

# Guided Retirement

Investment Brochure

Investing your money to  
**create** the  
retirement  
you want





# Investing your money with Guided Retirement

to put the right pieces in place for your future

## **Guided Retirement is Aviva's new way to help you plan for the retirement you want**

It's another option for you to consider when the time comes to take an income from the pension money you've built up. This new solution works by splitting retirement into two phases: the early years, when we focus on flexibility, and the later years when we place more of an emphasis on stability. Guided Retirement provides three pots to support the different ways you can take your money over the course of your retirement, with guidance from Aviva to help you decide how to make it work for you.

This brochure explains more about how this works and the funds that are available. We've included interactive links to other documents that you may find useful in your retirement planning. You can access these in the online version of the brochure. To view this version, please visit:

 [aviva.co.uk/guided-retirement](https://aviva.co.uk/guided-retirement)

## **Read our Member Brochure**

To find out more about Guided Retirement in general – and about the way your money can be split into the three different pots please read the Member Brochure which can be found by visiting:

 [aviva.co.uk/guided-retirement](https://aviva.co.uk/guided-retirement)



# Your investment journey

## Putting the right pieces in place at the right time

Guided Retirement is all about meeting your income needs across different stages of retirement. That's why you can split your money into three different pots. So that the money in each one is invested effectively, we have to make sure that the investments we choose are carefully aligned to their individual purposes. This means that each pot has its own investment strategy and aligned fund.

As all your money in Guided Retirement is invested, its value can go up and down and you could get back less than you paid in.

This brochure explains the different investment elements that support Guided Retirement and the funds that are used. It includes each fund's risk rating and its 'risk code letters', which show you the specific risks that apply.

For more information about each of the funds available to you, we recommend you look at their fund factsheets, which you'll find within your online account. Alternatively, if you're viewing this brochure online, you can simply click on each fund name to access its factsheet.







## 1. Flexible Income Pot

FUND: **Guided Retirement Flexible Income fund**

The Flexible Income Pot is designed to provide flexibility in the early years of retirement, so you can vary your income to suit your needs. The money in this pot is invested in the Guided Retirement Flexible Income fund, which aims to provide balanced growth while avoiding large fluctuations in the value of your pot.

We've set a minimum investment of **£10,000** for this pot



## 2. Guaranteed Income Pot

FUND: **A Guided Retirement Target Annuity fund**

The Guaranteed Income Pot is designed to provide the security of a fixed income during the later years of your retirement. The money in this pot is invested in a target dated fund, called a Guided Retirement Target Annuity fund. This fund aims to provide balanced growth in the earlier years of your retirement, then to prepare you for buying an annuity at your selected annuity purchase age.

You can choose any annuity purchase age between your state pension age and age 80. More information about target dated funds can be found on the next page.

We've set a minimum investment of **£10,000** for this pot



## 3. Occasional Spending Pot

FUND: **Guided Retirement Occasional Spending fund**

The Occasional Spending Pot is designed to provide a little extra for emergencies and unplanned spending throughout your retirement, or until it runs out.

The money in it is invested in the Guided Retirement Occasional Spending fund, which aims to preserve the value of your money, although this is not guaranteed. To take money from the Pot, you just need to contact us so that we can arrange to sell units from this fund, to the value of the amount you want to take out. When this is done, we will send you the money.

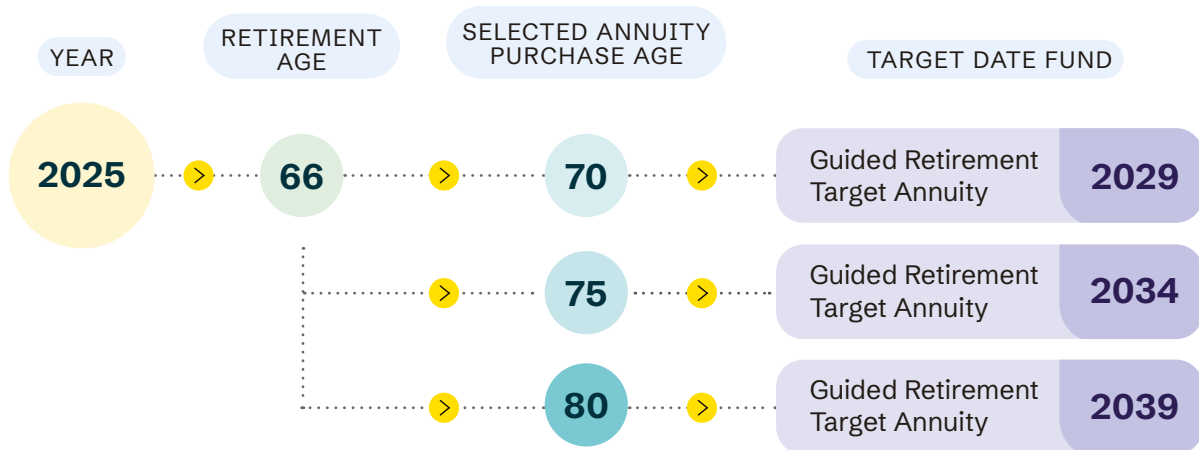
This pot is optional, as you may have other sources of savings or income that could fund occasional spending. We allocate 10% to this pot in our examples, but you're free to change this, or disregard the pot altogether if you prefer.

We've set a maximum investment of **20%** of the total value for this pot

# How target dated funds work

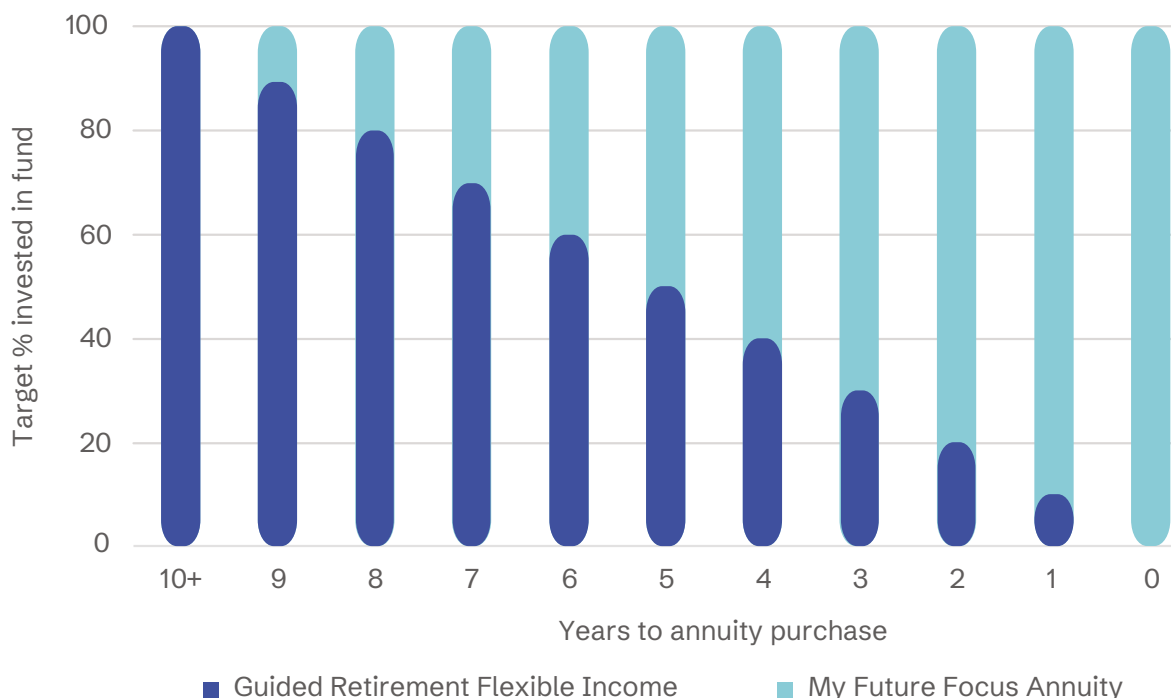
When you put money into your Guaranteed Income Pot, we'll invest it in a target dated fund. Target dated funds automatically change your investments over time based on a specific target date. Each target dated fund within Guided Retirement has a year at the end of its name, which relates to the year you plan to buy an annuity.

Steven is a 66-year-old who starts Guided Retirement in 2025. He can choose to buy an annuity at any age between 66 and 80. Here are some examples of different annuity purchase ages and the target dated fund that would apply for each age.



## How this works for Guided Retirement

Each Guided Retirement Target Annuity fund invests in the Guided Retirement Flexible Income fund and the My Future Focus Annuity fund. The graph below shows how we'll move your money between these funds over time, starting when you're 10 years away from your selected annuity purchase age.



# Guided Retirement funds

Below we show you the funds used in the Guided Retirement pots. We include each fund's risk rating and its risk code letters which relate to the specific risks that apply. You can find out about our risk ratings and risk codes on pages 9 to 10. The last two columns show each fund's charges, which are made up of the Annual Management Charge (AMC) and additional expenses. You can find further information about these on page 8.

For more information about each of the funds available to you, including the fund aims, we recommend you look at the fund factsheets. You can access these via your online account or directly by clicking on each fund name if you're viewing this document online.

RISK RATING	FUND NAME AND RISK CODES	FUND AMC	ADDITIONAL EXPENSES
4	<b>Aviva Pension MyM My Future Focus Annuity</b> Risk codes: A, B, E, J	0.10%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Flexible Income</b> Risk codes: A, B, C, D, E, F, H	0.002%	0.00%
2	<b>Aviva Pension MyM Guided Retirement Occasional Spending</b> Risk codes: A, B, E, F	0.001%	0.00%

## Target Dated Funds

4	<b>Aviva Pension MyM Guided Retirement Target Annuity 2025</b> Risk codes: A, B, E, J	0.10%	0.00%
4	<b>Aviva Pension MyM Guided Retirement Target Annuity 2026</b> Risk codes: A, B, C, D, E, F, J	0.11%	0.00%
4	<b>Aviva Pension MyM Guided Retirement Target Annuity 2027</b> Risk codes: A, B, C, D, E, F, J	0.12%	0.00%
4	<b>Aviva Pension MyM Guided Retirement Target Annuity 2028</b> Risk codes: A, B, C, D, E, F, J	0.13%	0.00%
4	<b>Aviva Pension MyM Guided Retirement Target Annuity 2029</b> Risk codes: A, B, C, D, E, F, J	0.14%	0.00%
4	<b>Aviva Pension MyM Guided Retirement Target Annuity 2030</b> Risk codes: A, B, C, D, E, F, J	0.15%	0.00%

RISK RATING	FUND NAME AND RISK CODES	FUND AMC	ADDITIONAL EXPENSES
4	<b>Aviva Pension MyM Guided Retirement Target Annuity 2031</b> Risk codes: A, B, C, D, E, F, J	0.16%	0.00%
4	<b>Aviva Pension MyM Guided Retirement Target Annuity 2032</b> Risk codes: A, B, C, D, E, F, H, J	0.17%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2033</b> Risk codes: A, B, C, D, E, F, H, J	0.18%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2034</b> Risk codes: A, B, C, D, E, F, H, J	0.19%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2035</b> Risk codes: A, B, C, D, E, F, H	0.20%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2036</b> Risk codes: A, B, C, D, E, F, H	0.20%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2037</b> Risk codes: A, B, C, D, E, F, H	0.20%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2038</b> Risk codes: A, B, C, D, E, F, H	0.20%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2039</b> Risk codes: A, B, C, D, E, F, H	0.20%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2040</b> Risk codes: A, B, C, D, E, F, H	0.20%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2041</b> Risk codes: A, B, C, D, E, F, H	0.20%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2042</b> Risk codes: A, B, C, D, E, F, H	0.20%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2043</b> Risk codes: A, B, C, D, E, F, H	0.20%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2044</b> Risk codes: A, B, C, D, E, F, H	0.20%	0.00%

RISK RATING	FUND NAME AND RISK CODES	FUND AMC	ADDITIONAL EXPENSES
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2045</b> Risk codes: A, B, C, D, E, F, H	0.20%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2046</b> Risk codes: A, B, C, D, E, F, H	0.20%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2047</b> Risk codes: A, B, C, D, E, F, H	0.20%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2048</b> Risk codes: A, B, C, D, E, F, H	0.20%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2049</b> Risk codes: A, B, C, D, E, F, H	0.20%	0.00%
3	<b>Aviva Pension MyM Guided Retirement Target Annuity 2050</b> Risk codes: A, B, C, D, E, F, H	0.20%	0.00%

## Charges explained

### Fund AMC

These charges cover the cost of managing the funds you're investing in, including monitoring and changing how your money's invested.

### Additional expenses

These charges cover the additional costs of running the fund, such as audit and administration fees.





# Risk ratings explained

## Matching your investments to your approach to risk

### Investing means risk

Investing money always means there is a level of risk. Even if you leave cash under a mattress, the risk is that its value can be eroded over time by rising prices. However, the more risk you take, the more potential there is for reward, but it also means more potential for loss.

Risk means different things to different people, but for many it means the risk to their original investment. Fund values will move up and down with investment markets, but to varying degrees. That's why we have risk ratings: to give you a good idea of the risk you're taking with the funds you're invested in.

### Here's how we measure our funds' risk rating

We give each of our funds a risk rating, ranging from 1 (lowest volatility) to 7 (highest volatility). These ratings reflect the potential for a fund to go up and down in value. We calculate our risk ratings using historical performance data and information from each fund's investment manager(s). We review our risk ratings each year, so they may change over time.

Risk and return are linked. This means funds with a rating of 1 are less likely to lose money, but your money might not grow very much. Funds with a rating of 7 have a much higher risk of losing money, but the potential for your money to grow over the long term is higher, too.

**These investment risk ratings are based on our interpretation of investment risk and are only meant as a guide.**

RISK RATING	VOLATILITY	DESCRIPTION
7	HIGHEST	Funds typically investing in the highest risk sectors, such as specific themes or shares of companies in emerging markets. These funds offer the highest potential for long-term returns, but also experience the largest day-to-day price movements compared to other funds. They therefore present the highest risk that the value of your investment could fall.
6	HIGH	Funds typically investing in high-risk sectors, such as shares of companies in developed overseas markets. These funds offer high potential for long term returns, but also experience large day-to-day price movements, and so present a significant risk that the value of your investment could fall.
5	MEDIUM TO HIGH	Funds typically investing in shares of companies in the UK or a mix of other major stock markets. These funds offer the potential for good returns over the long term, but fund prices will move up and down and so present a high risk that the value of your investment could fall.
4	MEDIUM	Funds typically investing in a mix of assets with the potential for better long-term returns than lower risk funds. Compared to lower risk funds there is a greater risk that the value of your investment could fall.
3	LOW TO MEDIUM	Funds typically investing in assets like corporate bonds or a mix of assets where the day-to-day prices go up or down less than shares. There is still a risk that the value of your investment could fall.
2	LOW	Funds typically investing in assets like the highest quality corporate bonds, which normally offer better long-term returns than savings accounts. There is still a risk that the value of your investment could fall.
1	LOWEST	Funds typically investing in the lower risk sectors – like the money market – which usually aim to provide returns similar to those available from deposit and savings accounts. These funds offer the lowest potential for long-term returns, but also experience the smallest day-to-day price movements compared to other funds. They present the lowest risk to your investment, although there is still a risk it could fall in value.



# Fund risk codes

## Here's how our risk codes work

There are different risks associated with investing in funds. To help you understand what these are, we assign risk warning codes (letters A to K) to each fund. You'll see these letters underneath the fund names. Each type of risk is explained clearly below. Please note that there's no direct link between the number of risk codes and the risk ratings.

RISK CODE	RISK CODE DESCRIPTION
A	<p><b>Investment is not guaranteed:</b> The value of an investment is not guaranteed and can go down as well as up. You could get back less than you have paid in.</p> <p><b>Specialist funds:</b> Some funds invest only in a specific or limited range of sectors and this will be set out in the fund's aim. These funds may carry more risk than funds that can invest across a broader range or a variety of sectors.</p> <p><b>Suspend trading:</b> Fund managers often have the ability, in certain circumstances, to suspend trading in their funds for as long as necessary. When this occurs, we will need to delay the 'cashing in' or switching of units in the relevant fund. You may not be able to access your money during this period.</p> <p><b>Derivatives:</b> Derivatives are financial contracts whose value is based on the prices of other assets. Most funds can invest in derivatives for the purpose of managing the fund more efficiently or reducing risk. Some funds also use derivatives to increase potential returns, known as 'speculation'. For those funds we apply an additional risk warning (see Risk F).</p>
B	<p><b>Foreign Exchange Risk:</b> When funds invest in overseas assets the value will go up and down in line with movements in exchange rates as well as the changes in value of the fund's holdings.</p>
C	<p><b>Emerging Markets:</b> Where a fund invests in emerging markets, its value is likely to move up and down by large amounts and more frequently than one that invests in developed markets. These markets may not be as strictly regulated and securities may be harder to buy and sell than those in more developed markets. These markets may also be politically unstable which can result in the fund carrying more risk.</p>
D	<p><b>Smaller Companies:</b> Where a fund invests in the shares of smaller companies, its value is likely to move up and down by large amounts and more frequently than one that invests in larger company shares. The shares can also be more difficult to buy and sell, so smaller companies funds can carry more risk.</p>
E	<p><b>Fixed Interest:</b> Where a fund invests in fixed interest securities, such as company, government, index-linked or convertible bonds, changes in interest rates or inflation can contribute to the value of the investment going up or down. For example, if interest rates rise, the value is likely to fall.</p>

RISK CODE	RISK CODE DESCRIPTION
F	<p><b>Derivatives:</b> Derivatives are financial contracts whose value is based on the prices of other assets. The fund invests in derivatives as part of its investment strategy, over and above their use for managing the fund more efficiently. Under certain circumstances, derivatives can result in large movements in the value of the fund and increase the risk profile, compared to a fund that only invests in, for example, equities. The fund may also be exposed to the risk that the company issuing the derivative may not honour their obligations, which could lead to losses.</p>
G	<p><b>Cash/Money Market Funds:</b> These are different to cash deposit accounts and their value can fall. Also, in a low interest rate environment the product or fund charges may be greater than the return, so you could get back less than you have paid in.</p>
H	<p><b>Property funds:</b> The fund invests substantially in property funds, property shares or direct property. You should bear in mind that:</p> <ul style="list-style-type: none"> <li>• Properties are not always readily saleable and this can lead to times in which clients are unable to 'cash in' or switch part or all of their holding and you may not be able to access your money during this time</li> <li>• Property valuations are made by independent valuers, but are ultimately subjective and a matter of judgement</li> <li>• Property transaction costs are high due to legal costs, valuations and stamp duty, which will affect the fund's returns.</li> </ul>
I	<p><b>High Yield Bonds:</b> The fund invests in high yield (non- investment grade) bonds. Non-investment grade bonds carry a higher risk that the issuer may not be able to pay interest or return capital. In addition, economic conditions and interest rate movements will have a greater effect on their price. There may be times when these bonds are not easy to buy and sell. In exceptional circumstances, we may need to delay the 'cashing in' or switching of units in the fund and you may not be able to access your money during this period.</p>
J	<p><b>Reinsured Funds:</b> Where a fund invests in an underlying fund operated by another insurance company through a reinsurance agreement, if the other insurance company were to become insolvent, you could lose some or all of the value of your investment in this fund.</p>
K	<p><b>Long-Term Asset Funds:</b> The fund invests partly in one or more alternative investment funds, for example Long-Term Asset Funds (LTAFs) or Reserved Alternative Investment Funds (RAIFs). These investments give access to sectors such as infrastructure, venture capital, private equity and private debt investments and they add diversification to the fund, but it can take longer to move money out of them than from many other types of asset. This could mean that in exceptional circumstances cashing-in or switching your investment in the fund may need to be delayed. Some of the underlying holdings may be valued by independent valuers which means they are a matter of judgement and opinion and transaction costs may be high due to legal costs, valuation costs and stamp duty, all of which affect the value of a fund. To reduce these risks, we set strict limits on how much of the fund can be invested in Alternative Investment Funds and monitor this closely.</p>

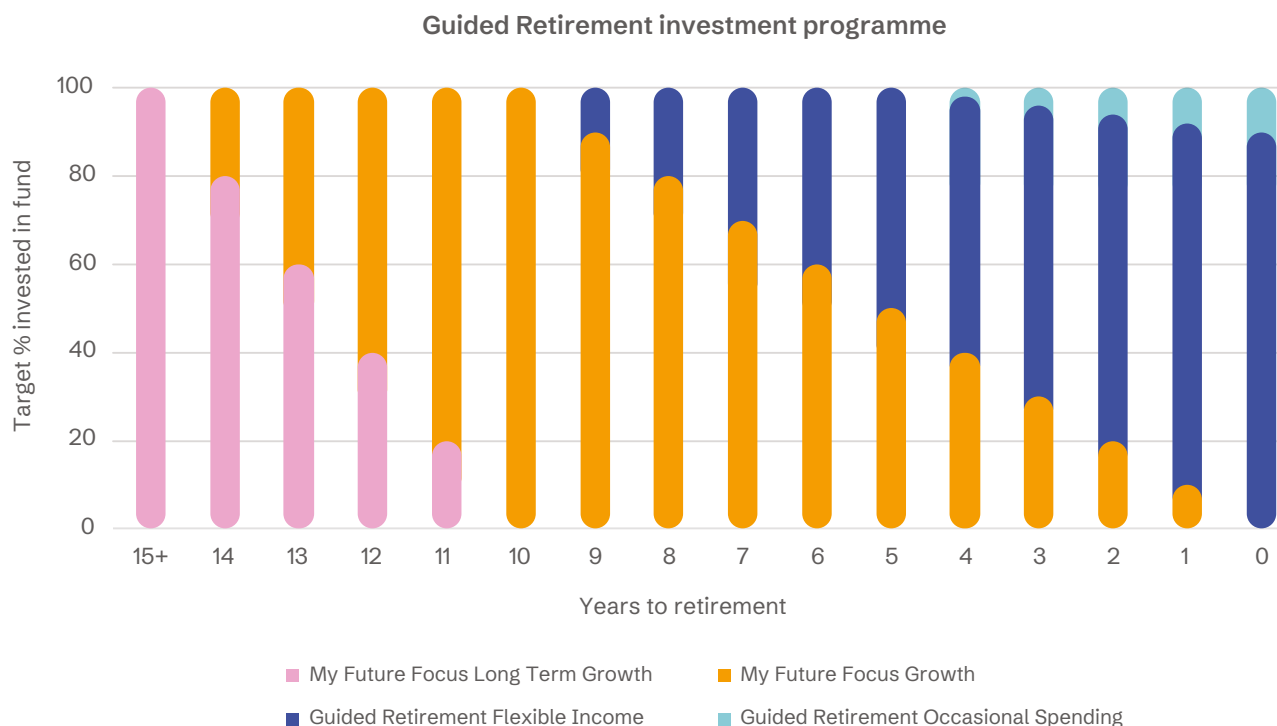
# Planning ahead before you retire

## A smooth, seamless journey towards the retirement you want

Guided Retirement helps you to make the most of your retirement savings once you retire. But it's also important to try to make the most of the years of saving before retirement, to give you the best chance of having the retirement you deserve. When you're a long way from retirement, you'll typically be invested in a fund (or funds) that helps you to grow your pension savings.

If you're invested in one of our My Future or My Future Focus investment programmes, at any point before you retire, you have the option to choose the Guided Retirement investment programme. This programme helps to smooth the journey between growing your retirement pot and taking an income from it. This investment programme will gradually move your money from the My Future/My Future Focus Growth fund into the Guided Retirement funds during the 15 years leading up to retirement.

The graph below shows how we'd move your money as you approach retirement.



You don't have to select the Guided Retirement investment programme to use Guided Retirement. You can choose to switch into Guided Retirement at any point up to and including retirement if you wish.

You can find out more details about the My Future and My Future Focus funds in the brochure, A guide to your investments, which you will have received when you joined your pension with Aviva.




# Where to find out more about Guided Retirement

## How we help you put the pieces into place

You can read more about Guided Retirement on our website, along with the other options we can offer you for taking money from a pension you've built up. You can also find out more about Guided Retirement by visiting your online account. Here's where to look:

### Visit our website

You can find plenty of information on how Guided Retirement works, and how to get started by visiting:  [aviva.co.uk/guided-retirement](https://aviva.co.uk/guided-retirement)

### Read our Member Brochure

This is where you can find more details about Guided Retirement, including a handy 'Your questions answered' section.

You can find the brochure online by visiting:  [aviva.co.uk/guided-retirement](https://aviva.co.uk/guided-retirement)

### Find more guidance and advice

Guided Retirement isn't the same as taking personal, professional advice from a regulated financial adviser. While you won't get a personalised financial recommendation, it's designed to help you make better informed decisions about your retirement. If you're thinking of accessing your pension savings, a good place to begin is Pension Wise, from MoneyHelper, the government-backed free guidance service. You can visit:

 [www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise](https://www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise)


They won't tell what you should do, but they'll help you understand your options.

For tailored advice you should speak to your financial adviser. If you don't have an adviser, you can find an up-to-date list of regulated advisers at:

 [moneyhelper.org.uk/retirement-adviser-directory](https://moneyhelper.org.uk/retirement-adviser-directory)

Advisers may charge for their advice. If so, there are often a number of ways to pay.

### Retirement Preparation Review

When you have a pension with Aviva, you're entitled to a free 20-minute no-obligation conversation with one of our experts to discuss your individual retirement plan. They'll try to help you get the most out of your finances. Please note that this is a non-contractual benefit and can be withdrawn at any time. Visit:  [aviva.co.uk/retirement-review](https://aviva.co.uk/retirement-review)

## Ready to choose Guided Retirement?

Are you thinking about retiring, or are ready to talk to us about choosing Guided Retirement to access your Aviva Pension? Alternatively, you may be ready to apply right away.

Either way, just:

- **Log into your online account or**
- Visit  [aviva.co.uk/guided-retirement](https://aviva.co.uk/guided-retirement)

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