

DUN & BRADSTREET (UK) PENSION PLAN  
DEFINED CONTRIBUTION SECTION

# A fund change is being made to the default and other investment options



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## Introduction

### The investment options – an overview

There are four lifestyle investment programmes available to members of the Plan's DC section:

1. The Diversified Drawdown Lifestyle 2021 or **DDL** (the current default investment option for new members),
2. The Diversified Annuity Lifestyle 2021 or **DAL**,
3. The Equity Drawdown Lifestyle 2021 or **EDL**, and
4. The Equity Annuity Lifestyle 2021 or **EAL**.

In addition, there is a range of 12 'self-select' funds.

The lifestyle investment programmes use pre-selected investment funds that have been chosen by the Trustee and have the objective of managing some of the risks associated with investments for you. They do this by automatically moving your pension savings over time from higher to lower risk funds as you approach retirement.

This helps to provide the potential for growth in the early years followed by a level of protection against short-term falls in the value of your pension savings as you approach retirement. In addition:

- An objective for both the **DDL** and **EDL** is to provide members with a spread of investments at their selected retirement age (see below) that is appropriate for those planning to take part of their Investment Account as a tax-free lump sum and use the rest to provide a flexible pension by using 'income drawdown',
- An objective for both the **DAL** and **EAL** is to provide members with a spread of investments at their selected retirement age that is appropriate for those planning to take part of their Investment Account as a tax-free lump sum and use the rest to provide a fixed pension by purchasing an annuity.

### Important

Your Normal Retirement Age is 65. However, if you are invested in one of the four lifestyle options and you are planning on retiring at a different age, it is important that you let Aviva know of your new 'selected retirement age' so that your investments can be managed according to the age at which you intend to retire. This can be done by contacting Aviva either by telephone on **0800 068 1431** or by email at **dunandbradstreet@aviva.com**.

# Changes to the investment options

The Trustee, after taking advice and carrying out due diligence, has made the decision to replace a fund within the lifestyle investment programmes, the AP BlackRock (30:70) Currency Hedged Global Equity Index Tracker IE Fund. The replacement fund will be the **Dun & Bradstreet (UK) Pension Plan Global Equity Passive Fund**.

The aim, objective and composition of this fund is set by the Trustee. It will invest in one or more passively managed funds which invest in company shares both in the UK and overseas.

The **Dun & Bradstreet (UK) Pension Plan Global Equity Passive Fund** has less concentration of investments in individual companies, meaning less volatility than the current fund. It will also have a filter on the company shares it invests in based on addressing certain environmental, social and corporate governance factors. The Trustee believes that this is a better way of investing and that investing responsibly will achieve greater returns over the long term.

This change will take place automatically for all members who are investing in the BlackRock (30:70) Currency Hedged Global Equity Index Tracker IE Fund either through one of the lifestyle investment programmes or through the 'self-select' range.

You can view the aims and benchmark of the **Dun & Bradstreet (UK) Pension Plan Global Equity Passive Fund** in the Fund's factsheet at: [fundslibrary.co.uk/fundslibrary.dataretrieval/documents.aspx?user=Aviva\\_lifecust&type=packet\\_lp\\_fund\\_unit\\_doc\\_factsheet&citicode=BDEIL](https://fundslibrary.co.uk/fundslibrary.dataretrieval/documents.aspx?user=Aviva_lifecust&type=packet_lp_fund_unit_doc_factsheet&citicode=BDEIL)

The fund key below is used throughout this guide:

## Fund name

- Dun & Bradstreet (UK) Pension Plan Global Equity Passive Fund**
- AP LGIM Diversified Fund**
- AP BlackRock Over 5 Year Index-Linked Gilt Index Fund**
- AP L&G All Stocks Gilts Index Fund**
- AP Money Market Fund**

# Changes to the Diversified Lifestyle Programmes

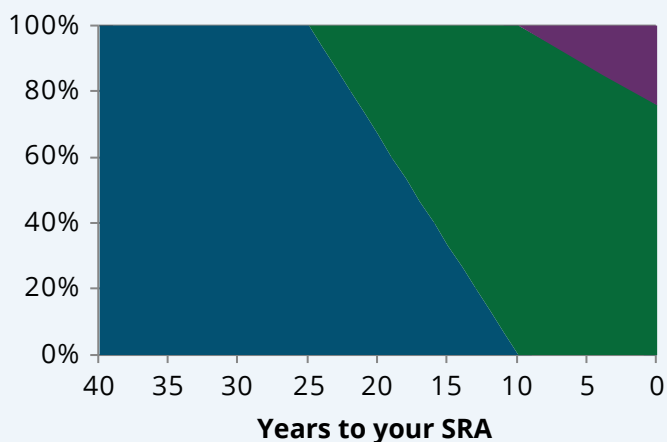
## The Diversified Drawdown Lifestyle 2021

The Diversified Drawdown Lifestyle 2021 is being renamed the **Diversified Drawdown Lifestyle 2024 (DDL)**. In addition, the following change is being made:

The fund in which you are wholly invested up to 25 years from your selected retirement age (SRA) will be the **Dun & Bradstreet (UK) Pension Plan Global Equity Passive Fund**, which then gradually switches to the **AP LGIM Diversified Fund** over a 15-year period.

During the final 10 years before your SRA, your investments will gradually be switched from the **AP LGIM Diversified Fund**, so that when you reach your SRA, you will be invested 75% in the **AP LGIM Diversified Fund** and 25% in the **AP Money Market Fund**. There is no change to this stage.

## The Diversified Drawdown Lifestyle 2024



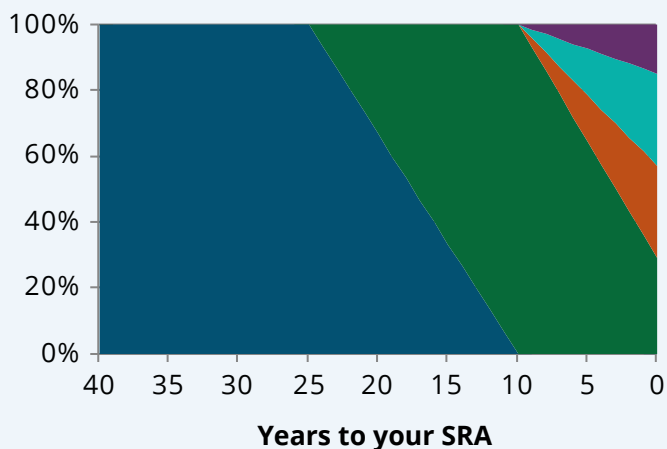
## The Diversified Annuity Lifestyle 2021

The Diversified Annuity Lifestyle 2021 is being renamed the **Diversified Annuity Lifestyle 2024 (DAL)**. In addition, the following change is being made:

The fund in which you are wholly invested up to 25 years from your selected retirement age (SRA) will be the **Dun & Bradstreet (UK) Pension Plan Global Equity Passive Fund**, which then gradually switches to the **AP LGIM Diversified Fund** over a 15-year period.

During the final 10 years before your SRA, your investments will gradually be switched from the **AP LGIM Diversified Fund**, so that when you reach your SRA, you will be invested 29% in the **AP LGIM Diversified Fund**, 28% in the **AP BlackRock Over 5 Year Index-Linked Gilt Index Fund**, 28% in the **AP L&G All Stocks Gilts Index Fund** and 15% in the **AP Money Market Fund**. There is no change to this stage.

## The Diversified Annuity Lifestyle 2024



## Changes to the Equity Lifestyle Programmes

### The Equity Drawdown Lifestyle 2021

The Equity Drawdown Lifestyle 2021 is being renamed the **Equity Drawdown Lifestyle 2024 (EDL)**. In addition, the following change is being made:

The fund in which you are wholly invested up to 5 years from your selected retirement age (SRA) will be the **Dun & Bradstreet (UK) Pension Plan Global Equity Passive Fund**, which then incrementally switches to the **AP LGIM Diversified Fund** and the **AP Money Market Fund**.

### The Equity Drawdown Lifestyle 2024



## The Equity Annuity Lifestyle 2021

The Equity Annuity Lifestyle 2021 (is being renamed the **Equity Annuity Lifestyle 2024 (EAL)**). In addition, the following change is being made:

The fund in which you are wholly invested up to 5 years from your selected retirement age (SRA) will be the **Dun & Bradstreet (UK) Pension Plan Global Equity Passive Fund**, which then incrementally switches to the **AP LGIM Diversified Fund**, the **AP BlackRock Over 5 Year Index-Linked Gilt Index Fund**, the **AP L&G All Stocks Gilts Index Fund** and the **AP Money Market Fund**.

## The Equity Annuity Lifestyle 2024



## The self-select range

The AP BlackRock (30:70) Currency Hedged Global Equity Tracker Index IE fund is being replaced by the **Dun & Bradstreet (UK) Pension Plan Global Equity Passive Fund** in the self-select range.

## Investment charges

The **Dun & Bradstreet (UK) Pension Plan Global Equity Passive Fund** has a Total Expense Ratio (TER) of 0.27% per annum which is a slight increase compared to the TER of 0.24% per annum of the fund it is replacing, the AP BlackRock (30:70) Currency Hedged Index Tracker IE Fund. Whilst there will be a slight increase in charges, the Trustee believes incorporating the principles of Environmental, Social and Governance (ESG) will lead to better risk adjusted returns and these charges are comparably lower than the other ESG options available.

The table to the right shows the charges for each of the investment funds used in the lifestyle options.

Fund name	Charge (TER*)
<b>Dun &amp; Bradstreet (UK) Pension Plan Global Equity Passive Fund</b>	0.27% p.a.
<b>AP LGIM Diversified Fund</b>	0.40% p.a.
<b>AP BlackRock Over 5 Year Index-Linked Gilt Index Fund</b>	0.24% p.a.
<b>AP L&amp;G All Stocks Gilts Index Fund</b>	0.24% p.a.
<b>AP Money Market Fund</b>	0.22% p.a.

\* Total Expense Ratio

At any point in time, the charge for each of the lifestyle options is a combination of the individual charges for each component fund. For example, if you are invested in the **DDL** and you are 19 years from retirement, you will be invested 60% in the **Dun and Bradstreet (UK) Pension Plan Global Equity Passive Fund** and 40% in the **LGIM Diversified Fund**. As a result, the charge would be 0.32% per annum (i.e. 60% x 0.27% + 40% x 0.40%) or in other words, £3.20 per annum for each £1,000 invested.