Pru
part of M&G plc

Retirement Account

Target Market Information

This is based on Prudential's opinion and doesn't take into account individual circumstances.

What is the Retirement Account?

The Prudential Retirement Account is a flexible personal pension and drawdown product that lets your clients save for retirement, bring pension assets together and take income, all from the same plan.

A range of investment options are offered so you can recommend the right options to suit your clients' different attitudes to risk. It accepts contributions from plan holders, employers and third parties, and pension transfers, including drawdown to drawdown transfers.

Clients can withdraw retirement lump sums and income flexibly.

What type of clients/investors is this designed for?

Retail client/investor	Yes
Professional client/ investor (e.g. trustees/ corporate)	No
Non UK residents	No

Target market – Client's knowledge and experience

		Target client
Basic	• Basic knowledge of relevant financial products and how investments work. • Can make an informed investment decision based on the advice/recommendation of a regulated intermediary, supported by appropriate information and documentation from the product manufacturer. • Basic financial industry experience.	Yes
Informed	• Average knowledge of relevant financial products and how investments work. • Can make an informed investment decision based on the advice/recommendation of a regulated intermediary and documentation from the product manufacturer, or with their own knowledge. • Some financial industry experience. • Understands specific factors or risks.	Yes
Advanced	• Good knowledge and experience of relevant financial products and how investments work. • Significant financial industry experience. • Still benefits from the advice at the point of sale from a regulated financial adviser.	Yes

Key: Yes No In some circumstances

Target market – Client's age

Client age		Target client
Under 18	Whilst minors are not in the main target market for Retirement Account, they are eligible to make contributions up to £3,600 pa with parent or guardian consent, have contributions made on their behalf, and to hold inherited drawdown plans. Retirement Account is available for you to recommend where appropriate.	✗
18-49	Typically, this age group is firmly in the pensions accumulation stage. However, a combined SIPP/drawdown plan like Retirement Account may be appropriate depending on specific client circumstances.	✓
50-85	The main target market for new business to Retirement Account, and in particular those clients in their 50s and 60s.	✓
Over 85	Not in the main target market for new business, but we will accept transfers from other pension arrangements up to age 99. Existing investors can continue until death.	✗

Target market – Client's financial situation

Client's financial situation		Target client
Constrained (Older with total retirement savings under £30,000, or younger with low retirement savings and low ongoing contributions)	Other options may be better suited for the client (e.g. trivial benefit commutation at retirement or auto-enrolment at younger ages). However, these clients are still eligible and there may be circumstances where business is appropriate.	✗
Limited (Older with total retirement savings of £30,000 – £50,000, or younger with low retirement savings but fair level of ongoing contributions)	The client has limited retirement funds approaching retirement, or is younger but is making a fair level of ongoing contributions and has the potential to build a moderate retirement fund.	✓
Good (Older with total retirement savings of at least £50,000, or younger with lower retirement savings but good level of ongoing contributions)	The client has a good level of overall retirement savings and/or has the potential to build a good retirement fund.	✓

Target market – Client’s risk tolerance

Risk tolerance		Target client
Zero risk tolerance	We don’t offer any funds that protect against capital loss in every situation. Amounts held in cash may still fall in value due to charges when interest rates are low.	✗
Low to medium	We offer a wide range of investment options, including our PruFund range of funds and access to hundreds of collective funds from several dozen asset managers. These include risk-managed funds, active and passive funds and cover a wide spectrum of risk profiles to suit individual client needs.	✓
Medium		✓
Medium to high		✓
Very high	Available fund choices don’t extend to the highest risk ratings. Direct equity investment is offered via Stocktrade for appropriate clients.	

Target market – Client’s needs and objectives

Client need/ objective		Target client
Build retirement savings	Client is able and wanting to build a retirement benefit pot.	✓
Retirement benefit consolidation	Client is looking to consolidate retained pension assets together into one place for economies of scale and efficient management.	✓
Tax-efficient investment growth	Client is looking for investment returns in excess of those available from cash, suited to their risk profile, in a tax-efficient manner.	✓
Smoothed investment returns	Client is looking for protection from some of the short-term ups and downs of direct stock market investments by using a with-profits fund with a smoothing process.	✓
Flexible retirement income	Client is looking for the ability to take fixed or flexible income withdrawals (including tax-free cash and zero income drawdown), to cater for changing personal needs and circumstances.	✓
Passing on unused pot on death	Client is looking to pass on unused retirement benefits to beneficiaries on their death.	✓
Medium to long term investment horizon (5 to 10 years or more)	Client is looking to invest for the medium to long term as part of long term retirement planning and retirement income drawdown.	✓
Short-term investment horizon	Client is looking to invest only for a very short period (e.g. total encashment within 12 months).	✗
Capital preservation	Client is primarily looking for preservation of existing capital in all circumstances.	✗
Ready access to savings	Client is under age 55 (57 from 6 April 2028, unless they have a protected pension age) and needing ready access to savings.	✗
Auto-enrolment	Client is looking for a plan that is compatible with auto-enrolment.	✗
Insistent transfers	Client is looking to make a transfer in against a personal recommendation.	✗

How does your client invest in this product?

Initial sale		
Execution-only*	✗	This product shouldn't be sold on an execution-only basis.
Non-advised	✗	This product shouldn't be sold on a non-advised basis.
Advised	✓	This product is available on an advised basis.
Top-ups		
Execution-only	/	Contribution top-ups can be made by clients on an execution-only basis. However, additional transfers-in will not be accepted on an execution-only basis.
Non-advised	/	Contribution top-ups and additional transfers-in from defined contribution arrangements can be made by customers on a non-advised basis. However, additional transfers-in of defined benefits or safeguarded benefits will not be accepted on a non-advised basis.
Advised	✓	Top-up contributions or additional transfers-in may be made on an advised basis.

* *Execution-only covers situations where the client has an adviser but is transacting without advice.*

How do you assess price and value for the product?

Our approach to assessing fair value considers the product or service as a packaged product. It makes allowance for the individual components which we manufacture that make up the packaged product. Where there is another manufacturer, we will rely on their fair value assessment in respect of their individual component(s) within their packaged product. For example, for Open-Ended Investment Companies (OEICs) we will rely on the fund manufacturers assessment of value. In addition, it makes no allowance for any adviser charges that we may facilitate. Please see our Consumer Duty webpages **mandg.com/pru/consumer-duty** which provide details on how we undertake value assessment.

What target market assessment do you undertake as part of your consumer duty and product management processes?

As part of our ongoing product management process, we consider the foreseeable harms and poor client outcomes that could result from the product's design, management or administration. This includes an assessment of the clients and client groups within the target market as well as an assessment that considers clients with characteristics of vulnerabilities and those with protected characteristics.

Any foreseeable harms, product features, benefits or charges that may impact client outcomes, as a whole or specific client groups, are considered using a risk-based approach in accordance with the FCA's guidance on reasonableness in relation to both client expectations and firm behaviours.

Vulnerable clients

We appreciate clients could find themselves in vulnerable circumstances at any time whilst invested in this product. We will aim to ensure that vulnerable clients invested in this product continue to be treated fairly and receive the same outcomes as other clients.

For more information, please contact your Prudential Account Manager.

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