



## **GOVERNED RANGE CAUTIOUS LIFESTYLE STRATEGY (DRAWDOWN) 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 who want to use their fund to support a flexible income at retirement (known as drawdown) and have 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 at retirement. It has been designed to support regular income withdrawals when you retire, whilst taking a level of risk consistent with a cautious risk attitude.

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

The strategy is invested in the portfolios shown. The mix of assets in each 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.

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 7th September 2023 are shown in the following table:

<b>Cautious Lifestyle Strategy (Drawdown)</b>	
Investment information 15 Years or more from retirement:	
<b>Governed Portfolio 1</b>	
RLP UK Corporate Bond	3.15%
RLP Global Corporate Bond	1.65%
RLP Short Duration UK Corporate Bond	2.40%
RLP UK Government Bond	4.60%
RLP Global Government Bond	0.70%
RLP Property	9.60%
RLP UK Index Linked	2.05%
RLP Deposit	1.54%
RLP Global High Yield Bond	4.31%
RLP Short Duration Global High Yield	1.25%
RLP Commodity	6.00%
RLP Absolute Return Government Bond	0.50%
RLP Global Managed	62.25%
Investment information 10 Years from retirement:	
<b>Governed Portfolio 2 (Drawdown)</b>	
RLP UK Corporate Bond	4.90%
RLP Global Corporate Bond	2.40%
RLP Short Duration UK Corporate Bond	7.40%
RLP UK Government Bond	5.05%
RLP Short Term Fixed Income	0.95%
RLP Global Government Bond	1.10%
RLP Short Duration UK Government Bond	2.25%
RLP Property	9.60%
RLP UK Index Linked	2.05%
RLP Short Duration Global Index Linked	2.35%
RLP Deposit	1.28%
RLP Global High Yield Bond	4.17%
RLP Short Duration Global High Yield	1.50%
RLP Commodity	6.00%
RLP Absolute Return Government Bond	2.75%
RLP Global Managed	46.25%

Investment information 5 Years from retirement:	
<b>Governed Portfolio 3 (Drawdown)</b>	
RLP UK Corporate Bond	8.90%
RLP Global Corporate Bond	3.40%
RLP Short Duration UK Corporate Bond	12.40%
RLP UK Government Bond	8.80%
RLP Short Term Fixed Income	3.85%
RLP Global Government Bond	2.35%
RLP Short Duration UK Government Bond	9.75%
RLP Property	4.60%
RLP UK Index Linked	2.05%
RLP Short Duration Global Index Linked	7.35%
RLP Deposit	1.28%
RLP Global High Yield Bond	6.67%
RLP Short Duration Global High Yield	1.50%
RLP Commodity	6.00%
RLP Absolute Return Government Bond	4.85%
RLP Global Managed	16.25%
Investment information at retirement:	
<b>Governed Retirement Income Portfolio 1</b>	
RLP Sterling Extra Yield Bond	5.00%
RLP UK Corporate Bond	13.90%
RLP Global Corporate Bond	3.90%
RLP Short Duration UK Corporate Bond	4.40%
RLP UK Government Bond	9.30%
RLP Short Term Fixed Income	3.25%
RLP Global Government Bond	3.35%
RLP Short Duration UK Government Bond	10.75%
RLP Property	4.60%
RLP UK Index Linked	4.55%
RLP Short Duration Global Index Linked	4.85%
RLP Deposit	1.23%
RLP Global High Yield Bond	4.17%
RLP Short Duration Global High Yield	1.50%
RLP Commodity	6.00%
RLP Absolute Return Government Bond	3.00%
RLP Global Managed	16.25%

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
07/09/2023	<p><b>Governed Portfolio 1</b></p> <p>Whilst US labour markets have been softening over recent weeks, this rise in the unemployment rate has actually come despite any significant job losses. This could result in a cooling of inflation without deep global recessions. We remain overweight stocks for the time being, but recession risks remain and we stand ready to move back to more defensive when required. Furthermore, we have added to commodities, as improved energy demand from China and low supply have supported the asset class. We have increased the size of our underweight in bonds, as disinflationary forces continue to unwind.</p>

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10/08/2023	<p><b>Governed Portfolio 1</b></p> <p>We remain overweight equities, with the underlying macro picture remaining supportive for the asset class. However, following a strong year to date rally and with our sentiment indicator showing that investors are at overly bullish levels, we have taken some profits. Elsewhere, we have added to commodities, moving overweight in the asset class, with inventories constrained and on-going geopolitical risks persisting.</p>
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**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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