

Your pension guidance report

Colleague Name

Report produced by:

Name of Financial Planner

abrdrn Financial Planner on XX.XX.XXXX

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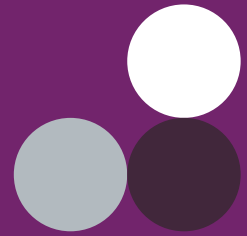
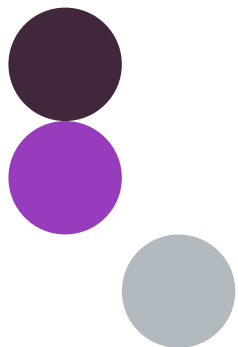
Introduction

abrdn Financial Planning are part of the abrdn group. By working in partnership with your employer we are committed to helping you understand your pension options through our guidance service.

We believe that it's vital that all colleagues understand their options, and have as much support as possible. This support can help you make informed decisions about your future.

We have a team of experienced professionals across the UK who are dedicated to doing the right thing for you.

You can find out more about us at www.abrdn.com/financial-advice



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What service are we providing?

We'll provide you with information explaining the options available to you in relation to your employer's pension and highlight other key areas of your financial wellbeing. This will help you to make an informed decision about your pension options, however, as this is a guidance service, we'll not provide you with advice or any personal recommendations and we'll not assess the suitability of your plans. You will be responsible for any decisions that you make.

We understand that this can be complex and you may need more support. abrdn offers a full financial planning service. We provide advice to our clients across a wide range of areas such as retirement planning, investing for the future, tax planning and estate planning.

This would involve us providing you with a holistic financial plan that goes beyond your employer's pension into your other investible assets. This will be tailored to your own individual needs, goals and aspirations.

The advice we provide is defined as 'restricted advice' by the Financial Conduct Authority as we don't recommend products from the whole market. For our clients, what this means is that our range of solutions is carefully selected to match the services we offer and from there discuss which solutions are best suited for their needs. Please remember that the value of an investment can go down as well as up and you could get back less than you paid in. Laws and tax rules may change in the future. Your own circumstances also have an impact on tax treatment.

Please let us know if, once you have read through your report, receiving financial advice is something you would be interested in.

What will you have to pay for this service?

The initial service is provided by abrdn on behalf of your employer who will pay for this service.

If you would like to receive the full financial planning and advice service, there will be an additional cost. However, this is available to you at a special discounted rate for abrdn colleagues.

Your information

You provided us with information about your age, intended retirement age, current income and your current pension provisions in addition to your attitude to risk. This is the information that this report is based on. If you see something incorrect, please let us know.

You told us:

Your full name	
Date of birth	DD/MM/YYYY
Your gender	Male/Female
Your intended retirement age	[Age]
Your earnings each year before tax	£pa
The current fund value of your defined contribution pension plan (available through MyBenefits)	£
The total current fund value of any other defined contribution pension plans you hold	£
Your total gross monthly contributions to pensions including both employer and your own contributions (available through MyBenefits on your intranet)	£pm or Eer%
The total annual income you will receive from any defined benefit/final salary pension and the age you will start to receive it	£ Y
Your attitude to investment risk number (from the aforementioned risk questionnaire)	
Target net income	£pa
Residency (for tax purposes)	

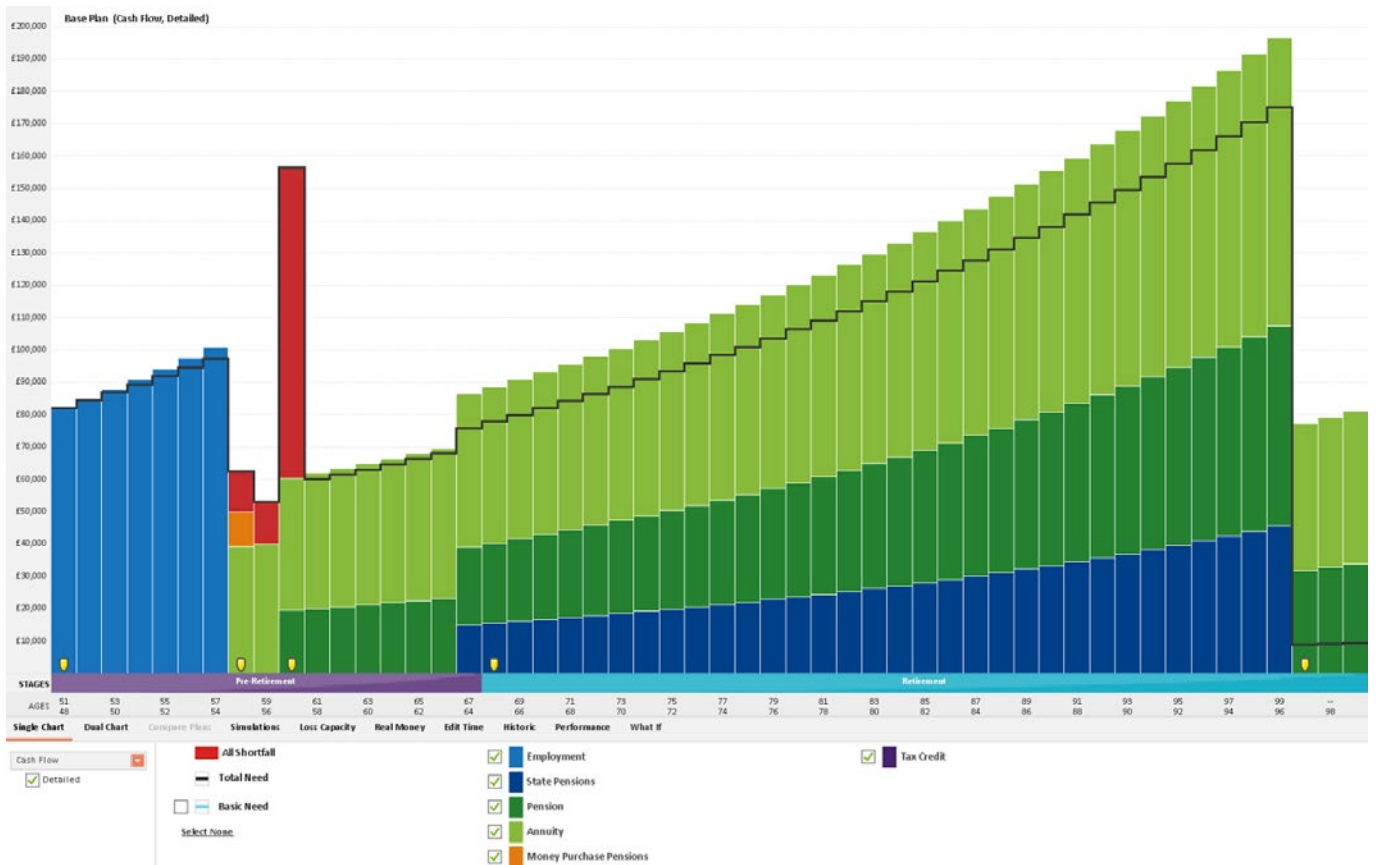
Your pension summary

We used the information you provided in order to produce this personalised report to help you understand your pension.

5.1 Your lifestyle in retirement

You told us you wanted to retire with £ xx,xxx of net income per annum and we have provided your projections based on this.

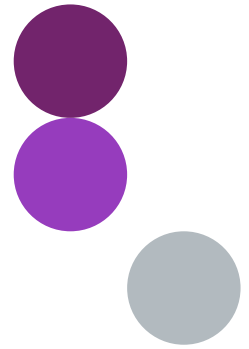
Graph 1. Your Pension Projection at retirement (insert Voyant Graph below)



Your pension summary – cont.

- These figures are only illustrative. Please remember that the value of an investment can go down as well as up and you could get back less than you paid in. Laws and tax rules may change in the future. Your own circumstances also have an impact on tax treatment.
- The illustrated values are net of all investment and product charges applicable and assume a cash sum is taken from the pension fund at retirement.
- This chart indicates your ability to meet your goals and expenses given your level of income you stated you wished and also the information you provided on your existing pension provision. It assumes that you will qualify for a full State pension at state Pension Age (SPA).
- It assumes that at retirement, you will use the funds from your DC pension pots to buy an annuity which is also known as fixed income. This will be paid throughout your life, increasing in line with the RPI, reducing by 50% on your death and paid to your spouse for the rest of their life.
- Only pension benefits have been included. Any other investments that may be used to generate an income in retirement have not been included.
- It assumes that the pension from your defined benefit scheme is revalued until retirement age in line with the RPI and increase in line with RPI in payment. The actual rate of revaluation used may differ from this.
- The illustrations assume Inflation rates of 2% pa (CPI), 3% pa (RPI) and increases in National Average Earnings of 3.5% pa.
- Annuities assume increases in payment in line with the RPI and that, on death, the income will reduce by 50% and then continue in payment until the death of the surviving spouse.
- The black line indicates your income need from now until an assumed mortality age of 100.
- Any amounts above the black line reflect potential surplus income.
- Any red bars indicate there could be a shortfall in a particular plan year or that a tax bill relating to the Lifetime allowance may become due.

Investment risk



6.1 Your attitude to investment risk

We asked you to complete an attitude to investment risk questionnaire which provided you with a score that helps you understand your investment risk appetite.

Based on your completed questionnaire you told us that you had a risk score of **XX**. This would put you in the **risk level** category.

[Select the appropriate wording and delete others]

Lower Risk (10-17)

People in this category are conservative with their investments. They prefer taking a small amount of risk in aiming to achieve modest or relatively stable returns. They accept that there may be some short term periods of fluctuation in value. [or]

Lower to Medium Risk (18-25)

People in this category are relatively cautious with their investments. They want to try to achieve a reasonable return, and are prepared to accept some risk in doing so. Typically these portfolios will exhibit relatively modest yet frequent fluctuations in value. [or]

Medium Risk (26-33)

People in this category are balanced in their attitude towards risk. They don't seek risky investments but don't avoid them either. They are prepared to accept fluctuations in the value of their investment to try and achieve better long term returns. These portfolios will be subject to frequent and at times significant fluctuations in value. [or]

Medium to Higher Risk (34-41)

People in this category are relatively comfortable with investment risk. They aim for higher long term returns and understand that this can also mean some sustained periods of poorer performance. They are prepared to accept significant fluctuation in value to try and achieve better long term returns. [or]

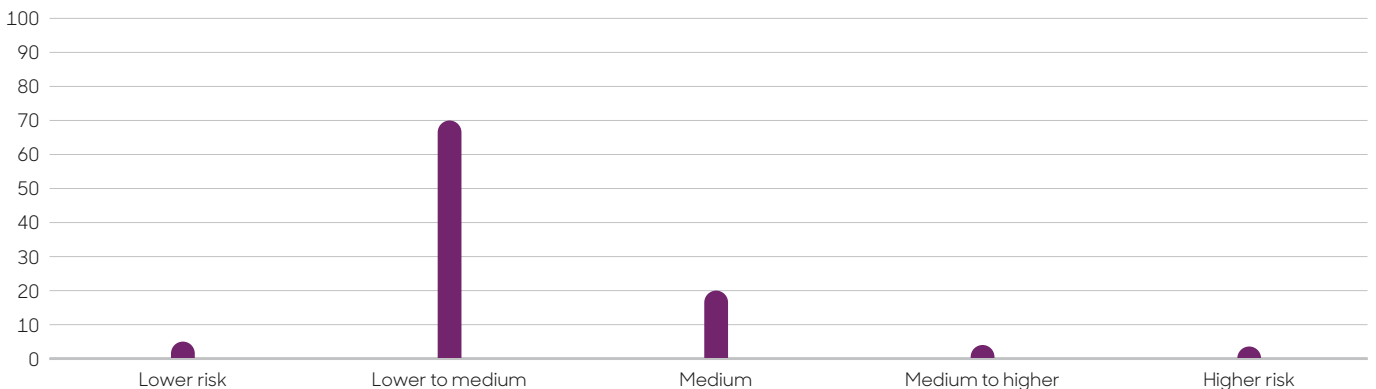
Higher Risk (42-50)

People in this category are very comfortable with investment risk. They aim for high long term investment returns and do not overly worry about periods of poorer performance in the short to medium term. Ordinarily these portfolios can be subject to the full extent and frequency of stock market fluctuations. [or]

6.2 Your employer scheme investment risk

We have assessed your existing employers pension funds against the investment risk scale. Your current investments give you the following investment risk exposure:

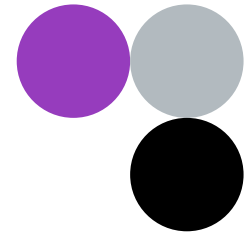
Graph 2. Spread of Funds across risk profiles [right click and edit data from fund info from abrdn]



Your existing employers pension funds **are/are not** fully aligned to your attitude to investment risk.

[Insert if not aligned] You may wish to consider reviewing your current fund selections to give better alignment to your risk appetite.

Important areas for you to consider



Tax relief and pension allowances [ensure allowances are correct current values]

HM Revenue & Customs (HMRC) provide tax benefits on payments made to your plan.

Annual Allowance is the total payments that you, your employer and any third party can make to all your pension plans (excluding transfer payments) and be eligible for tax benefits. The current standard allowance is £40,000 for the current tax year.

You may be able to carry forward any unused annual allowance from the previous three tax years to let you pay more in the current tax year. These payments may be restricted if you are affected by the tapered annual allowance or if you have already accessed any of your other pensions with a flexible income.

[include if and only if 12* monthly contributions >= current standard annual allowance]

Making the current monthly contributions you have told us about for a full year would exceed the current standard annual allowance. You may therefore wish to review your contributions or speak to a financial adviser.

Lifetime Allowance is the total amount you can have in your pension(s) before a tax charge needs to be paid ahead of taking benefits. The allowance is currently £1,055,000. If you have previously applied for protection you may have a higher lifetime allowance.

[include if and only if total pension values >= current standard LTA]

The total value of the pensions you have told us about exceed the current standard life time allowance. You may therefore wish to review your contributions or speak to a financial adviser. Please remember laws and tax rules may change in the future. The value of tax benefits will depend upon individual circumstances.

For more detailed information beyond the summary points above please refer to the information about tax relief, limits and your pension which will have been provided with this report. You may also wish to consider speaking to a financial adviser.

Nomination of Beneficiaries (taken from recent Techzone article)

Either: You have told us that you have nominated beneficiaries. You should review this regularly and change them as required to ensure the trustees/administrators have your up to date wishes.

Or: You have not nominated any beneficiaries. You should consider doing this because naming beneficiaries helps

the trustees/administrators with their decision making, ensures they know your wishes and gives the beneficiaries both lump sum and pension income options. A nomination is typically not binding upon the administrators/trustees. They will complete their own investigations following the member's death and use their discretion. However, they often follow the instructions in the nomination unless there's good reason not to.

[only if they have told us they have other pensions]

Pension Consolidation (taken in the main from members dashboard and .co.uk)

You have told us you have multiple pensions. Combining your pots could make your pensions easier to manage and help you save on fees.

Here's why it could be a good idea:

- **One easy-to-manage plan**
One clear view of your pension you can easily manage online
- **Better value**
You could benefit from any discounts on charges that your employer has negotiated for pensions you transfer
- **Potential to pay less tax**
When it's time to access your money, you may have more flexibility to take your money tax efficiently. Not all pension plans offer this

Important considerations before you transfer:

Whether transferring is right for you will depend on your personal circumstances and the type of pensions you hold. There is no guarantee of a better pension and you could lose money.

Before considering if a transfer is right for you, you may wish to check the charges and investment options available on both plans.

Many pensions are appropriate to transfer, but some have valuable guarantees or benefits you might lose upon transfer such as:

- **Guaranteed Annuity rates**
- **Guaranteed Investment Growth Rates**
- **Safeguarded pension income levels**
- **Higher levels of tax-free cash**
- **Protected retirement age**

You could lose money by transferring, and there is no guarantee for the former provider to accept the money back.

For more information on bringing your pensions together, go to MyBenefits on the intranet. If you are in any doubt however, please seek financial advice.

Further information

Please read the report carefully, we can answer any questions that you have about it.

Your pension provider can provide you with further information about your pension product by referring to your policy documentation, product key features documents and/ or personal illustrations. Further information about your investment funds can be found in factsheets or other key information documents.

Please visit MyBenefits for access to:

- Online tools and calculators
- Attitude to risk questionnaire
- Educational seminars and events available in your workplace
- Additional 1:1 consultations when your situation changes significantly or you have a life event such as approaching retirement

Appendix

Important information

- Your State Pension Age currently depends on when you were born and whether you are a male or female. Please visit [GOV.co.uk](https://www.gov.uk) to check your State Pension Age. State Pension Ages are in a transition period where the State Pension Age is gradually increasing towards age 68 and the tool currently reflects these transitions. The Government has recently announced proposals to link the future State Pension Age to longevity expectations with a review to be carried out every 5 years, and notification of a change to be given 10 years in advance.
- Tax rules and legislation may change. The value of tax benefits may change and will depend on your individual circumstances. The information we have given is based on our understanding of law and HM Revenue & Customs practice at the start of this tax year.
- The value of an investment can go down as well as up and you could get back less than you paid in. Laws and tax rules may change in the future. Your own circumstances also have an impact on tax treatment.
- This is a guidance service, if you feel advice is something that you may need, please contact your current financial adviser if you have one, if you don't, please feel free to contact abrdn for further information.

For more information visit abrdn.com/financial-advice

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