



## 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 on, or as close as possible to, the date on which your birthday falls.

Fund splits as at 10th May 2018 are shown in the following table:

<b>Cautious Lifestyle Strategy (Drawdown)</b>	
<b>Investment information 15 Years or more from retirement:</b>	
<b>Governed Portfolio 1</b>	
RLP Cash Plus	1.72%
RLP Property	17.50%
RLP Long (15yr) Gilt	2.28%
RLP Long (15yr) Corporate Bond	5.25%
RLP Long (15yr) Index Linked	5.00%
RLP Global High Yield Bond	2.05%
RLP Short Duration Global High Yield	1.45%
RLP Commodity	6.75%
RLP Absolute Return Government Bond	1.00%
RLP Global Managed	57.00%
<b>Investment information 10 Years from retirement:</b>	
<b>Governed Portfolio 2 (Drawdown)</b>	
RLP Cash Plus	3.55%
RLP Property	12.50%
RLP Long (15yr) Gilt	3.87%
RLP Medium (10yr) Gilt	1.29%
RLP Medium (10yr) Corporate Bond	2.54%
RLP Long (15yr) Corporate Bond	7.63%
RLP Medium (10yr) Index Linked	2.29%
RLP Long (15yr) Index Linked	6.88%
RLP Global High Yield Bond	2.15%
RLP Short Duration Global High Yield	1.55%
RLP Commodity	6.75%
RLP Absolute Return Government Bond	3.00%
RLP Global Managed	46.00%

<b>Investment information 5 Years from retirement:</b>	
<b>Governed Portfolio 3 (Drawdown)</b>	
RLP Cash Plus	5.55%
RLP Property	5.00%
RLP Long (15yr) Gilt	6.33%
RLP Medium (10yr) Gilt	6.33%
RLP Medium (10yr) Corporate Bond	8.83%
RLP Long (15yr) Corporate Bond	8.84%
RLP Medium (10yr) Index Linked	8.33%
RLP Long (15yr) Index Linked	8.34%
RLP Global High Yield Bond	9.15%
RLP Short Duration Global High Yield	2.05%
RLP Commodity	6.75%
RLP Absolute Return Government Bond	6.00%
RLP Global Managed	18.50%
<b>Investment information at retirement:</b>	
<b>Governed Retirement Income Portfolio 1</b>	
RLP Sterling Extra Yield Bond	2.50%
RLP Cash Plus	8.55%
RLP Property	5.00%
RLP Medium (10yr) Gilt	16.00%
RLP Medium (10yr) Corporate Bond	21.00%
RLP Medium (10yr) Index Linked	20.00%
RLP Global High Yield Bond	2.55%
RLP Short Duration Global High Yield	1.15%
RLP Commodity	6.75%
RLP Absolute Return Government Bond	3.00%
RLP Global Managed	13.50%

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
10/05/2018	<p><b>Governed Portfolio 1</b></p> <p>Our Investment Clock remains in its 'Overheat' phase, with increased risk of inflation, although the global economy is showing some signs of slowing. With investor sentiment staying neutral, we have taken further profits on the extra equities purchases made during the market lows; we also reduced the overweight allocation to commodities. Proceeds of these sales were moved into government bonds and cash. Longer term, we remain positive on stocks and are overweight global equities, global high yield bonds and commodities.</p>
10/05/2018	<p><b>Governed Portfolio 2 (Drawdown)</b></p> <p>Our Investment Clock remains in its 'Overheat' phase, with increased risk of inflation, although the global economy is showing some signs of slowing. With investor sentiment staying neutral, we have taken further profits on the extra equities purchases made during the market lows; we also reduced the overweight allocation to commodities. Proceeds of these sales were moved into government bonds and cash. Longer term, we remain positive on stocks and are overweight global equities, global high yield bonds and commodities.</p>

Effective Date of Change	Overview of Changes
10/05/2018	<p><b>Governed Portfolio 3 (Drawdown)</b></p> <p>Our Investment Clock remains in its 'Overheat' phase, with increased risk of inflation, although the global economy is showing some signs of slowing. With investor sentiment staying neutral, we have taken further profits on the extra equities purchases made during the market lows; we also reduced the overweight allocation to commodities. Proceeds of these sales were moved into government bonds and cash. Longer term, we remain positive on stocks and are overweight global equities, global high yield bonds and commodities.</p>
10/05/2018	<p><b>Governed Retirement Income Portfolio 1</b></p> <p>Our Investment Clock remains in its 'Overheat' phase, with increased risk of inflation, although the global economy is showing some signs of slowing. With investor sentiment staying neutral, we have taken further profits on the extra equities purchases made during the market lows; we also reduced the overweight allocation to commodities. Proceeds of these sales were moved into government bonds and cash. Longer term, we remain positive on stocks and are overweight global equities, global high yield bonds and commodities.</p>

*continued on next page...*

<b>Effective Date of Change</b>	<b>Overview of Changes</b>
19/04/2018	<p><b>Governed Portfolio 1</b></p> <p>Our Investment Clock remains in the early stages of its 'Overheat' phase, with a robust worldwide economic expansion and increased risk of inflation. Following considerable volatility in markets in recent weeks, portfolio activity focused on risk management. We have increased the allocations to 15-year conventional and index linked government bonds, albeit the former exposure remains an underweight; this was funded by reducing our overweight holding of equities and from cash. With strong global growth and inflation remaining benign, we are overweight global equities, global high yield bonds and commodities.</p>
19/04/2018	<p><b>Governed Portfolio 2 (Drawdown)</b></p> <p>Our Investment Clock remains in the early stages of its 'Overheat' phase, with a robust worldwide economic expansion and increased risk of inflation. Following considerable volatility in markets in recent weeks, portfolio activity focused on risk management. We have again increased the allocation to 10-year conventional government bonds, albeit the exposure remains an underweight; this was funded by reducing our overweight holding of equities and from cash. With economies continuing to expand and inflation remaining benign, we are overweight global equities, global high yield bonds and commodities.</p>

<b>Effective Date of Change</b>	<b>Overview of Changes</b>
19/04/2018	<p><b>Governed Portfolio 3 (Drawdown)</b></p> <p>Our Investment Clock remains in the early stages of its 'Overheat' phase, with a robust worldwide economic expansion and increased risk of inflation. Following considerable volatility in markets in recent weeks, portfolio activity focused on risk management. We have again increased the allocation to 5-year conventional government bonds, albeit the exposure remains an underweight; this was funded by reducing our overweight holding of equities and from cash. With economies continuing to expand and inflation remaining benign, we are overweight global equities, global high yield bonds and commodities.</p>
19/04/2018	<p><b>Governed Retirement Income Portfolio 1</b></p> <p>Our Investment Clock remains in the early stages of its 'Overheat' phase, with a robust worldwide economic expansion and increased risk of inflation. Following considerable volatility in markets in recent weeks, portfolio activity focused on risk management. We have again increased the allocation to 10-year conventional government bonds, albeit the exposure remains an underweight; this was funded by reducing our overweight holding of equities and from cash. With economies continuing to expand and inflation remaining benign, we are overweight global equities, global high yield bonds and commodities.</p>

*continued on next page...*

Effective Date of Change	Overview of Changes
08/03/2018	<b>Governed Portfolio 1</b> Our Investment Clock is in the later cycle 'Overheat' stage, with strong global growth and more risk of inflation. We have added to equities again, capitalising on stock market weakness and given that supportive world growth conditions remain in place. We also have increased the allocation to 15-year index linked bonds. The changes were funded out of high yield debt, government bonds and cash. With economies continuing to expand and inflation remaining benign, we are overweight global equities, global high yield bonds and commodities.
08/03/2018	<b>Governed Portfolio 2 (Drawdown)</b> Our Investment Clock is in the later cycle 'Overheat' stage, with strong global growth and more risk of inflation. We have added to equities again, capitalising on stock market weakness and given that supportive world growth conditions remain in place. We also have increased the allocation to conventional 10-year UK gilts. The changes were funded out of high yield debt and cash. With economies continuing to expand and inflation remaining benign, we are overweight global equities, global high yield bonds and commodities.

Effective Date of Change	Overview of Changes
08/03/2018	<b>Governed Portfolio 3 (Drawdown)</b> Our Investment Clock is in the later cycle 'Overheat' stage, with strong global growth and more risk of inflation. We have added to equities again, capitalising on stock market weakness and given that supportive world growth conditions remain in place. We also have increased the allocation to conventional 5-year UK gilts. The changes were funded out of high yield debt and cash. With economies continuing to expand and inflation remaining benign, we are overweight global equities, global high yield bonds and commodities.
08/03/2018	<b>Governed Retirement Income Portfolio 1</b> Our Investment Clock is in the later cycle 'Overheat' stage, with strong global growth and more risk of inflation. We have added to equities again, capitalising on stock market weakness and given that supportive world growth conditions remain in place. We also have increased the allocation to conventional 10-year gilts. The changes were funded out of high yield debt and cash. With economies continuing to expand and inflation remaining benign, we are overweight global equities, global high yield bonds and commodities.

**Royal London**  
1 Thistle Street, Edinburgh EH2 1DG  
**royallondon.com**

All literature about products that carry the Royal London brand is available in large print format on request to the Marketing Department at Royal London, St Andrew House, 1 Thistle Street, Edinburgh EH2 1DG. All of our printed products are produced on stock which is from FSC® certified forests.

The Royal London Mutual Insurance Society Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registered in England and Wales number 99064. Registered office: 55 Gracechurch Street, London, EC3V 0RL. Royal London Marketing Limited is authorised and regulated by the Financial Conduct Authority and introduces Royal London's customers to other insurance companies. The firm is on the Financial Services Register, registration number 302391. Registered in England and Wales number 4414137. Registered office: 55 Gracechurch Street, London, EC3V 0RL. Royal London Corporate Pension Services Limited is authorised and regulated by the Financial Conduct Authority and provides pension services. The firm is on the Financial Services Register, registration number 460304. Registered in England and Wales number 5817049. Registered office: 55 Gracechurch Street, London, EC3V 0RL.