

## Purpose

This document provides you with the key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

## Product

### Forester Life Individual Savings Account (ISA)

Foresters Stakeholder (Schroders) Sustainable Future Managed Fund Forester Life Limited (Forester Life)

Visit [foresters.com](https://foresters.com) or call us on 0333 600 0333 for more information.

Forester Life Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

This document was last updated on 31st July 2023.

## What is this product?

**Type:** The Forester Life ISA is a unit-linked insurance based investment Plan. It is a stocks and shares stakeholder ISA product and complies with the Stakeholder Regulations which include capped charges, low minimum investment and restrictions on how your money is invested.

**Objectives:** The objective is to achieve medium to long-term capital growth by investing in a diversified range of assets and markets worldwide which meet the investment manager's sustainability criteria. Any money you save (contributions) is used to buy units in the Foresters Stakeholder (Schroders) Sustainable Future Managed 1 Fund. The value of the investment, less the deduction of charges, determines the unit price at the end of each business day. The amount you receive when you withdraw your investment is calculated by multiplying the total units you have bought by the unit price. After 10 years your units are switched to the Foresters Stakeholder (Schroders) Sustainable Future Managed 1A Fund which is an identical fund but with lower ongoing costs (1% instead of 1.5%).

The Foresters Stakeholder (Schroders) Sustainable Future Managed Funds invest in the Schroder Sustainable Future Multi-Asset Fund (the Fund). The investment manager of the Fund applies sustainability criteria when selecting investments and will assess companies against a variety of environmental, social and governance (ESG) metrics. They will take into account issues such as climate change, environmental performance, labour standards and board composition. The Fund limits its shares and share-based holdings to 60% of the total assets held in accordance with Stakeholder Regulations.

Investors aged between 18 and 39 can save up to £4,000 per tax year into a Lifetime ISA which invests in the same way as the Stocks and Shares ISA, but the Government adds a further 25% of the amount invested into the account. The Lifetime ISA is designed to save towards the purchase of a first home valued up to £450,000 and/or towards later life (after age 60). Contributions into the Lifetime ISA element stop at age 50.

**Intended retail investor:** This describes the typical investors we consider will be suitable for the product and therefore who we have determined to be our target market. These are mid-market individuals looking to build or maintain financial resilience but want to invest in organisations that have a positive ESG effect. The product is designed for investors who are over 18, who have a lump sum or spare income to invest and who wish to use the tax-efficiency of an ISA. The investor is prepared to accept some risk to their money. Our ISA is not necessarily suitable to those that have complex investment needs.

The fund is professionally managed, so customers do not need to be experienced investors or have knowledge of investing. The Lifetime ISA is designed for investors aged 18-39 wishing to save towards the purchase of a first home and/or for later life (after age 60).

In the event of the Planholder's death we will pay 101% of the Plan value. There is no maturity date for the ISA. We reserve the right to close the ISA and pay value to the Planholder if, after 5 years contributions have stopped and the Plan is worth under £1,750. We will give you 30 days written notice if we intend to exercise this right.

## What are the risks and what could I get in return?



**!** The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as a 3 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low level, and market conditions are unlikely to impact the capacity of Forester Life to pay you. This product does not include any protection from future market performance so you could lose some of your investment.

## Investment Performance Information

The Fund invests worldwide (including emerging and less developed markets) in collective investment schemes, exchange traded funds, real estate investment trusts or closed ended funds, shares and share related securities, fixed or floating rate securities and alternative assets which could include funds that invest in real estate, private equity schemes and commodities. The use of derivatives (such as equity and bond futures) is allowed with the aim of achieving investment gains, reducing risk or managing the fund more efficiently. In accordance with the conditions for stakeholder funds no more than 60% is invested in shares or share related assets at any given time. Future returns will be determined by the performance of the investments held in the Fund. Such performance may be positive or negative and will depend on general movements in the global financial markets. General movements in the global markets could be the result of political, regulatory, market, economic or social developments at a local, regional, and global level.

In addition, certain investments in the Fund are represented in their local currencies, whereas the currency of the funds is in pounds, movements in the respective exchange rates against the pound may have an impact on the performance.

The Fund's performance is measured against a benchmark. As investments will go up and down comparison against a benchmark will give a relative view of the performance of the Fund. For example, if the Fund increased in value by 10% over a certain period, but the benchmark increased by 12%, the fund will be considered to have not performed well.

The Fund's performance (before charges are deducted) should be assessed against its target benchmark of "cash" +3.5% per annum, with "cash" measured by the Intercontinental Exchange Bank of America (ICE BofA) Sterling 3-Month Government Bill index. The Fund will be managed with a target average annual volatility (a measure of how much the Fund's returns may vary over a year), over a five to seven year period of between 50% to 67% of that of global stock markets (represented by the Morgan Stanley Capital International (MSCI) All Country World GBP (sterling) hedged Index).

### What could affect my return positively?

Higher returns may be generated where global investment markets, including real estate values and emerging and developing markets rise in value. This generally occurs when such markets are stable, interest rates and inflation are low and there are no major interruptions to economic stability such as geopolitical unrest. Such conditions could therefore lead to an investment gain.

### What could affect my return negatively?

Lower returns may be generated where global investment markets, including real estate values and emerging and developing markets fall in value. This generally occurs when there is uncertainty in the markets and investment decreases. Such uncertainty may arise from increases to inflation and interest rates and major interruptions to economic stability such as pandemics and geopolitical unrest. Such conditions could therefore lead to an investment loss.

The Plan does not have a maturity date, however, if the investment is withdrawn during a period of economic instability, there may be an investment loss and the amount paid out could be less than paid in. Where the investment is withdrawn under severely adverse market conditions, for example a significant fall in the value of global stock markets, the investor could suffer a significant loss of the value of the investment. However, the investor can choose when to withdraw the investment at any time.

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## What happens if Forester Life is unable to pay out?

The Financial Services Compensation Scheme (FSCS) is the UK's compensation fund for customers of authorised financial services firms. Individual customers are covered by the FSCS which means that in the unlikely event that we cannot meet our obligations you will be entitled to make a claim for compensation from the FSCS. Forester Life's insurance and protection Plans, ISAs, Savings & Investment Plans, Pension Plans and all children's savings Plans are fully covered under the FSCS. This means you would be entitled to 100% of the value of your Plan. You can find out more about the FSCS by visiting their website [www.fscs.org.uk](http://www.fscs.org.uk) or by calling 0800 678 1100.

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## What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The RIY illustrates how much any gain in value of the investment is reduced by charges.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest a regular premium of £1,000 per year or a single premium of £10,000. The figures are estimates and may change in the future.

### Costs over time

#### Regular premium paid - Investment £1,000

Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years
Total costs	£17.20	£85.70	£221
Impact on return (RIY) per year	1.73%	1.73%	1.73%

## Single premium paid - Investment £10,000

Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years
Total costs	£172	£514	£851
Impact on return (RIY) per year	1.73%	1.73%	1.73%

### Composition of costs

The table below shows the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period, and the meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs	Entry costs	0%	The impact of the costs you pay when entering your investment. The impact of the costs already include in the price. This includes the cost of distribution of your product.
	Exit costs	0%	The impact of the costs of exiting your investment.
Ongoing costs	Portfolio transaction costs	0.23%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	1.50%*	The impact of the costs that we take each year for managing your investments and the cost presented in the tables above.

\*This is the annual management charge.

## How long should I hold it and can I take money out early?

### Recommended holding period: 5 years

Once we have received your application we will issue the Plan Documents, which includes a cancellation notice. You will have 30 days from receipt of the cancellation notice in which you can change your mind.

The recommended holding period for a Stocks and Shares ISA is at least five years to even out the short-term volatility of the investment and to allow the potential to grow in value. A Stocks and Shares ISA can be withdrawn fully or partially at any time. There are no exit costs, or penalties made for partially or fully withdrawing your Stocks and Shares ISA.

The recommended holding period for the Lifetime ISA is up to age 60 (or longer), if it is not being used towards purchasing a first home. The Lifetime ISA element needs to be held for at least 12 months before it can be used towards the purchase of a first home. If you partially or fully withdraw the Lifetime ISA element for any other reason than a first home, age 60 or over or terminal illness, you will incur a Government penalty of 25% of the withdrawal value, and may get back less than you have paid in.

To withdraw a Stocks and Shares or Lifetime ISA you should provide written notification (by post, fax or email). Payments can only be made to the Planholder, and only to an account held in their name. Early withdrawals increase the risk of getting back less than has been invested.

## How can I complain?

If you are unhappy with any aspect of the service provided by us, please write to the Customer Relations Officer, Forester Life, Foresters House, 2 Cromwell Avenue, Bromley BR2 9BF. You can view Forester Life Complaints Report and our complaints procedure at [foresters.com/contact-us/complaints](https://foresters.com/contact-us/complaints) or phone 0333 600 0333 for a copy.

If we do not deal with your complaint to your satisfaction, you can complain to: The Financial Ombudsman Service (FOS), Exchange Tower, London E14 9SR (telephone 0300 123 9123, email [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk) or visit [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)). Making a complaint will not prejudice your right to take legal action.

## Other relevant information

You will also be provided with the ISA brochure.

Other information is available online at [foresters.com](https://foresters.com)