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7IM launches Retirement Incomes Solution (RIS) to help solve the retirement puzzle

7IM is thrilled to announce the launch of its pioneering Retirement Income Solution (RIS) on the 7IM Platform. RIS is a highly bespoke and innovative solution for financial advisers designed to support their clients' retirement plans by giving them the confidence that their retirement income can be maintained but also the flexibility to adapt when personal circumstances change.

A key feature of 7IM RIS is that it uses an innovative 'bucketing' approach which takes all of the client's selected assets and treats them as a single portfolio that is aligned with their risk profile. Investments are then allocated into a series of 'buckets' invested across three time horizons: short, medium and long-term. The long-term and medium-term buckets aim to provide capital growth and therefore contain more higher-risk investments. The short-term buckets are invested in lower-risk assets relative to the rest of the portfolio.

Alongside the three investment buckets is a cash bucket, which is there to provide another year of income during periods of market downturn, therefore delaying the need to sell down and crystallise losses from the investment buckets.

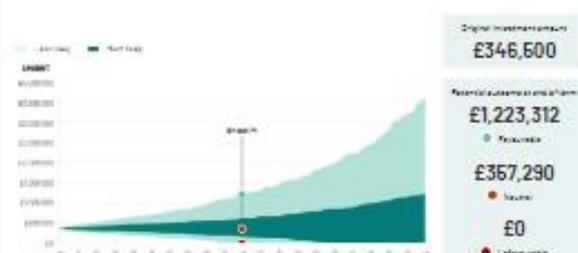
All of this is underpinned by 7IM's robust methodology which takes the client's inputs and overlays them with sophisticated modelling techniques to create a model that provides a probability of the client having excess capital at the end of their plan.

To support client conversations, the 7IM RIS provides financial advisers with all the tools they need to keep clients informed about their retirement portfolio, including a personalised report. This report illustrates how a client's money will be invested and the likelihood of their desired income requirement being achieved over the duration of the RIS plan.

The likelihood of their income requirement being sustainable within the 7IM RIS



An estimate of how much they could have left at the end of the plan



PRESS RELEASE



In launching RIS on its platform, 7IM has partnered with DFMs EQ Investors, RBC Brewin Dolphin, Omnis Investments (part of The Openwork Partnership) and will be working with others to offer their investment solutions alongside 7IM's own. This allows financial advisers to combine the robust methodology of the 7IM RIS with the investment approach of 7IM, EQ Investors, RBC Brewin Dolphin, Omnis Investments or other DFMs. This in turn provides financial advisers more flexibility in implementing their centralised retirement proposition as well as offering clients greater investment choice for their retirement plan.

The 7IM RIS forms part of 7IM's unique platform retirement proposition, which has been built to help adviser solve the retirement puzzle, and also includes a highly flexible SIPP and Just's Secure Lifetime Income.

Verona Kenny, Managing Director of Intermediary at 7IM said: "I'm truly excited that we have got together with our current partners, EQ, Omnis and Just, as well as RBC Brewin Dolphin, to help solve the overall retirement puzzle. Since the introduction of pension freedoms, people have had more control over – and decisions to make about - their pension pots than ever before. But that increased freedom has also introduced a minefield of potential pitfalls that could leave people with not enough money to see them through retirement. Yet despite this, as an industry, we haven't really all worked together to collectively help retirees navigate these challenges.

"That's why we have got together with several key partners to launch the 7IM Retirement Income Solution (RIS). The 7IM RIS has been designed to support the retirement plans that advisers have created with clients. It provides greater control over clients' income in retirement while mitigating many of the pitfalls associated with income drawdown so adviser can feel confident that their clients' money should last the distance and can adapt to the ever-changing world. We have focussed on not just delivering a flexible and innovative solution but we are delivering this in an engaging manner for advisers and critically their clients.

"The FCA has been clear with Consumer Duty and more recently the proposed thematic review into retirement income advice that advisers need to be able to clearly demonstrate how they are supporting clients to reach their desired outcomes. The 7IM RIS provides a robust and repeatable framework to do just that - and we believe it's a key piece in helping to solve an increasingly complex retirement puzzle."

PRESS RELEASE



Sophie Kennedy, Joint CEO at EQ Investors commented: “We are excited to be a launch partner for 7IM’s Retirement Income Solution. Drawdown is providing retirees with more freedom to create an income that suits their lifestyle and vary this income at different stages of their retirement. This new solution will help advisers manage this transition.

“At the same time, people are becoming more interested than ever in sustainability and want to invest their retirement savings in businesses that make a positive impact. Our Positive Impact model portfolio range provides advisers and their clients with the means to reflect their commitment to environmental and social issues through their investment choice. We look forward to adding our other sustainable portfolios in due course.”

Antony Champion, Head of Intermediaries at RBC Brewin Dolphin added: “We are pleased to be working with 7IM on this exciting initiative to deliver a platform-based retirement income solution to the clients of advisers.

We realise that this is an area that requires a broad range of solutions rather than just a ‘one size fits all’ approach, and so we are delighted to make our range of active MPS solutions available to advisers via the 7IM platform.”

Matt Latham, Head of Digital Propositions at The Openwork Partnership said: “Clients either approaching or already in retirement continue to make up a huge segment of the support we provide. Many of these clients require bespoke and flexible income requirements.

“We’re therefore incredibly excited to see that 7IM has devised the perfect solution that delivers on both fronts in the form of their innovative Retirement Income Solution powered by the Omnis Investments range of DFM portfolios. We look forward to bringing this solution to our clients.”

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Notes to Editors:

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About 7IM

It all began in 2002, with seven of us in a basement establishing 7IM because we couldn't find anywhere we wanted to invest our families' money. Our assets under management now stand at over £18bn, and we have moved from 'basement' to 'Bishopsgate' in the City of London.

We manage money aiming to meet people's medium to long term return expectations. Fundamentally, we believe in active asset allocation in both active and passive investments (where we were one of the first to offer actively managed passive portfolios). We build global portfolios based on that allocation, and include alternative assets where appropriate to manage the risk reward trade off. Active currency management is also at the core of what we do.

7IM provides investment services to professional wealth managers, planners, advisers and private investors. These include: discretionary investment management, a range of multi-asset portfolios, an investment and open architecture trading platform and a fantastic app, 7IMagine, which brings client portfolios to life.

Multigenerational investing

We do our best to pass on economies of scale, reducing fees so more investors within a family save with us. Grandparents, through to parents and their children can invest as individuals with one charging structure – whether they live under the same roof or not.

A story of continuous innovation.

In 2013, we launched 7IMagine, an app allowing investors and advisers to keep up to date with their portfolio. The brainchild of some clients – professional 'gamers' uninspired by their paper statements – 7IMagine was enriched in February 2016, with My Future. Again using gaming technology, My Future allows advisers and investors to capture details about family or individual finances, including any number of streams of income, properties, other assets and expenses, to help identify how sustainable their finances are and if / when their retirement income will run out.

Our funds

- Our Pathbuilder fund range, launched in 2020, offers clients a well-diversified range of passive funds that benefit from our robust Strategic Asset Allocation at a competitive price.
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- Our **AAP fund range (Asset Allocated Passive)** is populated largely with passive structures to keep costs to a minimum. Asset allocation is actively managed to help exploit opportunities and reduce risk across the spectrum: **7IM AAP Adventurous, 7IM AAP Moderately Adventurous, 7IM AAP Balanced, 7IM AAP Moderately Cautious, 7IM Cautious and 7IM AAP Income.**
- Our **Multi-Manager fund range** invests in a range of active and passive vehicles. Costs still matter, but if we think an actively managed fund can outperform a passive alternative we have the freedom to choose it. Asset allocation is actively managed. There are different funds for different profiles: **7IM Adventurous, 7IM Moderately Adventurous, 7IM Balanced and 7IM Moderately Cautious.**
- We also have a selection of funds designed to meet specific needs, such as the **7IM Personal Injury Fund**, the **7IM Real Return Fund** or the SRI focussed **7IM Sustainable Balance Fund.**

Our Model Portfolios

The 7IM Model Portfolios are a range of risk rated portfolios and are available within our discretionary investment services and standalone on the 7IM platform and other platforms. The Models use the same investment process and asset allocation as our funds.

Our range of Model Portfolios are available across the risk profiles: **7IM Adventurous Plus Model Portfolio, 7IM Adventurous Model Portfolio, 7IM Moderately Adventurous Model Portfolio, 7IM Balanced Model Portfolio, 7IM Moderately Cautious Model Portfolio, 7IM Cautious Model Portfolio and 7IM Income Model Portfolio.**

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In 2019, we launched the **7IM Passive Model Portfolios**, a diversified range of passive multi asset model portfolios underpinned by our robust Strategic Asset Allocation (SAA) process. The Passive Model Portfolios differ from our traditional offering and are built purely using a streamlined version of 7IM's robust (SAA).

In 2020, we launched the 7IM Responsible Choice Model Portfolios, combining our experience and expertise in both responsible investing and multi-asset investing to provide clients with a range of ESG focussed risk rated model portfolios.

The 7IM funds and Model Portfolios are available through the 7IM Discretionary and Platform as well as on other platforms.

Important information: The information contained in this document does not constitute investment advice and if you are in any doubt about the suitability of the investment or service, you should consult a professional financial adviser. The value of investments, and the income from them, can fall as well as rise and you may not get back the full amount invested. Seven Investment Management LLP is authorised and regulated by the Financial Conduct Authority, the Jersey Financial Services Commission and the Guernsey Financial Services Commission. Member of the London Stock Exchange. Registered office: 55 Bishopsgate, London EC2N 3AS. Registered in England and Wales No. OC378740.