. For the MRA Lifestyle Strategy, the transition will be made over a 5 year period.

Whilst it is difficult to predict in advance what options members take at retirement, the Trustee anticipates that few members will use a large portion of their pot to buy a guaranteed pension.

It is expected that many members will look to take advantage of the post 2015 pension flexibilities, either by taking their fund in full as a cash sum at retirement, by taking a transfer value out of the **MRA** to enable drawdown of their pot, or by taking advantage of the UFPLS (instalment) option within the **MRA.**

It is still expected however that many members will seek to benefit from the 25% tax free cash sum allowance at retirement, and therefore the MRA Lifestyle Strategy targets a 25% allocation to the LGIM Sterling Liquidity Fund at retirement.

When you are within 5 years of your **Normal Retirement Date** a portion of your investments will be gradually transferred each year (according to the table below) to a more protective fund.

Years to retirement age	MRA Diversified Fund (%)	LGIM Sterling Liquidity Fund (%)
5	100	0
4	95	5
3	90	10
2	85	15
1	80	20
0	75	25

The switches will be undertaken on a quarterly basis to ensure a gradual transition and avoid placing reliance on financial conditions on a small number of switching dates.

The Trustee will continue to review the suitability of the MRA Lifestyle Strategy and will make changes if new trends or regulations emerge that mean the current design is no longer appropriate.

The funds used in the MRA Lifestyle Strategy are:

MRA Diversified Fund - the MRA Diversified Fund is a scheme specific fund that invests mainly in Diversified Growth Funds (DGFs).

DGFs are actively managed investment funds that invest across a wide range of investment markets and aim to provide equity like returns in the long term, but with lower short term volatility.

The MRA Diversified Fund currently contains three DGFs managed by leading investment managers:

- Columbia Threadneedle Multi Asset Fund
- Newton Multi Asset Diversified Return Fund
- Nordea Diversified Return Fund

The Trustee keeps these managers under review in conjunction with their Investment Adviser and will make changes to these managers if considered appropriate.

LGIM Sterling Liquidity Fund - the LGIM Sterling Liquidity Fund is a 'cash' type fund. It will invest in low risk money market securities with the aim of providing capital stability and preparing for the release of cash at retirement.

Important Note
*Members with deferred benefits within the old Retirement Benefit Plan section of the Plan should be aware that the Lifestyle strategy may not necessarily be appropriate to their specific circumstances. For further information on this, please refer to the previously issued announcement "**MRA** Lifestyle Investment and RBP Benefits" and/or to Payroll/HR in Rotherham.*

Self Select Programme: you choose from a range of funds

There is a range of funds available, if you want to choose the funds that your **Account** invests in so that your investments better meet your own requirements.

The list of funds and an outline summary of each fund is available in Appendix 1 to this booklet. If you would like more information on any fund(s), please contact Payroll/HR in Rotherham. Alternatively, please look on the Scheme's website, where current factsheets for all the funds are available, providing the latest information on performance and risks (https://amgukgrouppensions.com/).

8. Leaving before Retirement

Can I continue to make contributions?

If you leave the **Company**, no more contributions can be paid into your **Account**.

What happens to my Account?

If you leave the **MRA** before you have completed 30 days of **Pensionable Service**, you will be entitled to receive a refund of the value of your contributions. If you have opted to use **Salary Exchange** in making your contributions, then the refund must be made through the **Company**'s payroll system, subject to tax and National Insurance. However, should you have opted-out of **Salary Exchange** then the refund will come from the **Plan's** administrators and subject to tax.

If you leave the **MRA** after completing 30 days of **Pensionable Service**, your **Account** may be:

- left in the **MRA** where it will continue to be invested until you retire,
- transferred to your new company's registered pension plan, or
- transferred to a registered personal pension plan of your choice.

Can I transfer my benefits elsewhere?

If you have over 30 days' **Pensionable Service** you may request a transfer value at any time until you retire. Any transfer value will be calculated as the value of your **Account** at the date of transfer, taking account of the investment conditions at that time. Please note the value of your **Account** can go up or down.

If you are interested in taking a transfer, please ask for a transfer value via Payroll/HR in Rotherham.

9. Benefits on Retirement

What is my Normal Retirement Date?

Your **Normal Retirement Date** is your **State Pension Age** (see section 12 State Pension Scheme for further details). However, if you joined the **MRA** before 1 February 2014 you may still elect to take your pension from age 65 even if you remain in employment with the **Company**.

Do I need consent to take my benefits?

If you joined the **MRA** on or after 1 February 2014 consent will be needed if you wish to take your benefits from your **MRA Account** between age 65 and your **Normal Retirement Date** whilst still working for the **Company**.

Can I take a tax-free cash sum?

You do not have to use all your **MRA Account** to provide pension benefits. You may choose to receive part of your **Account** as a tax-free cash sum, which will reduce the amount available to provide a pension. The maximum part of your **Account** at retirement that you may take as tax-free cash is normally 25% of the value of your account. However, the calculation of entitlement can be complicated and you will be advised of the exact amount of cash available when you retire.

What pension benefits will I receive on retirement?

When you retire, your **Account** (less any tax-free cash) will be used to provide retirement benefits for you. The benefits will depend on how much is in your **Account**, the type of pension you want and how much it costs to buy that pension when you retire. Consequently, no guarantees can be given as to the size of the pension you will receive. The type of pension you take is largely your choice. Some of the options from which you may choose are as follows:

- A pension payable for the rest of your life under an **Annuity** from an insurance company.
- A pension for your **Spouse** or **Dependants or Children** (payable on your death). The pension must not exceed your pension before any tax-free cash was taken.
- You may choose additional benefits, for example, a pension with a guaranteed minimum period of payment (e.g. 5 years). This means that if you die after 2 years of receiving your pension, the remaining 3 years of pension payments are paid, usually as a lump sum payment, to your beneficiaries.

Alternative benefits – pension flexibilities

If you do not wish to use your **Account** to buy an **Annuity** from an insurance company, you can use your benefits in a number of different ways, such as:

- you may draw all of your benefits as a cash lump sum to use as you please (25% tax free and the rest taxable) or
- you may withdraw multiple lump sums (formally known as "Uncrystallised Funds Pension Lump Sums" or UFPLS) from the Plan. 25% of each withdrawal will be tax free with the remaining 75% subject to tax at your marginal rate or
- you may take 'Flexi-Access' Drawdown which allows you to withdraw lump sums as often as you like without restriction on the amounts. Using this option, you can choose to take up to 25% of your pension account as a tax free lump sum. The rest is then moved into one or more funds that allow you to take a taxable income at times to suit you.

Note: Not all of these options are available under the **MRA** and so in some cases you may need to transfer your benefits to another arrangement in order to access them in your preferred way.

When you are approaching your Normal Retirement Date the Plan's administrator will write to you 6 months before your Normal Retirement Date to explain your options and the next steps.

Can I retire early?

You can currently retire early at any time from age 55. If you are incapacitated and have provided satisfactory evidence to the **Trustees** of the degree of incapacity, you may be able to retire before age 55.

Can I retire late?

If you remain in employment beyond your **Normal Retirement Date** and do not draw your benefits from the **MRA**, full details will be provided at your **Normal Retirement Date** of the options available to you.

Can I get additional support to guide me through the retirement process?

The **Company** provides additional support via its pension administrators. The **Plan** now offers two means of supporting member decision-making.

Firstly, the "Road to Retirement" service supports members with regular communications in the run up to **Normal Retirement Date**, helping and encouraging you to "think ahead".

Secondly, the “at retirement” Pension Decision Service (PDS) provides access to a “Retirement Relationship Manager” who is able to give you guidance (but not advice) to help you navigate the choices about how to access your benefits. Full details are included with retirement quotations from our pension scheme administrators.

You should be aware that guidance is not the same as financial advice. Guidance is less specific to you, whereas advice takes into account all your personal circumstances. You can find a Financial Conduct Authority regulated independent financial adviser by visiting:
https://directory.moneyadviceservice.org.uk/en

10. Death

What happens if I die while I'm still a contributing member?

If you die while in **Pensionable Service** but before you reach age 75, a lump sum shall be payable.

This is equal to the **greater of**:

(a) the value of your **Account**; or

(b) your **Death Benefit Lump Sum**, plus any **AVCs** you've paid or benefits you have transferred into the **MRA** (and investment return/loss on these).

The amount of your Death Benefit Lump Sum depends on which category of Member you are and is payable in accordance with the following table:

Category of Member	Death Benefit Lump Sum
Members who joined the **MRA** before 1 February 2014, or who were in Service immediately before that date and joined at the first opportunity after 1 February 2014.	8 x **Death Benefit Earnings**
Members who commence employment with the **Company** on or after 1 February 2014 and who join the **MRA** at their first opportunity. (*This will normally be where the member is auto-enrolled and does not opt-out*.)	4 x **Death Benefit Earnings**
Any other Member who joins or re-joins the Plan and who is not doing so at their first opportunity. *(This will normally be where the member has been automatically re-enrolled where they have previously opted-out or because they have elected to join at a later date than their first opportunity.)*	1 x Death Benefit Earnings

What happens if I die while I am a Life Assurance Member?

On the death of an employee who decides not to join the **Plan** or who opts out of the **Plan** for pension benefits, a lump sum equal to 1x the employee's **Death Benefit Earnings** will be payable.

What happens if I die before retirement as an ex-employee?

If you leave the **Company** but keep your **Account** in the **MRA**, the full value of the **Account** will be paid as a lump sum to one or more Beneficiaries in such shares as the Trustees decide. The lump sum payment will be subject to HM Revenue and Customs limits.

What happens if I die while I am drawing my pension?

On retirement you will have decided the level of pension to be provided for your spouse or other dependants on your death after retirement.

For example, if you decided that the pension to be provided should include a guaranteed minimum period of payment and you die within that period, then a cash sum would be payable to your beneficiaries.

How do the Trustees decide who to pay the lump sum death benefit to?

For current employees, the **Trustees** have discretion as to who receives the lump sum death benefit. While the **Trustees** will normally follow your wishes as shown on the Expression of Wish Form, they are not bound to do so. It is very important that you keep the information on this form up to date to reflect any changes in your personal circumstances.

11. Temporary Absence

What happens to my membership if I am absent from work?

Most absences from work are for a relatively short time and your membership of the **MRA** in these circumstances remains unchanged. If your absence is for a longer duration, contributions may cease. However, you will have the opportunity of making good these contributions (and receiving the appropriate employer contributions) on your return.

What happens on maternity leave?

Your membership of the **MRA**, your contribution and the **Company's** contributions to your **MRA Account** will continue during your statutory maternity leave. **Company** contributions will be based on your normal **Pensionable Salary** while you are on maternity leave.

Normally, any contributions you are making to the **MRA** will continue for as long as you are receiving maternity pay and will be based on the actual pay you receive. However, **Salary Exchange** cannot be applied to Statutory Maternity Pay.

Please note that members on additional maternity leave (unpaid) cannot make pension contributions during this period.

For information on the benefits provided during Adoption leave, Paternity leave or Parental leave please contact Payroll/HR in Rotherham.

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12. State Pension Scheme

Membership of the **MRA** does not affect your State Pension entitlement. This also means that both you and the **Company** will pay the full rate of National Insurance contributions.

Before 6 April 2016, the State Pension was made up of two elements:

- The State basic pension - a flat-rate amount payable to everyone who has paid enough National Insurance contributions; and
- The State Second Pension ("S2P") - which provided mostly earnings-related benefits between certain earnings limits that build up at three rates. The rates were geared so that pension for lower earners builds up at a higher rate. S2P replaced the previous additional State pension, the State Earnings Related Pension Scheme ("SERPS"), in April 2002.

The State Pension changed on 6 April 2016. If you reach **State Pension Age** on or after that date you'll get the new State Pension under the new rules. The new State Pension is designed to be simpler than the old system, but there are some complicated changeover arrangements which you need to know about if you've already made contributions under the old system.

For further information, go to:

https://www.moneyadviceservice.org.uk/en/articles/the-state-pension-rules-and-changes-explained.

In simple terms, the new State Pension is a higher flat rate pension with no earnings related element.

13. Data Protection Act 2018

The **Trustees** of the **Plan** need personal information about you to run the **Plan** and pay benefits. Similarly, other parties involved in running the **Plan** will sometimes need to make decisions jointly with the **Trustees** about how your personal information will be used for those purposes. These other parties will include the **Plan** actuary. The **Trustees** will only use the data we hold in a manner which is consistent with the UK's Data Protection Laws.

We will normally hold personal information, including: name, date of birth, National Insurance number, contact details, employment details, marital status, divorce settlements, and details of who you want your benefits payable to upon your death.

The **Trustees** must by law provide benefits in accordance with the **Plan's** governing documentation and must also meet other legal requirements in relation to the running of the **Plan**.

The **Trustees** will use your personal information to comply with these legal obligations, to establish and defend their legal rights, and to prevent and detect crimes such as fraud. The **Trustees** may need to share your personal information with other people for this reason, such as courts and law enforcement agencies.

The **Trustees** also have a legitimate interest in properly administering the **Plan**. This includes: paying benefits as they fall due; purchasing insurance contracts; communicating with you; and ensuring that correct levels of contributions are paid, benefits are correctly calculated and the expected standards of **Plan** governance are met (including standards set out in Pensions Regulator guidance).

For further details of the **Trustees'** data protection policy, and your rights in relation to the personal information that we use to run the **Plan**, please see a copy of the **Plan** data privacy notice.

14. General Information

Plan documents

The **MRA** is set up under a trust and is administered by the **Trustees** in accordance with the **Rules**. You are entitled to see copies of the legal documents governing the **Plan**, free of charge, upon request to the **Trustees**. In the event of any ambiguity, this guide will always be overruled by the legal documents governing the **MRA** and any overriding legislation in force at the time.

Every year members will receive a benefit statement and the **Trustee's** Annual Newsletter. If you leave the **MRA** you will automatically be given a statement of your rights and options.

HM Revenue and Customs registration

The **Plan** is a registered scheme as defined in Part 4 of Finance Act 2004. To retain this registered status the **Plan** must meet certain requirements, as monitored from time to time by HM Revenue and Customs.

Trustees' annual report & financial statements

The **MRA** is managed by **Trustees**. The **Trustees** are responsible for the **MRA's** administration and for the investment of the money in the fund. Details of the **Trustees** and their advisers, as well as the **MRA's** audited financial statements and an investment statement, are published annually. A copy is available on request from Payroll/HR.

Chair's statement

The scheme is required to prepare an annual chair's statement within the trustees' annual report explaining how the pension scheme meets the new governance requirements for pension schemes providing defined contribution benefits.

The statement considers 5 key areas:
- Value for members.
- The investment strategy relating to the default and other investment options.
- The charges and transaction costs.
- Administration and core financial transactions.
- How the Scheme is managed including making sure that the Trustees have the appropriate knowledge and understanding.

The chair's statement is available to read on the pension scheme website.

Amendment or termination

The **Company** may amend the **Rules** or contribution rates (or both) from time to time as required.

The **Company** may at any time discontinue contributions. Should the **MRA** be wound up, the assets of the **MRA** would be used by the **Trustees** to provide benefits in accordance with the **Rules**.

Assignment of benefits

Benefits under the **MRA** are personal and cannot be assigned or charged, e.g. they cannot be used as security for a loan. The only exception to this rule is where a court order is granted on divorce to assign benefits to a **Spouse**.

Change of address

It is very important that the **Trustees** are kept informed of your latest address, or they may not be able to trace you to issue your benefit statements or, indeed, pay the benefits when you are due to retire.

You should notify Payroll/HR if your address changes.

Change in marital / Civil Partnership status

It is the responsibility of all members (including members who have left the **Company**) to notify the **Trustees** immediately of any change in their marital/Civil Partnership status. Again, you should notify the **Trustees** via Payroll/HR.

Pension from a previous employer

There may be a restriction on your pension from the **MRA** if you are entitled to pension benefits from another pension arrangement.

Pension sharing on divorce/dissolution

Pension sharing is a form of splitting retirement benefits between divorcing spouses or civil partners following a dissolution of a civil partnership. The Welfare Reform and Pensions Act 1999 allows for a pension-sharing order to be made in such cases. In case of a pension-sharing order being made, any pension benefits awarded to an ex-spouse/civil partner will be transferred out of the **MRA**.

Statement of Investment Principles

The **Trustees** of the **MRA** are required, under the Pensions Act 1995, to prepare and periodically review a written statement of the principles governing the decision about how to invest the **MRA** funds. The necessary written statement has been produced, in consultation with the **MRA's** investment advisers, and is available for members to inspect. The statement is available to read on the pension scheme website (https://amgukgrouppensions.com/).

Internal Dispute Resolution Procedure

Pension schemes must have an internal procedure for resolving disputes between scheme beneficiaries and the **Trustees**.

You can get a copy of the **Plan's** procedure from Payroll/HR.

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15. Useful contacts

Trustees

The **Trustees** are responsible for the proper oversight and running of the **MRA**. You can contact them by writing to:

Trustees of the AMG UK Group 2006 Pension Plan
C/o AMG Superalloys UK Limited
Fullerton Road
Rotherham
South Yorkshire
S60 1DL

https://amgukgrouppensions.com/

Administrators

The **Plan** Administrators are responsible for the day to day maintenance of the **Plan** records and the calculation and payment of benefits. You can contact them by writing to:

Post Handling Centre M
Mercer Limited
St James's House
7 Charlotte Street
Manchester
M1 4DZ

The Pensions Advisory Service (TPAS)

TPAS (part of the Money and Pensions Service) is a not-for-profit advice service which is available to provide members and beneficiaries of the Plan with guidance and information relating to their benefits under the Plan, and the steps which can be taken to resolve any concerns. TPAS can be contacted at:

Address:	Money and Pensions Service 120 Holborn London EC1N 2TD
Tel:	0800 011 3797
Website:	www.pensionsadvisoryservice.org.uk/

The Pensions Ombudsman

The Pensions Ombudsman may investigate and determine any complaint or dispute of fact or law in relation to an occupational pension scheme.

You have the right to refer your complaint to The Pensions Ombudsman free of charge.

The Pensions Ombudsman deals with complaints and disputes which concern the administration and/or management of occupational and personal pension schemes.

Contact with The Pensions Ombudsman about a complaint needs to be made within three years of when the event(s) you are complaining about happened – or, if later, within three years of when you first knew about it (or ought to have known about it). There is discretion for those time limits to be extended.The Pensions Ombudsman can be contacted at:

Address:	10 South Colonnade, Canary Wharf London, E14 4PU
Tel:	0800 917 4487
Email:	helpline@pensions-ombudsman.org.uk
Website:	www.pensions-ombudsman.org.uk You can also submit a complaint form online: www.pensions-ombudsman.org.uk/our-service/make-a-complaint/

The Pensions Regulator

The Pensions Regulator is the body responsible for regulating work-based pension schemes in the UK, but does not deal with queries about individuals' pension benefits (these should be directed to the Pensions Advisory Service (see details above)).

Address:	The Pensions Regulator Napier House Trafalgar Place Brighton BN1 4DW
Email:	customersupport@thepensionsregulator.gov.uk
Internet	www.thepensionsregulator.gov.uk

The Pensions Tracing Service

If you have pension benefits in another pension arrangement and you lose touch with the former employer or the providers of the pension scheme, there is a pension tracing service provided by the Department for Work and Pensions (DWP). You can contact the DWP's Pension Tracing Service at:

Address:	The Pension Service 9 Mail Handling Site A Wolverhampton WV98 1LU
Tel:	0800 731 0193
	From outside the UK: +44 (0)191 215 4491
Internet:	www.gov.uk/find-pension-contact-details

Money Advice Service

The **Company** and the **Trustees** may not by law give you financial advice. In most cases, it is hoped that you will have sufficient information available to you to make your own informed decision on your pension choices. However, where you do not feel confident to do so, you may wish to take financial advice with a view to investing in the manner most suited to your aims. Please remember that you may be charged a fee for any advice you receive. Neither the Authority nor the **Trustees** can take any responsibility for the advice you receive or any action you may take as a result.

You can obtain general advice and guidance on pensions by contacting the Money Advice Service:

Tel:	0800 138 7777
Internet:	www.moneyadviceservice.org.uk/en/categories/pensions-and-retirement

You can also find a retirement adviser using the Money Advice Service directory, which you can find here:

Internet:	directory.moneyadviceservice.org.uk

Appendix 1 - Investments

Fund	Description	Benchmark	Charges (% p.a.) See Note 1
Growth			
MRA Diversified Fund	This fund aims to give a long term return that is similar to the long-term return expected from equity markets. However, by investing in a diversified mix of different investments, it aims to achieve this target with less short-term fluctuation in value than an equity investment. The MRA Diversified Fund will invest mainly in Diversified Growth Funds (DGFs), and will contain two or more funds to ensure that there is always suitable diversification. The MRA Diversified Fund is aimed towards investors who have a medium to long term investment strategy.	Bank of England's Base Interest Rate plus 3% a year	Less than 0.75%, but typically around 0.60% to 0.70%
LGIM Global Equity Fixed Weights (50:50) Index Fund	The Fund aims to provide diversified exposure to the UK and overseas equity markets. The Fund will invest 50% in the UK and 50% overseas. The Fund's overseas asset distribution is fixed with 17.5% in North America, 17.5% in Europe (ex-UK), 8.75% in Japan and 6.25% in Asia Pacific (ex-Japan). The underlying Funds employ an index tracking strategy, aiming to replicate the performance of their individual benchmarks. Holding shares of companies from different sectors of the economy in the UK and Overseas helps spread risk, although this type of fund can still be subject to dramatic short-term fluctuations in value. As such, it is aimed towards investors who have a long term investment strategy.	Composite of 50/50 distribution between UK and overseas	0.080%
LGIM UK Equity Index GBP	This fund invests in the shares of UK listed companies. It aims to track the performance of the FTSE All-Share Index. Holding shares of companies from different	FTSE All-Share Index	0.059%

	sectors of the economy helps spread risk, although this type of fund can still be subject to dramatic short-term fluctuations in value. As such, it is aimed towards investors who have a long term investment strategy.		
LGIM North America Equity Index	This fund invests in the shares of companies listed in North America; in particular companies listed on the Canada and United States exchanges. The Fund aims to track the performance of the FTSE World North America Index. Holding shares of companies based in different markets and from different sectors helps spread risk, although this type of fund can still be subject to dramatic short-term fluctuations in value. As such, it is aimed towards investors who have a long term investment strategy.	FTSE World North America Index	0.080%
LGIM Europe (ex-UK) Index	This fund invests in the shares of companies listed in Developed Europe except the UK. The Fund aims to track the performance of FTSE Developed Europe ex UK Index. Holding shares of companies based in different markets and from different sectors helps spread risk, although this type of fund can still be subject to dramatic short-term fluctuations in value. As such, it is aimed towards investors who have a long term investment strategy.	FTSE Developed Europe ex UK Index	0.080%
LGIM Japan Equity Index	This fund invests in the shares of companies listed in Japan. The objective of the Fund is to track the performance of the FTSE Japan Index. Holding shares of companies from different sectors helps spread risk, although this type of fund can still be subject to dramatic short-term fluctuations in value. As such, it is aimed towards investors who have a long term investment strategy.	FTSE Japan Index GBP Hedged	0.080%

LGIM Asia Pacific (ex-Japan) Developed Equity Index	This fund invests in the shares of companies listed in developed Asia, Excluding Japan, namely: Hong Kong, Singapore, New Zealand, Australia and Korea. The Fund aims to track the performance of the FTSE Developed Asia Pacific ex Japan Index. Holding shares of companies based in different markets and from different sectors helps spread risk, although this type of fund can still be subject to dramatic short-term fluctuations in value. As such, it is aimed towards investors who have a long term investment strategy.	FTSE Developed Asia Pacific ex Japan Index GBP Hedged	0.105%
LGIM UK Smaller Companies Equity Index Fund	This fund invests in the shares of smaller companies within the UK. The objective of the Fund is to track the performance of the FTSE SmallCap Index. Holding shares of companies from different sectors of the economy helps spread risk, although this type of fund can still be subject to dramatic short-term fluctuations in value. As such, it is aimed towards investors who have a long term investment strategy.	FTSE SmallCap Index	0.230%
LGIM Ethical Global Equity Index Fund	The Ethical Global Equity Index Fund is designed to take account of ethical, environmental and social principles. It mainly invests in shares of companies which form part of the FTSE4Good Global Equity Index. It is aimed at investors who have an interest in companies which exhibit social, ethical and environmental responsibility. Holding shares of companies based in different markets and from different sectors helps spread risk, although this type of fund can still be subject to dramatic short-term fluctuations in value. . As such, it is aimed towards investors who have a long term investment strategy.	FTSE Good Global Equity Index	0.330%

LGIM Managed Property Fund	The Fund invests in UK commercial property (investing in offices, retail and industrial property). Properties are selected after in-depth research which focuses on a property's quality, location and ease of letting. The Fund does not permit borrowing, but may invest to a limited degree in third party property funds and property derivatives. The Fund aims to outperform the AREF/IPD UK Quarterly All Balanced Property Funds Index over three and five year periods. This fund is likely to be more appropriate to members who are investing for the medium to long term and are willing to take an element of risk in exchange for the possibility of higher returns.	AREF/IPD UK Quarterly All Balanced Property Funds Index	0.720%
Bonds			
LGIM Pre-Retirement Fund	The Fund aims to provide diversified exposure to assets that reflect the investments underlying a typical traditional level annuity product. The Fund invests in L&G's index-tracking bond funds to gain exposure to these assets. It is aimed at investors who have a short term investment horizon and for whom protecting the purchasing power of their fund against the varying cost of buying an annuity is more important than generating investment growth.	Composite of gilts and corporate bond funds.	0.090%
LGIM Over 5 Year Index-Linked Gilts Index Fund	This fund invests in Index Linked Gilts. These are a form of bond that is issued and backed by the UK Government. The payments from Index Linked Gilts are linked to inflation and so provide protection if inflation increases at a faster rate than expected. The investment objective of the Fund is to track the performance of the FTSE A Index-Linked (Over 5 Year) Index. It is aimed at investors who have a short term investment horizon and for whom protecting the purchasing power of their	FFTSE A Index-Linked (Over 5 Year) Index	0.068%

	fund against the varying cost of buying an inflation linked annuity is more important than generating investment growth.		
LGIM Over 15 Year Gilts Index Fund	This fund invests in Gilts. These are a form of bond that is issued and backed by the UK Government. The investment objective of the Fund is to track the performance of the FTSE A Government (Over 15 Year) Index. It is aimed at investors who have a short term investment horizon and for whom protecting the purchasing power of their fund against the varying cost of buying an annuity is more important than generating investment growth.	FTSE A Government (Over 15 Year) Index	0.068%
LGIM AAA-AA-A Corporate Bond – Over 15 Year Index Fund	This fund invests in long dated investment grade bonds issued by companies that have a credit rating of A, AA or AAA, as measured by the leading rating agencies. The investment objective of the Fund is to track the performance of the Markit iBoxx £ Non-Gilts (ex-BBB) Over 15 Year Index. It is aimed at investors who have a short term investment horizon and for whom protecting the purchasing power of their fund against the varying cost of buying an annuity is more important than generating investment growth. The long-term returns of the Corporate Bonds are expected to exceed the return from Gilts because the investor is taking an extra risk, but there may be extra volatility in this fund relative to the Gilts funds.	Markit iBoxx £ Non-Gilts (ex-BBB) Over 15 Year Index	0.090%
Cash / Money Market			
LGIM Sterling Liquidity Fund	The Sterling Liquidity Fund invests in high quality, short term money market and fixed income securities. It is rated by Standard & Poors and Fitch and has the highest AAA money market fund rating (AAAm from S&P, AAAmmf from Fitch). The fund invests only in high quality institutions – all the underlying investments must have the highest credit rating at the time of purchase	7 Day LIBID	0.0925%

	as assessed by Standard and Poors and has guidelines to limit concentration to any one investment. The aim of the LGIM Sterling Liquidity Fund is to provide capital stability, liquidity and diversification while providing a competitive level of return. It is important to be aware that cash type funds are not guaranteed, and it is possible for the value of a cash type fund to fall. However, this risk is reduced by cash fund managers by investing in a diversified range of high quality institutions. The LGIM Sterling Liquidity Fund is aimed at investors who have a short term investment horizon and for whom protecting the value of funds built up is more important than generating investment growth.		

Note 1: Charges effective 31 March 2020 and represent the Total Expense Ratio but exclude a fund's transaction costs. The charges may vary over time.