



Group Personal Pension key messages for your suitability reports

This document includes key messages to help you compile your clients' suitability reports detailing why you're recommending Royal London as the preferred workplace pension provider.

It's important that your suitability reports are tailored for your clients' individual needs and you should ensure that your own final version satisfies the requirements of your regulatory body.

Why Royal London?

- As the UK's largest mutual life, pensions and investment company¹, Royal London is customer-owned - not by shareholders or investors. They design products and services to help customers build financial resilience for the long term.
- As a mutual, they invest in their customers, using some of their profits to improve their products and services - so they can strive for even better customer outcomes.
- Royal London also offers a Stocks and Shares ISA. This second investment option could help employees build their financial resilience and invest in a tax-efficient way. Employees will benefit from the same competitive annual management charge that you've secured on their workplace pension, when they invest in Royal London's flagship Governed Range.

Share in Royal London's success

- Royal London believes their customers should share in their success.
- When they do well, they'll aim to boost your employees' pension savings by adding a share of their profits to qualifying plans each year. They call this ProfitShare. There's no guarantee that Royal London will be able to award ProfitShare every year so this shouldn't be relied upon but if they do, this could be a valuable benefit for your employees. The Royal London Stocks and Shares ISA is also eligible for ProfitShare. Please note that ProfitShare isn't guaranteed.

Service and accolades

Royal London understands the importance of providing a first-class service.

- Their dedicated new business consultants provide confirmation once they receive the new business application form, and they'll provide daily updates along the way.
- Once the application form has been processed and the plan is live, their dedicated servicing team will take over the relationship and will be on hand to assist with any queries.
- Their online service provides a great central place to review existing plans online and can provide real time fund valuations.
- You'll be supported by the same UK-based servicing team for both your workplace pension scheme and your employees' Stocks and Shares ISAs.
- As pension experts, they're good at what they do, and they've won many of the top industry awards.



¹ Based on total 2022 premium income, ICMIF Global 500, 2024.

Employee engagement

- Royal London believes that meaningful, regular conversations with your employees can help them better engage with their pension savings. To support this, they offer a range of tools and resources, including off the shelf campaign material, an employee engagement hub, mobile app, and regular communications like emails, podcasts and webinars.
- Once your scheme's set up, they'll send your employees an enrolment pack, which summarises the key benefits of their plan and shows the potential pension savings they could build up, so they can decide whether they want to stay in the scheme.
- Royal London's free mobile app helps your employees manage their investments anytime, anywhere. From viewing their contributions and performance, to receiving ProfitShare notifications, making contributions or transfers, managing beneficiaries, accessing financial wellbeing content, and managing their Stocks and Shares ISA if they have one.

Employer engagement

Sharing expertise

- Royal London will keep you updated with the latest pension and ISA news and industry updates in their monthly newsletter - Pension and Investment Matters. Designed to help you stay informed, they'll keep you in the know with anything that could affect you and your employees; like new government legislation, or details of their ProfitShare award.
- Their dedicated employer website has all the information you'll need to fulfil your ongoing employer duties and encourage employee engagement.

Supporting your scheme governance

- Royal London will keep you up to date with your workplace scheme and I'll work with them to provide you with a real-time governance report as and when you need it.

Communicating your ongoing duties

- Royal London will provide you and your team with full training on their online service until you feel confident using it, and ready to run with it yourself. It's designed to reduce the time you spend administering your scheme and help you keep on top of your employer duties by notifying you of upcoming tasks and responsibilities. And once you're up and running, their dedicated servicing team will be there to support you as and when you need them.
- Every three years, you'll need to re-declare that your scheme's compliant to The Pensions Regulator (TPR) as well as automatically re-enrol any employees who have opted out of your scheme. This is called cyclical re-enrolment. Royal London will remind you when this is coming up and they'll produce all the necessary communications to make the process simple for you.

Engage your employees

- Royal London's employee engagement toolkit includes communication material you can use to support regular communications with your employees. These can be used to encourage employees to make the most of their workplace pension, improve their financial education and build financial resilience.
- Their financial wellbeing service – available at no extra cost, provides access to ongoing financial education and guidance, helping your employees build financial confidence and resilience.

Investment

Most employees tend to stay invested in the scheme default investment option, so it's important to ensure that a high-quality investment option's in place.

Royal London offers a range of investment solutions tailored to different employee needs:

- Royal London's default investment option is the Balanced Lifestyle Strategy (Drawdown), which is built around their risk-targeted Governed Portfolios. It's been designed in line with Department for Work and Pensions (DWP) guidelines.

- The Governed Range offers flexibility and choice:
 - Governed Portfolios – employees can select a portfolio that matches their attitude to risk.
 - Lifestyle strategies – ideal for employees with a specific retirement goal, such as taking a cash lump sum, buying an annuity, or taking a regular income from their pension savings.
- All options within the Governed Range benefit from:
 - Royal London's responsible investment approach
 - Active management
 - Impartial governance – all at no extra cost.
- Royal London's independently led Investment Advisory Committee (IAC) oversees the design of the Governed Range and reviews it on a regular basis to ensure each portfolio continues to meet its objectives.
- For employees who prefer to make their own investment choices, Royal London also offers a full fund range with over 170 individual funds, including sustainable options for those who want to align their investments with their values. While these funds don't receive the same level of oversight as the Governed Range, each is carefully selected and monitored to ensure it performs in line with its objectives.
- Employees can invest in Royal London's flagship Governed Range through their workplace pension and Stocks and Shares ISA.
- Royal London's responsible investment approach focuses on four key areas:
 - Engagement
 - Voting
 - Integration of environmental, social and governance (ESG) factors
 - Collaboration

A range of retirement options

Royal London offers a range of retirement options to suit your employees' individual needs. They can access their pension savings from age 55 (rising to 57 from 6 April 2028) and choose to:

- Keep their pension savings invested until they're ready to withdraw them.
- Take one or more cash payments, either partially or in full.
- Buy an annuity to secure a regular guaranteed income.
- Flexibly access their pension savings through Income Release, Royal London's flexible income drawdown option.

Income Release

Rated five stars by Defaqto, Income Release offers a wide range of features and benefits, including:

- **Flexible saving** – employees can continue contributing to their workplace pension, as long as they leave a minimum of £200 in the plan.
- **Lowest annual management charge** – if their group plan has a lower annual management charge for regular contributions, they'll keep that rate when they move to Income Release.
- **Value for money** – there's no charge to start using Income Release.
- **Low starting amount** – employees only need to move £10,000 into their new Income Release plan to start flexibly accessing their pension savings.
- **Leave money for loved ones** – employees can choose to leave their pension savings to their loved ones in a tax-efficient way when they die.

Supporting non-advised employees

If your employees don't have access to financial advice, Royal London offers a range of support to help them make informed decisions to and through retirement.

- **Dedicated retirement team** – Royal London's at-retirement team is there to support employees through their retirement packs and options. If your employees want to start taking money from their plan, and move into drawdown using the Income Release facility, their retirement team will walk them through their choices and let them know what's involved, including any risks.
- **Drawdown governance service** – Once in drawdown, Royal London's drawdown governance service helps employees manage their income sustainably. It monitors the level of income being taken and, if there's a risk of running out of money sooner than expected, Royal London will get in touch with options to help them stay on track. This service is provided at no extra cost, and employees will be referred to a financial adviser if professional advice is needed.
- **Annuity Bureau** – Whether employees are exploring their retirement options or need support after a life event, Royal London's guidance team is on hand to help.
- **Guidance team** – If your employees need additional support, such as understanding their options or looking for help after a life shock, Royal London's guidance team will be on hand to support.
- Royal London's financial wellbeing service provides education and guidance to help employees achieve a good standard of living, both now and in retirement.

Investment pathways

If any of your employees choose to access their pension savings flexibly, Royal London offers four investment pathway options. These investment pathways were introduced by the Financial Conduct Authority (FCA) to improve the retirement outcomes for customers.

Each pathway has been designed to meet specific retirement goals. Depending on your employees' individual needs, they can choose from:

1. I have no plans to touch my money in the next five years.
2. I plan to use my money to set up a guaranteed income (annuity) within the next five years.
3. I plan to start taking my money as a long term income within the next five years.
4. I plan to take out all my money within the next five years.

Once they've selected their investment pathway, they'll be offered an investment pathway solution.



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**We're happy to provide your documents in a different format,
such as braille, large print or audio, just ask us when you get in touch.**

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