HOWDEN

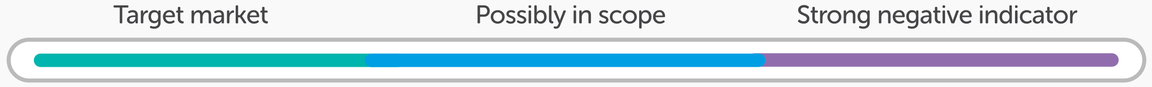
September 2026

Flexible SIPP target market

A brief guide to determine suitability

Flexible SIPP Target Market

Simplified overview



This table provides a simplified overview of characteristics which can determine whether a customer is within our target market for the Flexible SIPP. Those with predominantly green characteristics are more likely to be within the target market while purple characteristics give a strong negative indication.

Pension Life-stage

Accumulator:

- Building pension wealth (>£50k)
- Consolidator: Bringing together pension wealth from multiple pots
- Consolidator: Approaching retirement/pre-retiree
- Just starting out (including Junior SIPP)
- Building pension wealth (<£50k)

Decumulator:

- Transition to retirement (ad-hoc/access PCLS)
- Regularly drawing income
- Beneficiary's drawdown fund

Financial Outlook/Resources

- Affluent
- High net worth
- Comfortable
- Illiquid
- Struggling

Financial Capability and Engagement

Investment Approach:

- Outsourcer using an adviser/DFM
- Engaged self-directed
- Disengaged default fund investor
- Disengaged self-directed

Investment Confidence / Competence:

- Experienced investor or using adviser/DFM
- Uncertain investor
- Confident investor
- Inexperienced investor

Literacy and Numeracy:

- Capable or supported (e.g. advised)
- Low capability, not supported

Pension Objective/Need

- Only pay for the features they use
- Accumulate more pension wealth
- Draw income/lump sums from existing pension wealth
- More control over their investments
- Access to a wider investment range for greater diversification (for example, platforms, commercial property and esoteric options)
- Outsourced investment management
- To tax-efficiently pass wealth on to beneficiaries in the event of their death
- Sole source of pension benefits
- Simple fees
- Default investment options
- Guaranteed income solutions

Target market statement

The Flexible SIPP is a self-invested pension proposition which allows customers to consolidate existing pensions, make contributions, and access flexible benefits. It also allows for the payment of benefits to beneficiaries following the death of a customer.

Customers can choose between two investment options. A lower cost option allowing a single panel investment to be held, or a higher cost option allowing access to the full range of assets included in our Allowable Investment Schedule.

In defining the target market, we have considered the needs of the typical customer the Flexible SIPP has been designed for. As pension planning and individual needs can be complex, we expect there to be outliers with specific needs and objectives not outlined here, but for whom the Flexible SIPP may still deliver good outcomes.

Main features of the product

- A combination of fixed and time-cost fees where customers only pay for the features they use.
- A lower cost option for customers only looking to hold one investment from our panel of investment providers.
- Access to a broader range of investments than is usually available from a workplace pension or platform pension account. Please see our Allowable Investment Schedule for the full range.
- Offers the full range of flexible pension options giving customers control over how and when they take benefits.
- Can provide flexible benefits to beneficiaries following the death of a customer supporting intergenerational planning.
- Accepts contributions as well as transfer payments.

Who is the Flexible SIPP likely to be appropriate for?

- Customers looking to consolidate pension benefits into a single product whether they are looking to continue building pension wealth or to draw benefits. Customers will usually already have built up pension wealth of £50,000 for single panel or £100,000 to access the full asset range and £200,000 for direct investment in commercial property.
- Customers transitioning to or already in retirement who want flexible access to their pension benefits.

- Customers who want to access investments not usually available from a workplace or platform pension.
- Customers who are confident managing their investments, have experience or expertise managing investments or are appointing an adviser or investment manager to do this for them.
- Customers who have a reasonable understanding of pensions or have appointed an adviser.
- Customers are likely to be mass affluent or high net worth and looking to invest over the longer term.
- Customers who understand and accept there is a risk they may get back less than the amount paid in depending on how their chosen investments perform.
- We do not set age limits for new business, but customers taking out a new SIPP are likely to be between 40 and 65.

Who is the Flexible SIPP unlikely to be appropriate for?

- Customers who have not yet built up sufficient pension benefits for the Flexible SIPP to provide good value for money.
- Customers who do not need the broader investment options available under the Flexible SIPP who may be better off paying into their workplace pension.
- Customers who are still building up or able to purchase additional benefits under a defined benefit scheme.
- Customers with an immediate need for a guaranteed income in retirement.
- Customers who are not willing to take some risk with their investments.
- Customers who are not looking to invest for the longer term.
- Customers who rely on default options and are not willing to appoint an adviser to manage their pension.
- Customers who are not willing to commit to the ongoing management of their investments, or to appoint an adviser or discretionary fund manager to do this for them.
- Customers with limited knowledge or understanding of pensions and who are not willing to appoint an adviser to manage their pension.

Distribution approach

- The Flexible SIPP is only available through an FCA regulated financial adviser or direct from BW SIPP LLP. We do not accept business through unregulated introducers.

Key risks

- Pension legislation and regulation can be complicated and change over time. The benefits a SIPP can provide may change over time and no longer meet the needs of a customer.
- A customer may get back less than they paid in. What they get back from their SIPP will depend on the amount paid in, investment performance and any fees payable.
- The Flexible SIPP does not provide a guaranteed income in retirement. The level of income and how long it is payable for will depend on the value of the SIPP, the rate and size of withdrawals taken, investment performance and any fees payable.
- Payments to a pension cannot usually be refunded.
- Fixed fees can have a greater impact on customers who only have a small pension fund to invest.
- If a customer is not confident making investment decisions, they will need to appoint an adviser or investment manager to ensure their SIPP is invested in line with their objectives and risk appetite.
- Investing in commercial property through a SIPP is different to direct ownership of a property. Failing to engage with and understand the consequences of holding a property in a SIPP can lead to significant additional costs and tax charges.

For professional use only

Please contact your Howden consultant if you would like to discuss any of the above topics in more detail. Alternatively get in touch via the following:

sippnewbusinessenquiries1@howden-group.co.uk

0344 443 0100

www.howdengroup.com/uk-en/sipp

Howden SIPP is a trading name of BW SIPP LLP, which is part of the Howden Group. Registered in England and Wales under company number OC322417, with its registered office at One Creechurch Place, London EC3A 5AF. Authorised and regulated by the Financial Conduct Authority (FCA) Financial Services Register No 458323. The Financial Services Register can be accessed through www.fca.org.uk.