



## **GOVERNED RANGE CAUTIOUS ACTIVE LIFESTYLE STRATEGY (ANNUITY) FACTSHEET**

### **What is a Lifestyle Strategy?**

As you approach your retirement date, you'll probably want to reduce your investment risk. This Lifestyle Strategy is designed to help you do that. Your investments are gradually switched from higher to lower risk portfolios as you get closer to retirement.

The Lifestyle Strategy is not compulsory. You can start or stop it at any time, but it must apply to all contributions to your plan.

### **What governance process is in place?**

Your Lifestyle Strategy comes with ongoing governance. This simply means that our investment experts check it regularly. It allows us to maintain the best mix of assets in line with the risk category - and to make sure it is performing in line with its overall objectives - aiming to give you the best returns. The value of your investment can go down as well as up and you may not get back the value of the original investment.

If our experts decide that the mix of assets needs to be adjusted, it happens automatically on your behalf, you don't need to do anything. What's more, this service comes at no extra cost.

For full details of our governance process please visit our website at [royallondon.com/pensioninvestments](https://royallondon.com/pensioninvestments).

### **Who is this strategy designed for?**

It has been designed for investors with a cautious attitude to risk. If you're not sure what your risk attitude is you can complete our online Risk Attitude Profiling Questionnaire at [royallondon.com/pensioninvestments](https://royallondon.com/pensioninvestments) to give you an idea of your attitude to risk.

If you are in any doubt about the suitability of any particular type of investment, you should seek professional financial advice. Advisers may charge for providing such advice and should confirm any costs beforehand.

### **What is the investment objective?**

This strategy aims to deliver above inflation growth in the value of the fund and income at retirement, assuming 25% is taken in cash and 75% is used to purchase an annuity. The strategy aims to invest with a level of risk consistent with a cautious risk attitude.

### **Where is the strategy invested?**

The strategy is invested in the Governed Portfolios shown. The mix of assets in each Governed Portfolio may change at any time in the future if our investment experts decide that a different blend of assets is more appropriate. It's an automatic process and there's no charge for it.

Please note that RLP/Global Blend Core Plus (RLP Global Growth) has an additional charge.

You will be automatically invested into the strategy at the point that matches your time to retirement.

As you approach retirement your money is automatically switched to ensure a gradual move between the portfolios and fund splits shown below. The switching occurs on a monthly basis.

Fund splits as at 23rd November 2023 are shown in the following table:

<b>Cautious Active Lifestyle Strategy (Annuity)</b>	
Investment information 15 Years or more from retirement:	
<b>Governed Portfolio 1</b>	
RLP UK Corporate Bond	3.40%
RLP Global Corporate Bond	1.90%
RLP Short Duration UK Corporate Bond	2.65%
RLP UK Government Bond	5.00%
RLP Global Government Bond	1.05%
RLP Property	9.35%
RLP UK Index Linked	2.30%
RLP Deposit	3.15%
RLP Global High Yield Bond	4.25%
RLP Short Duration Global High Yield	1.25%
RLP Commodity	4.75%
RLP Absolute Return Government Bond	0.45%
RLP Global Blend Core Plus (RLP Global Growth)	60.50%
Investment information 10 Years from retirement:	
<b>Governed Portfolio 2 (Annuity)</b>	
RLP UK Corporate Bond	5.15%
RLP Global Corporate Bond	2.65%
RLP Short Duration UK Corporate Bond	7.65%
RLP UK Government Bond	5.15%
RLP Short Term Fixed Income	0.95%
RLP Global Government Bond	1.15%
RLP Short Duration UK Government Bond	2.60%
RLP Property	9.35%
RLP UK Index Linked	2.20%
RLP Short Duration Global Index Linked	2.45%
RLP Deposit	2.75%
RLP Global High Yield Bond	4.10%
RLP Short Duration Global High Yield	1.50%
RLP Commodity	4.75%
RLP Absolute Return Government Bond	2.60%
RLP Global Blend Core Plus (RLP Global Growth)	45.00%

Investment information 5 Years from retirement:	
<b>Governed Portfolio 3 (Annuity)</b>	
RLP UK Corporate Bond	9.15%
RLP Global Corporate Bond	3.65%
RLP Short Duration UK Corporate Bond	12.65%
RLP UK Government Bond	8.90%
RLP Short Term Fixed Income	3.80%
RLP Global Government Bond	2.40%
RLP Short Duration UK Government Bond	10.10%
RLP Property	4.35%
RLP UK Index Linked	2.20%
RLP Short Duration Global Index Linked	7.45%
RLP Deposit	2.80%
RLP Global High Yield Bond	6.60%
RLP Short Duration Global High Yield	1.50%
RLP Commodity	4.75%
RLP Absolute Return Government Bond	4.70%
RLP Global Blend Core Plus (RLP Global Growth)	15.00%
Investment information at retirement:	
<b>Annuity Retirement</b>	
RLP Annuity	100.00%

If you want to know more about any of the funds or Governed Portfolios within this Lifestyle Strategy, including details of fund charges, please visit our website

[royallondon.com/pensioninvestments](http://royallondon.com/pensioninvestments) and view the relevant factsheet.

### Details of changes to the strategy

The following table documents the last 3 changes that Royal London have made to the portfolios within this strategy.

Effective Date of Change	Overview of Changes
23/11/2023	<b>Governed Portfolio 1</b> Equity markets have rebounded from their October lows as signals that central banks have now reached peak interest rates have buoyed investor sentiment. The business cycle is in the crosshairs and we are monitoring macro-economic data closely. We are adding to our overweight equities; in the absence of bad news, stock market seasonality could support a rally into the Spring as sentiment continues to pick up from oversold levels. We have moved to an underweight position in commodities and added to bonds, as global growth has started to soften and geopolitical risk has subsided.
23/11/2023	<b>Governed Portfolio 2 (Annuity)</b> Equity markets have rebounded from their October lows as signals that central banks have now reached peak interest rates have buoyed investor sentiment. The business cycle is in the crosshairs and we are monitoring macro-economic data closely. We are adding to our overweight equities; in the absence of bad news, stock market seasonality could support a rally into the Spring as sentiment continues to pick up from oversold levels. We have moved to an underweight position in commodities and added to bonds, as global growth has started to soften and geopolitical risk has subsided.

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26/10/2023	<b>Governed Portfolio 1</b> Equity markets have continued to drift lower over recent weeks. Geopolitical uncertainty and worries that interest rates will remain higher for longer than previously anticipated have seen stocks move to their lowest level since early June. Investor sentiment has worsened but has not yet reached levels we deem to be overly depressed. We have been trimming equities recently and we are now broadly neutral. We have added to commodities, moving further overweight; safe haven buying has supported the asset which already had seen strong performance over recent weeks on the back of tight supply and better than expected demand.

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<b>Effective Date of Change</b>	<b>Overview of Changes</b>
12/10/2023	<p><b>Governed Portfolio 1</b> Global equities have lost ground over recent weeks; volatility has risen on worries around interest rates remaining higher for longer than previously anticipated. We have reduced our overweight in equities but could add back to exposure should investors sentiment reach overly depressed levels. We remain overweight commodities, with supply remaining tight and heightened geopolitical potentially leading to upside risk on the asset class despite weaker global demand. We remain underweight in bonds, as disinflationary forces continue to unwind.</p>
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08/10/2015	<p><b>Annuity Retirement</b>  We have replaced the allocation of 75% RLP Medium Index Linked and 25% RLP Deposit with a 100% allocation to RLP Annuity. This fund provides greater diversification and is designed to produce better outcomes for customers.</p>

**Royal London**

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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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