

Retirement Portfolio Glidepath

Key Features

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This Key Features document (KFD) provides important information on our Retirement Portfolio Glidepath service to help you to decide whether it is right for you.

This Retirement Portfolio Glidepath KFD should be read in conjunction with The InvestEngine Pension Plan KFD, which provides a more comprehensive overview of the SIPP's key features.

You should read this document carefully so that you understand what service you are receiving and the risks and benefits associated with it.

If you are unsure whether The InvestEngine Pension Plan or the Retirement Portfolio Glidepath are right for you then you should take appropriate financial advice. InvestEngine is not authorised to give you financial or investment advice.

What is our Retirement Portfolio Glidepath service?

It is designed for investors who want to contribute to a pension, but aren't sure what to invest in.

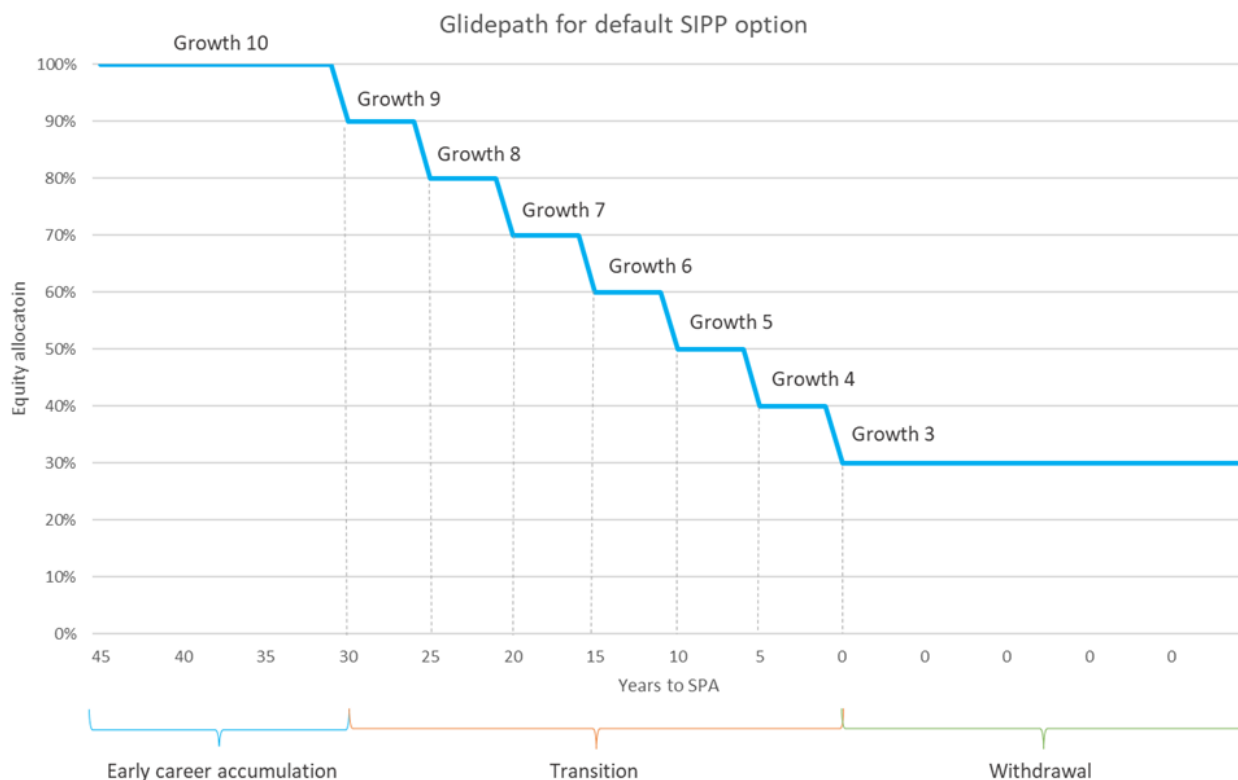
This service takes a "glidepath" approach. It is a fully managed portfolio, structured to maximise your risk-adjusted returns between now and the State Pension Age (SPA).

The glidepath seeks to balance your need to capture more return when there's a long time leading up to your goal, with preferences for greater stability and income potential as you approach the target date. It is designed to generate gains in the early years by investing more heavily in stocks, then retaining those gains by weighting towards safer, more conservative choices such as bonds and cash equivalents as the target date approaches. The most conservative allocation will be reached when you reach the SPA.

Our glidepath strategy provides a single, ready-made solution for a future savings goal like retirement or education.

The glidepath model

The Growth portfolio you will be invested in is based on the glidepath model:



Years to SPA Portfolio Equity allocation

30+	Growth 10	100%
30 – 25	Growth 9	90%
25 – 20	Growth 8	80%
20 – 15	Growth 7	70%
15 – 10	Growth 6	60%
10 – 5	Growth 5	50%
5 – 0	Growth 4	40%

In withdrawal Growth 3 30%

NB: Due to the Growth portfolios being managed on a discretionary basis by InvestEngine (in line with our Investment Philosophy [here](#)), equity allocations are for illustrative purposes only, and are subject to change.

The benefits of the Retirement Portfolio Glidepath service

The automated glidepath approach offers several benefits for investors looking for a simple, diversified investment portfolio aligned with their retirement timeline:

1. **Diversification.** The Growth portfolios invest in a mix of assets (stocks, bonds, and other securities), ensuring investors remain diversified right the way through their investment journey.
2. **Automatic rebalancing.** InvestEngine will automatically rebalance your portfolio over time, ensuring it maintains the intended asset allocation.
3. **Simplicity.** It is designed to be straightforward, for investors who may not have the time, knowledge, or inclination to actively manage their investments. Investors simply provide their age, and InvestEngine does the rest.
4. **Lifecycle approach.** It follows a glidepath, which adjusts the asset allocation gradually over time. The glidepath starts with a more aggressive allocation (more stocks) in earlier years to potentially generate higher returns. As retirement nears, the allocation shifts to more conservative investments (more bonds), aiming to protect capital and reduce volatility.
5. **Professional management.** InvestEngine's investment team oversees the asset allocation and investment decisions, leveraging their expertise to maximise returns within the defined strategy.
6. **Risk management.** By adjusting the portfolio's risk exposure as retirement approaches, the glidepath approach aims to manage risk by reducing exposure to more volatile assets, potentially safeguarding savings from significant market downturns close to retirement.
7. **Low fees.** The glidepath model is constructed using InvestEngine's Growth portfolios, which use low-cost ETFs to increase your returns. The Key Features Documents for each Growth portfolio can be found [here](#).
8. **Low minimums.** The minimum initial investment is only £100, and you can top up from as little as £1. This means you are able to create a fully diversified portfolio straight away.

Some aspects of the Retirement Portfolio Glidepath to bear in mind

While it offers convenience, simplicity, and a diversified approach to investing, it also comes with drawbacks which investors should consider.

The primary downside to the glidepath model is the one-size-fits-all approach.

Since the glidepath model caters to a broad audience with varying risk tolerances, it might not perfectly align with an individual investor's preferences or specific financial needs. For example, if an investor has an additional source of income, they might have a higher capacity for risk than is assumed with the glidepath. Alternatively, an investor may be more comfortable with taking risk, and therefore be able to allocate a higher portion of their portfolio to equities than they would when investing in the glidepath.

For people with simple goals and needs, a glidepath approach is a strong, straightforward option. It provides ongoing professional investment management which includes research and asset allocation, regular rebalancing, and risk management.

For those investors wanting to ensure their portfolio aligns more closely with their own personal circumstances, a managed portfolio may be a more suitable option.

If you would like any further information about our Retirement Portfolio Glidepath, please contact our customer service team at support@investengine.com. We look forward to welcoming you to our InvestEngine community!