



Virtual Seminar

Futureproofing your pensions advice processes

00:00

September 2021

For Adviser use only. Not for use with clients.

Important information - Pru

This presentation is for adviser use only, and is based on our current understanding of taxation, legislation and HMRC practice, all of which are liable to change and subject to an individual's own circumstances.

Please remember that past performance is not a reliable indicator of future performance. The rate of growth of funds and any income from them cannot be guaranteed. **The value of an investment can go down as well as up and your client could get back less than they have put in.** PruFund funds aim to grow your client's money while smoothing their investment journey.

The PruFund range of funds all invest in Prudential's With-Profits Fund, which is one of the largest with-profits funds in the UK. However, there are differences across the range of PruFund funds in their objectives and mix of assets, and how PruFund delivers returns to investors when compared to other With-Profits business, which means the returns received by investors will vary by fund choice.

Prudential set Expected Growth Rates (EGR); these are the annualised rates your client's investment would normally grow at. The EGRs reflect our view of how we think each PruFund fund will perform over the long-term (up to 15 years). Each PruFund fund has its own EGR and your client's investments into a PruFund will normally grow daily by the relevant EGR. Although we take a long-term view, we do review the rates every three months to allow for any changes, which may mean a change in EGR on a quarterly basis, up or down. While the EGR reflects our long term view, we need to check that the fund is performing as expected - if not we may need to make an adjustment to your client's fund value, either up or down. There are limits which set out when an adjustment would be required. The value of your client's investment in a PruFund fund is based on the Smoothed Price, this is the unit price, which grows daily by the EGR. We compare the Smoothed Price against the Unsmoothed Price – which reflects the value of underlying assets. If these move too far away from one another we need to adjust the Smoothed Price to narrow the gap. This could be a price increase or a price decrease. In certain circumstances we might need to suspend the smoothing process for one or more of the PruFund funds.

Our learning objectives for the session



- To be able to demonstrate an understanding of:

1.

The regulatory view of centralised propositions

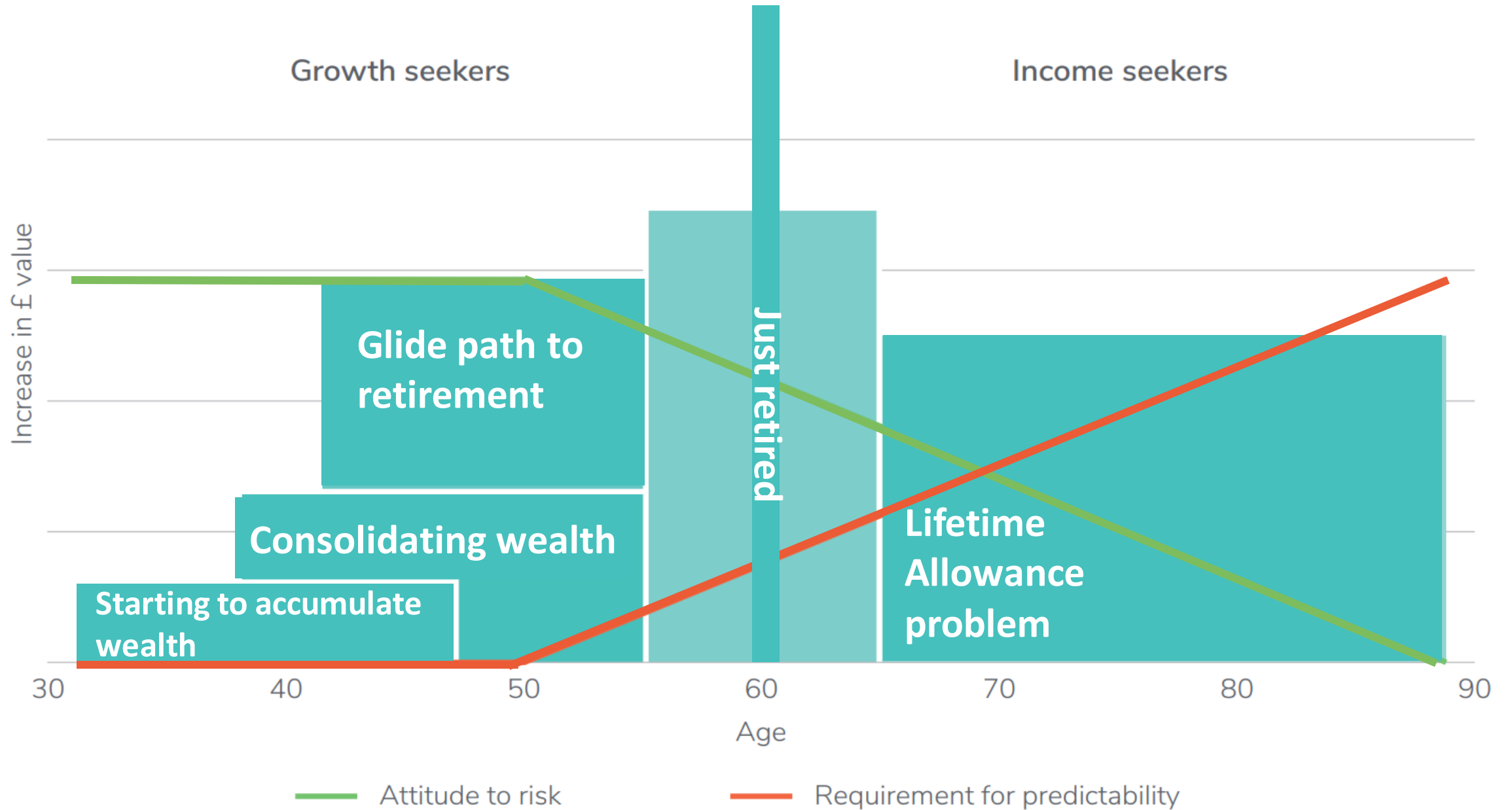
2.

What this means for client outcomes

3.

How to evidence client income strategies and associated risks

The retirement paradox



Centralised retirement proposition

Investments



Appropriate
Dispersion
Durability

Process



Governance
Outcomes
Risk tolerance / C4L
Investment options

Withdrawal profile



Value
Rate of withdrawal
and confidence
Time horizon

Review



Update and
evaluate



Thank you for joining
us today

Remember to complete
the feedback

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