

Risk Targeted Decumulation Service

Risk Targeted Decumulation 4 (RTD 4)

Key information

Strategy details

Launch date	1 October 2020
Minimum initial investment (direct)	£20,000
Minimum initial investment (platform)	£1,000
Rebalancing strategy (minimum)	Quarterly
Currency	£ GBP
Annual management charge (direct)	0.75%
Annual management charge (platform)	0.30%*
Ongoing charges figure ('OCF')	0.48%

*Not including platform fees

Risk Targeted Decumulation Service

The service consists of three actively managed investment strategies that are designed for investors in drawdown. The service puts capital preservation first and seeks to minimise the risk of eroding capital in falling markets whilst a fixed regular income is being taken.

Each investment strategy has a different level of risk and expected return, with each targeted to a particular Dynamic Planner Risk Managed Decumulation ('RMD') risk profile (4-6). Each investment strategy is checked by Dynamic Planner on a monthly basis to ensure that it stays within the expected annual Value at Risk ('VaR') boundaries assigned to the corresponding Dynamic Planner risk profile.

The service is available directly through our Bordier UK platform and via third-party platforms.

Investment objective

To assist investors in drawdown, looking to preserve capital in real (inflation-adjusted) terms over the medium to longer term. Investors should expect low levels of reward and a low correlation to stockmarket behaviour, including modest fluctuations in values.

Risk profile

The strategy is managed in accordance with Dynamic Planner risk profile 4 and is part of their RMD offering. The strategy's expected annual VaR is targeted to stay within the assigned Dynamic Planner risk profile's boundaries.

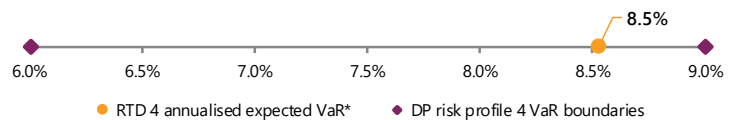


Investment update

Global developed equity markets rallied 2.5% during March, recovering some of the losses seen earlier in the quarter. There was disparity in regional market returns, with the US market gaining over 3% whilst European markets fell. The US Federal Reserve, looking to address inflationary pressures, raised rates (by 0.25%) for the first time since 2018. In the UK, the latest forecasts suggest that inflation might peak at close to 9% before subsiding next year. Focus remains on how central bank policy combats these heightened levels of inflation versus supporting potentially fragile economic growth. The conflict in Ukraine is having a profound effect on energy prices, and in turn on inflation, given Russia's importance as a provider of oil and gas. Food and other commodity prices have also been significantly impacted. Financial markets have experienced a nervy start to the year; however, history dictates that it is often best to sit tight in terms of headline equity exposure during these periods. We continue to maintain equity allocations at their current level, with the strategy remaining at the upper end of its corresponding Dynamic Planner risk profile. We have, however, altered underlying equity positions, removing exposure to Europe – which is currently facing the brunt of the geopolitical conflict between Russia and Ukraine – and topping up allocations to infrastructure, which not only boasts both defensive and inflation-protection characteristics, but also provides greater exposure to regions outside of Europe.

Annualised expected loss (Value at Risk)

Value at Risk ('VaR') measures the expected maximum loss of a strategy, given usual market conditions, over a specific time period and at a particular confidence level.



*Annualised expected VaR (rounded to 1 d.p.) based on latest Dynamic Planner assumptions. Bordier UK asset allocation as at 31.03.22. Dynamic Planner calculates the strategy's VaR monthly using a 95% confidence level.

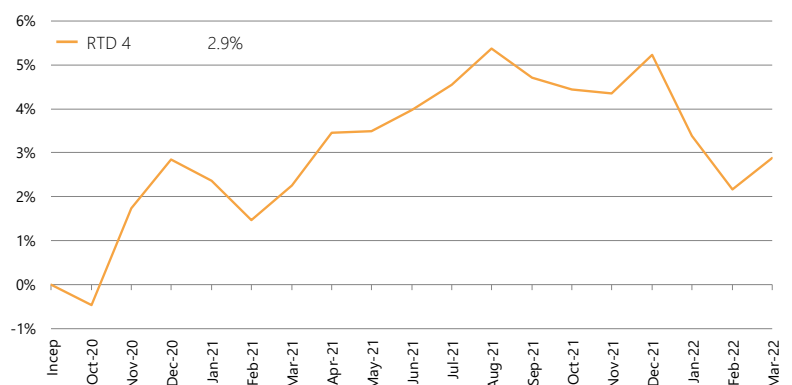
Discrete performance

	YTD*	2021*	2020*
RTD 4	-2.2%	2.3%	2.9%

Cumulative performance

	1yr*	Inception*
RTD 4	0.6%	2.9%

Inception performance



*Performance from inception (01.10.20) to 31.01.22 is simulated past performance based on back-tested data. Source: FE Analytics as at 31.03.22. Bordier UK figures net of 0.30% AMC. VAT applied to AMC from inception until 31.08.21. Past performance is not a guide to future results. See full risk warning overleaf.

Why decumulation?

Investors drawing on their portfolio for a regular monthly income are in danger of negatively impacting the total return available to them based on the timing of their withdrawals. Known as sequencing risk, this can have a significant impact on an investor who depends on the income and is no longer contributing new capital that could offset losses.

Within a dedicated decumulation strategy, volatility is micro-managed to smooth out monthly performance and mitigate risk. By doing so, investors will experience less frequent volatility spikes, decreasing the speed at which the value of their portfolio shrinks.

About Bordier UK

Bordier & Cie (UK) PLC ('Bordier UK') is a specialist investment manager that promotes a long-standing culture of consistency and excellence, whether in the performance of our portfolios, the service given by our staff or the quality of our reporting.

Bordier UK focuses on managing the wealth of individuals, families and trustees. We manage portfolios for pensions, trusts, charities, offshore bonds, livery companies, institutions and welfare committees, as well as investments from our own staff. Working alongside professional advisers and managing investment solutions on behalf of their clients is core to the Bordier UK business.

Bordier UK is part of the Bordier Group. The Bordier Group is built on solid foundations, with a strong Tier 1 capital ratio of 32.1%. Established in Geneva in 1844, the Bordier Group operates in six countries across three continents, managing assets of circa £13.3bn for approximately 4,200 families.

Corporate winner or shortlisted for over 100 prestigious industry awards since 2014



Source: Bordier & Cie as at 31 December 2021.

Contact us

For further information on this strategy or any of our other investment services please contact a member of our sales team:

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Headline asset allocation and positioning

Summary of current Investment Committee positioning

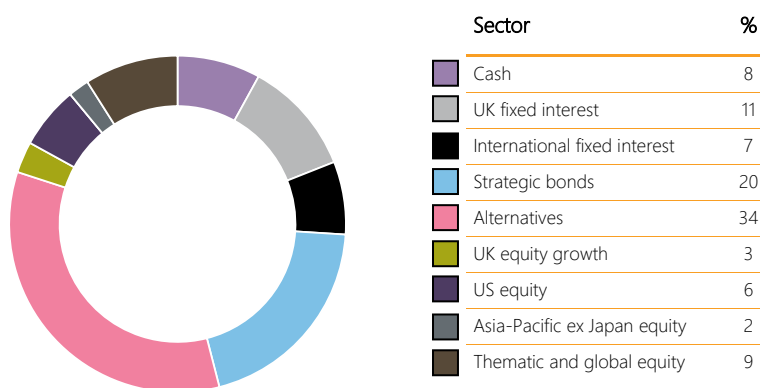
	UW (-)	N (=)	OW (+)	
Fixed interest		Current	Previous*	
Equities				Current
Property	Current			
Alternative investments		Previous*	Current	
Cash	Current			

Key
■ Current
■ Previous*
UW (-) Underweight
N (=) Neutral
OW (+) Overweight

- The strategies remain at the upper end of their corresponding Dynamic Planner risk profiles with good exposure to those parts of the world less likely to be exposed to the economic fall-out from war in Ukraine.
- We have reduced or removed entirely our exposure to Europe and increased our allocations to infrastructure, which not only boasts both defensive and inflation-protection characteristics, but also provides greater exposure to regions outside of Europe.
- We continue to favour inflation-linked bond funds, actively managed strategic bond funds and 'market neutral' alternative investments, which continue to act as good portfolio stabilisers, diversifiers of risk and sources of return.
- Cash exposure remains low and there continues to be focus on high levels of liquidity in everything that we own.

As at 31.03.22
*Positioning prior to last Investment Committee change (October 2021)

Model asset allocation



Active/Passive split	%
Active funds	65
Passive funds	35

Top 10 holdings

Holding	%	Holding	%
Vanguard UK Short-Term Inv. Grade Bond	11	Artemis Target Return Bond	7
Janus Henderson Absolute Return	10	BlackRock Absolute Return Bond	7
TwentyFour Absolute Return Credit	10	Janus Henderson Strategic Bond	7
Cash (deposit)	8	Vanguard Global Short-Term Bond Index	7
Fidelity Strategic Bond	8	FTF ClearBridge Global Infrastructure Inc.	6

As at 31.03.22

Risk warning: The value of an investment and any income from it may fall as well as rise, may be affected by exchange rate fluctuations and you may not get back the amount you originally invested. The information in this factsheet does not constitute an offer of, or an invitation to buy or sell any security. Levels and bases of tax can change. The securities detailed in this factsheet may not be suitable for all investors. The model portfolio is applied to client accounts by the platform provider but it may take some time for the client accounts to mirror the model. Please note that the calculated OCF from FE Analytics may vary from that stated by your chosen platform provider. Bordier & Cie (UK) PLC recommends that you seek the advice of your financial adviser.

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