

Risk Targeted Decumulation Service

Risk Targeted Decumulation 5 (RTD 5)

Key information

Strategy details

Inception	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')	0.50%

*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 their capital in real (inflation-adjusted) terms over the medium to longer term but who feel comfortable with some moderate fluctuation in values.

Risk profile

The strategy is managed in accordance with Dynamic Planner risk profile 5 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.



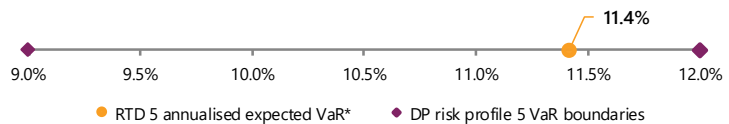
Investment update

March proved ultimately to be a positive month for equities as global economic data generally continues to surprise on the upside. The month did not pass without incident however as the collapse of Silicon Valley Bank in the US and the subsequent, largely unrelated, failure of Credit Suisse stoked fears of a financial crisis. However, a recovery ensued following reassurances from central banks about the financial sector's health and a general belief that the banking sector is well capitalised post the reforms after the 2008 financial crisis. One likely consequence of the pressures within the financial sector is a further tightening in bank lending standards. This might provide a further brake to growth and inflation, potentially reducing the need for further rate rises. This, added to the already increasingly dovish stance of central banks led to a fall in bond yields (and rise in bond values). While sentiment became more dovish over the month, key central banks did go ahead with further rate rises, citing areas of stubborn core inflation and tight labour markets driving wage pressures within the services sector.

No changes were made over the month as the strategy remains aligned to its corresponding Dynamic Planner risk profile. We are encouraged by the improving economic backdrop and the positive outlook for corporate earnings as equity exposures are maintained, whilst we remain happy with the underlying make-up of the rest of the strategy.

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 31.03.23. Dynamic Planner calculates the strategy's VaR monthly using a 95% confidence level.

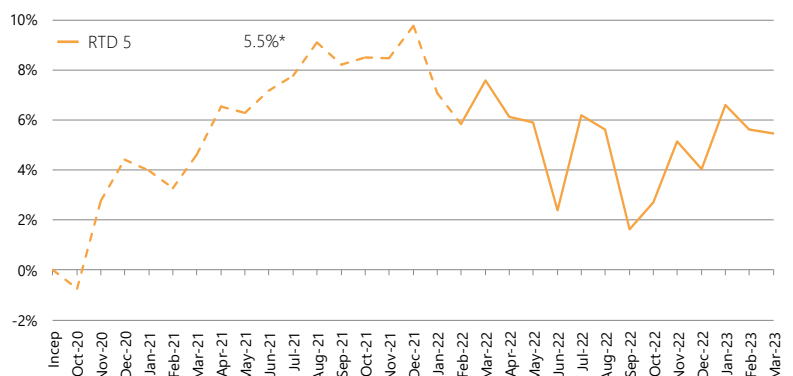
Discrete performance

	YTD	2022*	2021*	2020*
RTD 5	1.4%	-5.2%	5.1%	4.4%

Cumulative performance

	1yr*	2yr*	Inception*
RTD 5	-2.0%	0.8%	5.5%

Inception performance



*Performance from inception (01.10.20) to 31.01.22 is simulated past performance based on back-tested data (represented by orange dashed line). Source: FE Analytics as at 31.03.23. 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 33.7%. Established in Geneva in 1844, the Bordier Group operates in six countries across three continents, managing assets of circa £14.4bn for approximately 4,200 families.

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



Source: Bordier & Cie as at 31 December 2022.

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

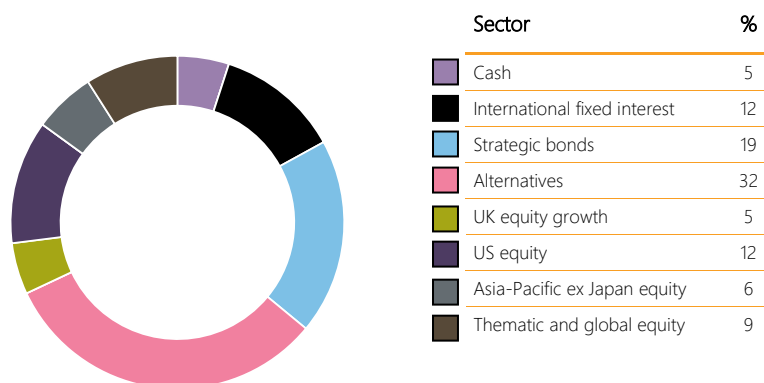
Summary of current Investment Committee positioning

	UW (-)	N (=)	OW (+)	Key
Fixed interest				Current
Equities				UW (-) Underweight
Property				N (=) Neutral
Alternative investments				OW (+) Overweight
Cash				

- 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 allocation to Asia-Pacific ex Japan, where fundamentals and valuations look fairly attractive, and policy is more supportive for risk assets.
- We continue to allocate to 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 31.03.23

Model asset allocation



Active/Passive split	%
Active funds	68
Passive funds	32

Top 10 holdings

Holding	%	Holding	%
Artemis Target Return Bond	8	Janus Henderson Strategic Bond	6
Janus Henderson Absolute Return	7	Vanguard Global Bond Index	6
Schroder Strategic Credit	7	BlackRock Absolute Return Bond	5
TwentyFour Absolute Return Credit	7	Cash (deposit)	5
Fidelity Strategic Bond	6	TM Tellworth UK Select	5

As at 31.03.23

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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