

# Key Information Document

## Sustainable ISA



### Purpose

This document provides you with 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

The name of this product is the 'Sustainable ISA'. It is provided by Sheffield Mutual Friendly Society. Our website address, where you can find detailed information about us, is [www.sheffieldmutual.com](http://www.sheffieldmutual.com) and our telephone number is 01226 741 000. We are supervised by the Financial Conduct Authority in respect of the production and delivery of this Key Information Document (KID). This KID was produced on 27<sup>th</sup> February 2024.

### What is this product?

**Type:** It is an insurance based Individual Savings Account (ISA) which invests in stocks and shares and other investment assets.

**Objectives:** The objective of this ISA is to provide you with a tax-free lump sum at the end of the investment period. There is no minimum or maximum investment period, but you should aim to invest for at least 5 years.

**Intended retail investor:** This product is targeted at a range of sustainability focussed individuals aged 18 or over who want to save or invest for a minimum of five years in a sustainable and diversified fund.

**Insurance benefits and costs:** If you die then a death benefit of the value of your ISA plus 1% at the date of death, will be paid. The costs can be found below in the section "What are the costs?".

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

#### Summary Risk Indicator (SRI)



Lower risk



Higher risk

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 4 out of 7, which is "medium to high". This means the expected return and the potential risk of loss may be above average.

### Performance information

Policyholder premiums are used to purchase units in the diversified investment Fund. The unit price may go up or down as gains and losses (see Fund changes below) are made in the investment Fund. The value of the Policyholder's investment is dependent on the number of units held and the current unit price at any particular time.

The value of the Fund changes over time due to:

- Movements in the capital value of the Fund's assets which may be positive or negative.
- The accrual of investment income which increases the value of the assets.
- The expenses of running the business which are met from the Fund.

Inflation and withdrawals may affect the value of your payout in the future.

The Fund aims to increase the value of your investment over a typical market cycle of 5-7 years. The Fund will obtain at least 70% exposure to investments with sustainable characteristics. All of the Fund's holdings will adhere to Fidelity's Sustainable Family exclusion policy. The Fund provides global exposure to a diversified range of assets by investing into funds managed by Fidelity which invest in a mixture of asset classes (including equities and bonds).

### What could affect my return positively?

When the unit price of the Fund increases, so will the overall value of your investment.

### What could affect my return negatively?

When the unit price of the Fund decreases, the value of your investment will fall.

### Payouts in severely adverse market conditions

There is no limit to how low investments could fall. The Fund will actively allocate to, and within, different asset classes and geographies based on their potential to generate growth or reduce risk or volatility within the overall portfolio. On death the Society will pay the ISA policy value plus 1% at the date of death.

If there is any contradiction between the commentary here and that contained in the policy conditions and the Principles and Practices of Financial Management (PPFM), then the policy conditions and PPFM will always apply.

### What happens if Sheffield Mutual Friendly Society is unable to pay out?

We are covered by the Financial Services Compensation Scheme (FSCS) who you can write to at PO Box 300, Mitcheldean, GL17 1DY. Telephone 0800 678 1100. Further information is available on their website – [www.fscs.org.uk](http://www.fscs.org.uk) or by clicking on the "FSCS protected" link on our website footer.

This product is categorised as a long-term insurance policy and under the above compensation scheme eligible claims may be covered for up to 100% should Sheffield Mutual Friendly Society default. The investments underlying this product are managed on behalf of Sheffield Mutual Friendly Society by professional investment managers, and they use nominees and custodians, in respect of investments purchased and held. The investment managers and their counterparts are not covered by the compensation scheme but were they to default, and this in turn caused Sheffield Mutual Friendly Society to default, then you would still be covered by the FSCS because your contract is with Sheffield Mutual Friendly Society. The FSCS does not cover losses arising purely from investment performance.

### What are the costs?

#### Table 1: Cost over time

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 amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures are estimates and may change in the future.

The figures shown include all the costs of the product itself but may not include all the costs that you pay to your adviser. The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs and show you the impact that all costs will have on your investment over time.

#### Single Premium Sustainable ISA

Investment £10,000 If cashed in after... Scenarios	1 year	3 years	5 years (at the Recommended Holding Period)
Total costs	£119.68	£367.03	£625.54
Impact on Return (RIY) each year	1.17%	1.17%	1.17%

#### Regular Premium Sustainable ISA

Investment £1,000 If cashed in after... Scenarios	1 year	3 years	5 years (at the Recommended Holding Period)
Total costs	£11.97	£72.86	£184.89
Impact on Return (RIY) each year	1.17%	1.17%	1.17%

**Table 2: 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;
- the meaning of the different cost categories.

This table shows the impact on return each year			
<b>One-off costs</b>	Entry costs	0.0%	The impact of the costs you pay when entering into your investment.
	Exit costs	0.0%	The impact of the costs of exiting your investment when it matures.
<b>Ongoing costs</b>	Portfolio transaction costs	0.0%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	1.17%	The impact of the costs that we take each year for managing your investments.
<b>Incidental costs</b>	Performance/other costs	0.0%	This product does not have any performance or other incidental fees.

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

This is a medium to long term investment and we recommend holding it for no less than 5 years. You can take out money early, subject to a minimum withdrawal of £500 provided there is a minimum policy value of £1,000 at the time of the withdrawal.

#### How can I complain?

If you wish to make a complaint about us, or another person who sold or advised you on this product, then please contact us either in writing to: The Chief Executive, Sheffield Mutual Friendly Society, 3 Maple Park, Maple Court, Wentworth Business Park, Tankersley, Barnsley, S75 3DP, by telephone: 01226 741 000 or by email: [enquiries@sheffieldmutual.com](mailto:enquiries@sheffieldmutual.com). A full explanation of our approach to complaints handling can be found on our website at [www.sheffieldmutual.com/how-to-make-a-complaint](http://www.sheffieldmutual.com/how-to-make-a-complaint).

#### Other relevant information

**Cancellation rights:** After your proposal is accepted you will receive a notice of your right to cancel. You will then have 30 days in which to change your mind, you will receive a refund of your payments subject to a deduction/increase of the amount (if any) by which the value of your investment has fallen/risen at the time when your Cancellation Form is received and processed by the team (this can take up to ten working days).

**Law:** In legal disputes the Law of England will apply.

**Legislation:** All or any of the benefits, the premiums, or the policy conditions may be adjusted as deemed appropriate:

- If there is any change in law or taxation affecting the policy
- If any levy is imposed on the Society under statute or statutory authority
- As a consequence of any amendment to general laws

Notice would be given of any such adjustments.

**Solvency II Directive:** We are required to provide you with easy access to a Solvency and Financial Condition Report and you can obtain this via our website at [www.sheffieldmutual.com/corporate](http://www.sheffieldmutual.com/corporate) or by calling 01226 741 000.