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The L&G Lifetime Advantage Funds

An overview of how the L&G Lifetime Advantage Funds (LAFs) work

The Lifetime Advantage Funds (LAFs), introduced by L&G in 2024, aim to make investing simpler. They choose investments for you and move your money into more stable options as you near your Target Retirement Age (TRA) (see note on TRA at the end of this guide).

LAFs are a set of target date funds (TDFs). TDFs automatically adjust your investment allocation to help maximise growth early on, while protecting your savings and managing the risk of investment losses as you get closer to retirement. The LAFs mix of asset classes is set to match your needs as you approach retirement. The mix of assets can include equities, bonds, cash and a range of private market or listed alternative assets. The LAFs may invest in actively or passively managed funds.

Every TDF targets a five-year range, shown in the fund name. Your selected retirement date will usually fall within that range. For example, if you plan to retire in 2042, your savings will be invested in the L&G PMC 2040 - 2045 Lifetime Advantage Fund. These five-year ranges give you flexibility if your plans change. You can move to a different TDF at any time. TDFs adjust your investments to match your target retirement age and give you choice in how and when you access your pension savings.

The LAFs fund range follows a 'to-and-through retirement' approach. This means it supports you both before retirement (the accumulation period) and after retirement (the decumulation period). The accumulation period has three phases based on how many years you have until your TRA: the Growth phase, Consolidation phase, and the Pre-retirement phase.

L&G oversees the investment allocation within the LAFs, which will evolve over time. When you are a long way from retirement, more of your pension savings are invested in assets like company shares. These may rise and fall in value in the short term, but they aim to grow your savings over the long term. The funds may also invest in private markets or listed alternatives.

As you get closer to retirement, more of your savings move into assets such as bonds. These may not grow as fast, but they are less likely to fall in value. This helps you to plan with more confidence. As you move through your working life, your investments shift automatically so that you do not need to make these changes yourself.

Growth phase

When you have more than 10 years until your TRA, your pension savings are fully invested in 'growth' assets. These include equities (shares in public companies) and private market assets (investments not listed on public markets). Over the longer term, these assets aim to deliver higher returns than more 'defensive' assets such as government bonds. Since they target higher growth over the long term, their value may rise and fall more in the short term.

Consolidation phase and Pre-retirement phase

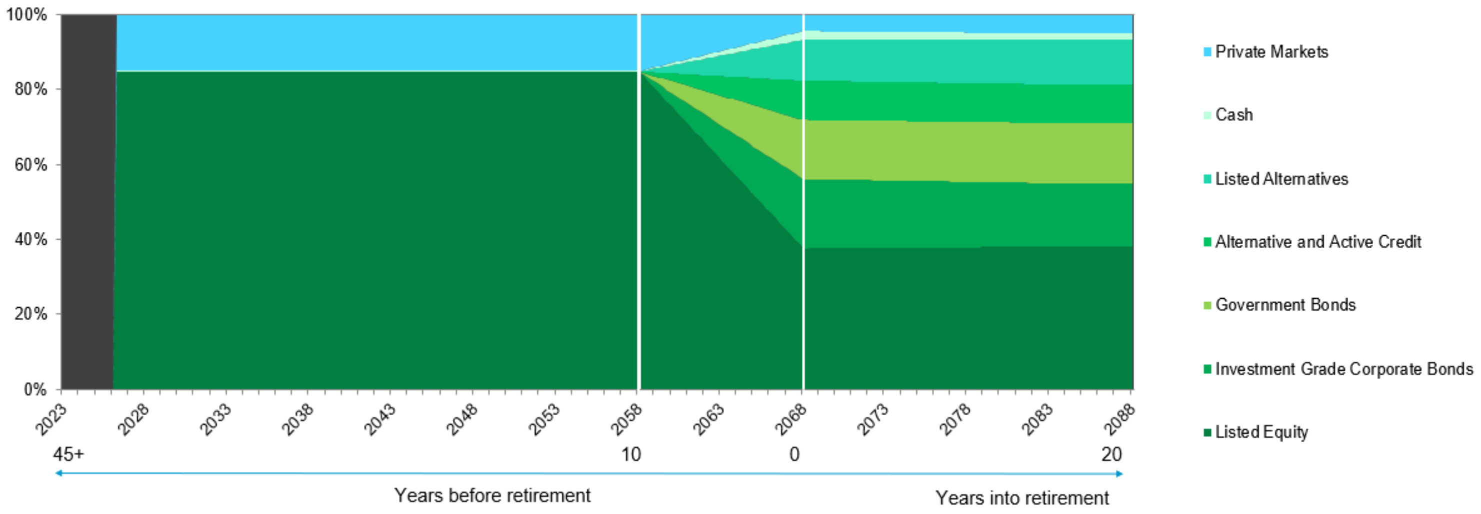
From 10 years before your TRA, your pension savings will start moving into more defensive assets such as bonds. These assets may not grow as fast, but they aim to protect your savings from large market swings. During this stage, some of your money will still stay in equities to support further growth.

At Retirement

When you reach your TRA, L&G will continue to manage your investments unless you choose another option. Your pension savings will stay invested in a range of assets designed with the aim to give a modest return and flexibility over how and when you withdraw your savings. This mix also aims to reduce the risk of your savings falling in value. The LAFs continue to reduce risk for 15 years after your TRA.

The LAFs assume you will choose income withdrawal when you take your pension savings at your TRA. Under current HMRC rules, you can usually take up to 25% of your pension savings tax-free. The rest is paid and taxed like income. At your TRA, you can also consider other options, such as buying an annuity.

The investment chart below shows how the LAFs adjust your investments as you move towards and beyond your TRA.



Source: L&G as at 31 March 2026.

Please note, this chart shows the investment allocation for members who are **targeting to retire after 1 July 2040**. For members planning to retire before this date, please see below for relevant fund profiles for the LAFs using the following links:

- Members retiring before 30 June 2030
- Members retiring between 1 July 2030 and 30 June 2035
- Members retiring between 1 July 2035 and 30 June 2040

Investment performance

Below are the historic performance figures for each of the three phases of the strategy. Since the asset allocation is the same at the start of the glidepath (when members are younger), the growth phase performance is the same for several funds listed below.

Growth phase

This applies when members have more than 10 years until their TRA. It carries the highest level of risk, so performance can vary significantly over short periods. The figures shown reflect the performance of the following L&G PMC Lifetime Advantage Funds: 2080-2085, 2075-2080, 2070-2075, 2065-2070, 2060-2065, 2055-2060, 2050-2055, 2045-2050, 2040-2045.

	1 year
Fund	14.5%
Benchmark	8.6%

Benchmark is Bank of England Base Rate +4.5% p.a.
Source: L&G. Performance as at 31 March 2026.

Consolidation phase

This phase applies when members are 10 years from their TRA. The figures shown reflect the performance of the L&G PMC 2035-2040 Lifetime Advantage Fund.

	1 year
Fund	15.0%
Benchmark	8.5%

Benchmark is Bank of England Base Rate +4.25% p.a.
Source: L&G. Performance as at 31 March 2026.

Pre-retirement phase

This phase applies just before members reach their TRA. The figures shown reflect the performance of the L&G PMC 2025-2030 Lifetime Advantage Fund.

	1 year
Fund	8.6%
Benchmark	7.0%

Benchmark is Bank of England Base Rate +2.75% p.a.
Source: L&G. Performance as at 31 March 2026.

Please note, the above figures are shown after investment management, and annual management charges have been applied. Past performance does not guarantee future growth, and the value of your pension savings can rise or fall with market conditions.

TRA

TRA is used in retirement projections for annual benefit statements. It also determines when your pension savings begin to move into lower-risk investments as you near your TRA. The default TRA is 65, but you can change it by visiting Manage Your Account at **www.landg.com/MYA**, or by completing the e-form in the document library at **legalandgeneral.com/experian**