



Fair Value Assessment

Individual Savings Account

Product name: Royal London Stocks and Shares ISA
Assessment Date: September 2025

Summary of Fair Value Assessment

At Royal London we continuously review the products we offer, and the wider proposition that sits around them, to make sure they deliver in line with our expectations. This year, we're launching our new Stocks and Shares ISA, and we're pleased to share our Fair Value Assessment for 2025.

We believe that the products provided by Royal London represent fair value and deliver good outcomes for customers. Our Stocks and Shares ISA is designed to deliver the same value and service as we do for our Pensions Portfolio and Retirement Solutions products.

Throughout the development of this product, we've carried out a series of research activities and customer tests to make sure customers understand the product and can make informed decisions. This product is designed to help customers build their financial resilience and pursue their financial goals. Customers can manage their ISA savings online at their own convenience or through our established servicing teams.

In the design of the Stocks and Shares ISA there are a few specific areas we're particularly proud of:

- Our customers will get value for money through our client level charging.
- Our ISA customers will benefit from access to our broadly diversified and actively managed Governed Range investments.
- Our ISA customers will find their ISA investments are eligible for ProfitShare in the same way as our Pension customers.

We'll continue to use customer feedback to provide insights into areas that need further development to help them make more informed decisions. This customer feedback, along with our own data showing the actions customers take, will provide us with the opportunity to improve our communications and processes.

As a champion of impartial financial advice, we aim to support advisers by providing products and services that help them deliver efficient and high quality advice. We believe our Fair Value Assessment demonstrates this.

Colin Mitchell and Rory Marsh
Customer Life Stage Directors

Target Market Statement: Stocks and Shares ISA

Product description

This product is a tax exempt investment linked life assurance policy written on the life of the holder of the Stocks and Shares ISA.

It allows individuals to:

- Invest for the medium to long term and accept some risk to their capital in order to achieve potential higher growth than in a deposit account.
- Choose from a range of investment options including Governed Portfolios, Governed Retirement Investment Portfolios, lifestyle strategies and funds.
- Grow their savings free from capital gains tax.
- Withdraw their savings at any time free from income tax.
- Pay regular and single contributions to their ISA.
- Transfer their existing ISA savings.
- Manage their savings online.

Distribution strategy

- The Royal London Stocks and Shares ISA is designed to be sold on an advised or non-advised basis.
- Only existing customers of Royal London can open an ISA without advice.

Who's eligible for this product?

To be eligible to invest in this product:

- Customers must be over 18;
- Have a UK National Insurance number;
- Be resident in the UK or a Crown employee or a spouse/civil partner of a Crown employee; and
- Must not be a US person for tax purposes.

Who the product is designed for

Our Stocks and Shares ISA is intended for customers who have experience and/or knowledge of investment products and want:

- To invest for the medium to long term and accept some risk to their capital in order to achieve potential higher growth than in a deposit account.
- To choose from a range of funds.
- To make regular and/or lump sum contributions.
- To withdraw some or all of their savings at any time with no penalties or charges.
- To manage their savings online.

The design of the product caters for and supports individuals with vulnerabilities.

Who the product is not designed for

Our Stocks and Shares ISA is not intended for:

- Individuals with short-term goals looking for the guarantees that often come with cash based savings products.
- Individuals who are unable to bear investment losses.
- Individuals who want to trade and manage a portfolio of individual Stocks and Shares.
- Individuals who would be better suited to hold savings in Cash, Lifetime, Junior, or Innovative Finance ISAs.
- Individuals who want a jointly held investment with their spouse or partner.
- Individuals who aren't willing and able to make financial decisions.

How to use this Fair Value Assessment

The Consumer Duty ('Duty') sets the standard of care that firms should give to customers. Royal London is the manufacturer of this product. We've designed this Fair Value Assessment so Distributors can easily assess the product's fair value against the four Duty outcomes. This information also helps Distributors demonstrate that they're meeting their own Duty obligations.

Products and services outcome

- We've assessed the products and services we offer to our ISA customers and are satisfied that they support customers to achieve their financial objectives while mitigating foreseeable harm.
- Clear target markets have been defined to make sure our product is distributed to the right customers.
- We'll monitor the customers who are using this product and its features to make sure they're following the expected behaviours. If customers are found not to be acting in line with expected behaviours, we'll consider how best to support these customers.
- The packaged multi-asset investment portfolios will be reviewed quarterly, with relevant action being taken when necessary. The reviews are published in an open and transparent manner.
- Services created to help customers and advisers stay on track for their planned outcomes are being actively used.
- Vulnerability continues to be a key focus and all customers can access guidance services. We'll continue to make further enhancements to improve our ability to identify customers who need additional support.

Price and value outcome

- We've assessed our product charges and are confident they're competitive in the market. They allow the customer to achieve long-term growth while accommodating typical distribution charges.
- Royal London has paid ProfitShare to customers for nine consecutive years, enhancing the value for money this product aims to deliver.
- We've reviewed the flexibility and features of the product offered within the core price; these are fair, reasonable and offer good value.
- The objectives of the packaged multi-asset investment portfolios aim to perform in line with benchmarks and long-term forecasts. The ongoing management and governance come at no additional cost to the customer.
- Customers with smaller fund values incur an Annual Management Charge of up to 0.75%. We're satisfied this is appropriate, represents fair value and will be kept under review.
- All charges including Royal London, investment and adviser charges will be detailed in the policy certificates a client receives at the outset then throughout the life of the policy.

Consumer understanding outcome



- We've assessed the range of communication channels available for customers and can cater for the needs of a wide range of customer preferences. Overall, customers will receive timely, accurate and accessible communications.
- Extensive user testing of the online journeys, customer communications and customer understanding of the journey has been carried out with ongoing monitoring of these items being conducted.
- Communications at key 'moments of truth' are customer tested. The results of similar documents demonstrate that customers understand the purpose of the communication and that most documents are clear and easy to understand. Areas for improvement will be actively addressed.
- Alternative document formats are available on request to cater for a wide range of customer needs.

Consumer support outcome



- We're leveraging our existing high-quality service to our customers and are confident that it continues to deliver positive outcomes.
- Services are being delivered in line with internal levels.
- Feedback through our customer and adviser value statements remains positive.
- Customers can engage with Royal London in line with their preferences, with a mix of digital, email and telephony being used.
- The range of additional support services available to customers will help them with their wider financial resilience and wellbeing.

The delivery against agreed outcome measures has been delivered within agreed tolerances and meet our expectations of quality and value.



The delivery against agreed outcome measures hasn't met tolerances in some key areas. Actions and timelines to achieve a green rating have been agreed.



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Our approach to Fair Value Assessment

We'll regularly monitor and review our products to make sure they continue to meet the needs of their target market and deliver good customer outcomes. This is an overview of how we'll assess this product against the four Duty outcomes.

Products and services outcome

Products and services are fit for purpose, designed to meet the needs of customers in the target market and are distributed appropriately.

We'll make sure that:

- The distribution channel and customer base are in line with the product's target market.
- Customers use the product in the way it's intended, receive the necessary support, and avoid foreseeable harm throughout the lifetime of the product.
- Vulnerable customers are identified and protected from key risks.

Consumer understanding outcome

Customers receive the information they need, at the right time and presented in a way they can understand.

We'll check that:

- Communications have a clear purpose, provide customers with the information they need to achieve their financial objectives, and are easily understood and timely.
- Communications are available in alternative formats, including those which support vulnerable customers.

We'll regularly analyse customer complaints to identify the root cause of any issues and act to address each in a timely manner.

Price and value outcome

The amount customers pay for a product or service represents fair value for the benefits they receive from it.

We'll check that:

- The total amount paid by customers includes all agreed costs and charges over the lifetime of the product.
- Customers receive benefits they can expect for the total amount paid over the lifetime of the product.
- Services included within the product are appropriate for customers in the target market.

Consumer support outcome

Customers should be able to realise the benefits of the products and services they buy and are supported in pursuing their financial objectives.

We'll make sure that:

- Customer requests are conducted promptly and accurately.
- Powers of Attorney receive the same level of service as customers.
- There are different channels of support available, including those which support vulnerable customers.

Distributors have a responsibility to make sure that fees or charges paid directly to them by customers don't adversely impact the overall value to that customer. Our assessment is only based on the charges we've been asked to pay to our distribution partners as part of the sale or servicing of our products. We'll periodically review Distributor remuneration and charging structures to understand the overall cost to customers. This will help to assess whether our products continue to offer fair value to customers.

Product Development Process

We aim to develop products that deliver good outcomes for customers in the identified target market. Our product development process is designed to make sure we act in good faith, avoid causing foreseeable harm to customers, and enable and support customers to pursue their financial objectives. This process includes, but isn't limited to:

- Identifying the target market - who the product is suitable for and who it's not suitable for.
- Designing the product to meet the identified needs of the target market over the lifetime of the product, including the needs of customers who may be vulnerable.
- Identifying a distribution strategy that aligns with the needs of the target market, including for customers who may be vulnerable.
- Establishing costs and charges that are appropriate and represent fair value for customers in terms of the amount paid and the benefits that they can expect to receive.
- Developing customer communications that are clear, easy to understand and timely.
- Ensuring customers don't face unreasonable barriers when using the product or progressing their financial objectives.

For further information visit
adviser.royallondon.com



We're happy to provide your documents in a different format, such as braille, large print or audio, just ask us when you get in touch.

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