

Co-op Section of Pace DC Charges and Transaction Costs

(for the period 6 April 2019 to 5 April 2020)

Legal & General funds

The annual charges applied to the DC default investment, the 'Target: Lump Sum' lifestyle strategy, during the scheme year ranged from 0.25% to 0.29%.

The charges applied to all other funds (excluding the default arrangement) used by members of the DC Section and Legal & General AVCs during the period to which this Statement relates ranged from 0.28% to 0.46% per annum. The following table shows how the charges are broken down by individual funds.

Fund	AMC (% p.a.)	FMC (% p.a.)	Fund expenses (% p.a.)	Total expense ratio (% p.a.)	Transaction costs* (% p.a.)
<i>Funds within the default fund:</i>					
Pace Growth Mixed Fund	0.16	0.13	0.00	0.29	0.08
Pace cash fund	0.16	0.09	0.00	0.25	-0.05
Other funds:					
Pace Growth (Shares) Fund	0.16	0.14	0.00	0.30	0.04
Pace Growth (Ethical Shares) Fund	0.16	0.30	0.00	0.46	0.00
Pace Pre-retirement (Inflation-linked) Fund	0.16	0.13	0.00	0.29	0.01
Pace Pre-Retirement Fund	0.16	0.12	0.00	0.28	-0.02

Notes

AMC Annual management charge. The AMC is a charge paid to Legal & General to cover its administration costs.

FMC Fund management charge. The FMC is the charge paid to Legal & General to cover fund management expenses for each of Pace DC's funds and is paid in addition to the AMC.

Fund expenses Any expense not covered by the AMC or FMC

Transaction costs: Transaction costs are those incurred as a result of routine fund management activities such as buying, selling, lending or borrowing investments.

Implicit transaction costs have been calculated as the difference between the price at which a deal was struck and the mid-market price of an asset at the time the order is placed in the market ('arrival price'). This is consistent with the implicit cost calculation methods allowable under PRIIPS guidance. The proportion of trades across Legal & General Investment Management for which the arrival price methodology was used to calculate implicit costs for the reporting period was 98% for equity trades, 89% for fixed income trades, 71% for FX trades, and 0% for other OTC and ETD derivative trades. Where the arrival price was not available, the implicit cost was calculated as the difference between the price at which a deal was struck and the mid-market opening price on the day of the trade. Where the mid-market opening price was not available, the mid-market previous closing price was used. Where the previous mid-market closing price was not available, a fixed fee was used to estimate the implicit costs of each trade.

For any funds which hold an investment managed by a third party, the transaction costs provided by the third party manager are represented in this report as an indirect external fund transaction cost. Legal & General cannot guarantee the accuracy, integrity or completeness of such third party data. The recipient understands and acknowledges that any third party data in the disclosure may contain inaccuracies and/or omission and may not be independently verified. Where transaction cost information was not made available by the third party, transaction costs incurred by the externally managed fund have not been included.

