

# VitalityInvest Risk Optimiser 3 fund.

## Series B.

Fund factsheet | July 2021



This fund is eligible for the following product features:



Risk ratings:



### Fund objective

The fund is designed to deliver long-term returns through income and capital growth while remaining within a pre-determined target risk profile.

The fund will primarily invest in a diversified portfolio of mainly index-tracking funds across a number of asset classes. These asset classes may include shares (equities), bonds, property, money market instruments and bank deposits.

The fund is likely to have mainly lower-risk investments such as cash, cash-type assets and bonds and a minority of higher-risk investments such as UK and overseas equities.

### Risk profile

This Fund's target risk profile is a 3 on a scale of 1 (lowest) to 10 (highest). This scale is defined independently by Distribution Technology (DT) within their Dynamic Planner system. The Fund's allocation to each asset class is managed to ensure that the Fund remains within its target risk profile. Asset allocation input is provided by DT based upon their research and analysis of the long-term historical returns and volatility of each asset type. Dynamic Planner is the brand name of the software system used by DT to generate the risk band that the Fund will aim to stay within. Each risk profile is defined by a target risk band, with risk defined as a fund's expected volatility of returns. Volatility is a measure of the ups and downs of the performance of a fund. The higher the volatility, the more uncertainty there is in the returns.

### Cumulative performance graph

Value of £1,000 invested, 01 August 2018 to 31 July 2021, net of fees



Source: VitalityInvest

Past performance should not be taken as a guide to the future performance and there is no guarantee that this investment will make profits: losses may be made.

### Historical performance

As of 31 July 2021, net of fees

Period	Fund performance
1 month	1.4%
3 months	2.7%
6 months	3.6%
Year to date	2.7%
1 Year	7.3%
3 Years <sup>†</sup>	4.8%
Since launch <sup>*†</sup>	4.7%

### Annual performance

12 months to 31 December

2016	13.7%
2017	4.9%
2018	-2.5%
2019	10.3%
2020	5.3%

\* Launch date: 28 September 2017

† Data has been annualised. Annualised figures are the equivalent returns received year on year over a specific term that would provide the same total return over the term as has been experienced.

Source: VitalityInvest

### Asset allocation



■ Cash 15%  
■ Equity 30%  
■ Bond 55%

### Portfolio breakdown



■ Cash 15%  
■ UK Gilts 10%  
■ UK Index Linked Gilts 8%  
■ UK Corporate Bonds 17%  
■ International Bonds 20%  
■ UK Equity 13%  
■ North American Equity 12%  
■ Japanese Equity 5%

### Portfolio holdings

Fund name	Weight
Cash	15%
Vanguard U.K. Government Bond	10%
Vanguard U.K. Inflation-Linked Gilt	8%
Vanguard U.K. Investment Grade Bond	17%
Vanguard Global Bond	20%
Vanguard FTSE U.K. All Share	13%
Vanguard U.S. Equity	12%
Vanguard Japan Stock	5%

**Total 100%**

Source: VitalityInvest

## Key risks

### General risks

The value of these investments, and any income generated from them, will be affected by changes in interest rates, general market conditions and other political, social and economic developments, as well as by specific matters relating to the assets in which they invest. Past performance should not be taken as a guide to the future performance. The Fund's objectives will not necessarily be achieved and there is no guarantee that these investments will make profits; losses may be made. This Fund may not be appropriate for investors who plan to withdraw their money within the short to medium term.

### Specific fund risks

**Charges from capital:** Expenses are charged to the investment. This could constrain future growth.

**Currency exchange:** Changes in the relative values of different currencies may adversely affect the value of investments.

**Default:** There is a risk that the issuers of fixed income investments (e.g. bonds) may not be able to meet interest payments nor repay the money they have borrowed. The worse the credit quality of the issuer, the greater the risk of default and therefore investment loss.

**Derivative counterparty:** A counterparty to a derivative transaction may fail to meet its obligations thereby leading to financial loss.

**Derivatives:** The use of derivatives may increase overall risk by magnifying the effect of both gains and losses. This may lead to large changes in value and potentially large financial loss. Although the Fund does not invest in derivatives directly, the underlying holdings of the Fund could gain exposure to asset classes through the use of derivatives.

**Emerging markets:** These markets carry a higher risk of financial loss than more developed markets as they may have less developed legal, political, economic or other systems.

**Equity investment:** The value of equities (e.g. shares) and equity-related investments may vary according to company profits and future prospects as well as more general market factors. In the event of a company default (e.g. bankruptcy), the owners of their equity rank last in terms of any financial payment from that company.

**Government securities exposure:** The portfolio will invest in government securities issued or guaranteed by a permitted single state.

**Interest rate:** The value of fixed income investments (e.g. bonds) tends to decrease when interest rates and/or inflation rises.



## Additional features available when using the VitalityInvest product wrappers

### Healthy Living Discount

To reward you for living a healthy lifestyle, we will give you a discount on your product charge. We'll measure how healthy your lifestyle is through your Vitality Status. To see whether you are eligible for the Healthy Living Discount please refer to your plan's terms and conditions.

### Investment Booster

To reward you for investing with us for longer, we'll boost the value of your plan. We do this if you have invested in eligible funds for a minimum continuous period of at least five years.

### Retirement Booster

To reward you for taking lower levels of income so that you might have a higher pension pot later in life, we'll boost the value of your Retirement Plan in drawdown each year. To see whether you are eligible for the Retirement Booster and how the boosts are calculated please refer to your plan's terms and conditions.

**Find out more.** Please see the Key Features/Plan Summary and Terms and Conditions for your VitalityInvest plan.



### About VitalityInvest

VitalityInvest is a trading name of Vitality Life Limited, which is part of the Discovery Group of companies in the UK and is owned by Discovery Limited ("Discovery").

Discovery is a South African based global financial services group listed on the Johannesburg Stock Exchange in South Africa. In South Africa, Discovery has business covering health and life insurance, long-term savings and investments, general insurance and credit cards.

The Vitality UK companies provide health and life insurance and long-term savings and investment business.

### Fund and dealing Information

Launch date	28 September 2017
Portfolio manager	VitalityInvest
ABI Sector	Mixed Investment 0-35% Shares
Fund size	£65,320,721
Unit price	£1.79
Base Currency	GBP
Initial Charge	0.00%
Ongoing Charges	0.40%
ISIN	GB00BD6D3X74
SEDOL	BD6D3X7
Valuation and dealing frequency	Daily
Settlement period	Subscriptions: T+2 Redemptions: T+3

### Contact details

If there is anything you are not clear about, please speak to your financial adviser if you have one, or you can contact us.

**Email** [investcustomerservices@vitality.co.uk](mailto:investcustomerservices@vitality.co.uk)

**Write** to us at VitalityInvest, Sheffield, S95 1DD

**Call** 0333 99 60 400

Calls to 03 numbers are charged at local rates. Call charges may vary, please check with your service provider. We may record or monitor calls to help improve service. For details visit [vitality.co.uk/contact/](http://vitality.co.uk/contact/).

If you choose to contact us by email, there are some security measures that you should consider. To find out more about these measures, please visit [vitality.co.uk/data-protection](http://vitality.co.uk/data-protection). If you're unsure if you can securely send us an email, it's always safer to upload documents to your 'My Documents' page on the Invest section of your Member Zone, or give us a call.

Copies of all documentation can be provided in a variety of formats. If you would like this document to be issued to you in a different format please contact us. All documentation and communication will be in the English language.

VitalityInvest is a trading name of Vitality Life Limited. Vitality Life Limited is registered in England and Wales with Company Number 03319079. Registered office at 3 More London Riverside, London SE1 2AQ. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

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