GUIDE TO PROTECTING YOUR NEST EGG AND OPTIONS AT RETIREMENT

MAKING SURE THE WEALTH YOU'VE BUILT CAN SUPPORT THE FUTURE YOU DESERVE.

RAYMOND JAMES

At Raymond James we have decades of experience in helping our clients grow and manage their wealth across all of life's major events.

IN THIS GUIDE

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No two financial journeys are ever the same, and they tend to evolve through life as new priorities and commitments factor in. The tax traps and challenges that come with higher incomes and higher levels of overall wealth demand well thought-out strategies.

You don't have to sail blind. In this series of high-net-worth (HNW) guides, you'll hear from our expert Raymond James Wealth Managers on how to navigate the twists and turns of your financial life. The series draws on the experience of our people, findings from our research and real conversations with our clients.

GUIDE 1: Building strong foundations
(for people aged 25-35)

GUIDE 2: Growing wealth
(for people aged 35-50)

GUIDE 3: At retirement
(for people aged 50-60)

GUIDE 4: Leaving a lasting legacy
(for people aged 60+)

We hope you find our guides valuable and can use the insights as a basis for your discussions with a financial professional.

Take control and make a better plan for your wealth

Build an investment strategy that works for you so you can spend less time stressing over market fluctuations and more time enjoying life.

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Knowing what you own

Start by looking at your entire wealth picture. That includes pensions, investments, property, and more. If you have assets without up-to-date valuations, seek independent appraisals. You'd be amazed how many people discover their assets are worth more than they thought.

Many people in their 50s have a patchwork of old pension pots, ISAs, and other investment accounts that might be spread across decades. Think about consolidating assets where you can so they can be tracked and managed more easily. A wealth manager can help you check first that you won't lose any valuable guarantees or benefits by consolidating.

18% say they don't know what the value of their estate is currently worth[1].

MYTH

"Reducing risk means stopping investing and sitting on cash."

Far from it, derisking is about preserving purchasing power. Your money should be producing enough of a return to counteract inflation and to make sure it lasts you for a lifetime.

Diversifying strategically

Seeing a snapshot of your finances can also reveal points of weakness. Are you overexposed to certain assets, sectors or countries?

If you need income, a wealth manager might recommend moving part of your portfolio into incomepaying investments like bonds, infrastructure funds and equity income funds that distribute returns.

Just because you have retired – or are considering your options – that doesn't mean you shouldn't continue to try to grow your wealth, especially now that people are living longer into retirement. That said, it's worth considering keeping several months of income to one side in an emergency fund. If there's a downturn that affects the income from your assets, this buffer might save you from being forced to sell investments to replace that income. It's better to build or maintain that buffer before retirement while you're still earning.

"With so much global uncertainty, it's essential to hold a diversified portfolio. Spreading your wealth across different asset classes, sectors and geographies can help balance risk while still providing ample opportunities."

KATIE TASKER | SENIOR INVESTMENT MANAGER AT RAYMOND JAMES

Rebalancing with tax efficiency

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CGT rates are higher than they've been historically. Be sure to make full use of your annual CGT allowance.

Unlocking funds for the next stage in your life is key, but it doesn't all need to be done at once.

Over time, you may consider gradually pivoting away from higher risk investments to more income-generating investments should you need it. Some assets – like property and private business ownership – are hard to sell ("illiquid") and can take months or even years to fully convert into cash. Because of that, early planning is essential. You want the right amount of capital available at the right time, not locked away or forced out at a cost.

The most common sources of income shown below indicate how most prefer predictable income streams over one-off lumpy disposals. But in practice, all your assets have a role to play[2].

TOP	% USING	BOTTOM	% USING
Pensions	36%	Second homes	19%
Cash savings	36%	Buy-to-let homes	25%
Dividends	34%	Sale of investments	30%

PREPARING CAPITAL FOR RELEASE

What should you do with your business?

This could be your single largest asset to plan around. If you have a family-run business, you might hope to pass it on to your children. They often take over so that parents and grandparents can make personal exits. Many business owners then choose to release some of their equity through a secondary transaction – a private sale of shares – because it's flexible in terms of timing and size.

If you don't want to keep your business in the family (or the family isn't interested), you may eventually plan for a full business exit. This can take several years to get over the line, and it's important to plan ahead to allow for a tax-efficient exit.

What should you do with your property?

Net worth in brick and mortar is reassuringly tangible, but it can't be easily accessed without selling or borrowing. If your children have moved out and the family home now feels bigger than you need, downsizing can release tax free capital. Another less common route is a lifetime mortgage or equity release. This allows you to stay put in your home while cashing in on part of its value. The main drawback to lifetime mortgages is that the loan balance on the mortgage grows over time, which could reduce the amount you ultimately pass on to your heirs[3].

82%

of business owners have an exit strategy in place.

45%

have had their strategy in place for a while.

37%

have only just put their exit strategy in place.

With age and experience on your side, defining what you're still working towards can help you make more purposeful decisions about retirement.

95% | **of people who currently receive financial advice feel satisfied with their achievements and financial circumstances.**

74% | **of those who do not and have never received financial advice feeling satisfied with their achievements and financial circumstances.**

What retirement means for you?

Much of your life has been about growing wealth to tick off important milestones and meet professional commitments. Potentially, at long last, your financial planning can truly revolve around what matters to you, what you've been waiting to do, and how you want to be fulfilled.

FULL RETIREMENT

For some, retirement means stepping back completely to enjoy life. In this case, you would live off your wealth, and the main concern is to make certain your money lasts for the rest of your life.

SEMI-RETIREMENT

Others find they want to keep a hand in, but with less pressure and responsibility. By taking part-time roles, such as a non-exec director or board member role, you could remain in paid work.

ACTIVE RETIREMENT

And there are also those who dismiss "retirement" in the conventional sense and choose to stay active with personal business and charitable pursuits. The goal here is to free up capital and manage risk.

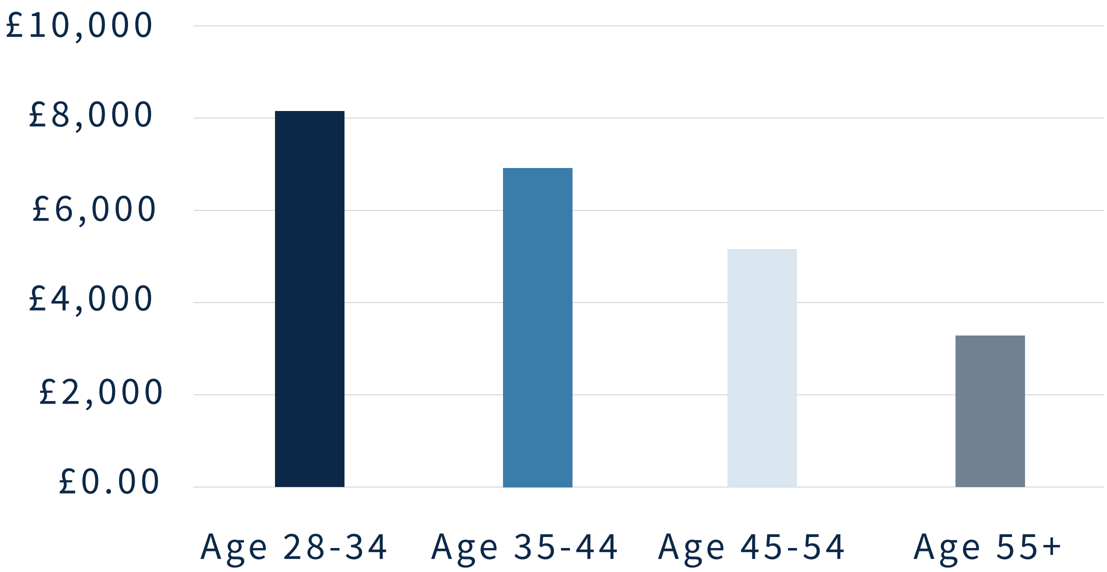
RETIREMENT DECISIONS

Your lifestyle shapes how much you'll need and how liquid and accessible your wealth needs to be. But it's important to plan for the emotional side of retirement, too. Leaving the structure of working life is not always unambiguously positive. Some find they miss the rhythm and companionship of an office, and the security of a regular pay cheque. Retirement is ranked 10th on the list of life's most stressful events[4].

It can be worth keeping some flexibility in your retirement plans in case you decide that fully breaking with working life is not for you. That may mean holding off on an annuity purchase, for example, until you have 'tested out' non-working life, or keeping some money aside for entrepreneurial projects.

There's no single number that guarantees a comfortable retirement. But if you roughly know what you'll spend, you can aim to structure your assets to support that.

HNW responses at different ages when asked what monthly income they think they will need to enjoy a comfortable retirement (£)



Budgeting for spending

There's a hierarchy of retirement spending. We look after ourselves first, meeting our own daily needs, and that leaves us with the funds that we can dedicate to luxuries, our heirs, charities, and good causes.

The first thing you'll want to guarantee is a steady income. After living expenses are covered, you can budget for lifestyle and legacy costs.

Longer life expectancies

Many people in their 50s will live well into their 90s. That's good news, but it demands more from your retirement pot. Where possible, keep wealth invested and fund your lifestyle with income from the dividends, the interest on savings, or any rental income from property. A regularly reviewed cash flow modelling simulation will help show how long your assets might last, and the impact of any potential or planned changes.

Economic shifts

It's important to retire with enough money to absorb economic shocks and be secure regardless of turns in the economic "cycle". These cycles are natural, and to stay secure through them, it's wise to stay diversified and have a buffer to your retirement target.

The impact of inflation deserves special attention, as it can compound heavily over time. There are inflation-linked, stable investments available to fight against this, such as index-linked bonds, equities in companies with the ability to command consistent and rising prices, and alternative asset classes.

Today's retirees have more choice than ever in how they generate a retirement income.

Your options at retirement will be determined by a mix of factors – your age, the type of assets you hold, tax planning and inheritance considerations, and of course, your financial needs.

Delaying pension withdrawals

For most people, their largest source of retirement income will be their pension. You can begin taking money from your pension at age 55 (rising to 57 from 6 April 2028).

However, wealthy individuals with multiple income sources often delay taking their pension for as long as possible. This can make a real difference, as deferring your pension can increase the income it can generate for you later. Recent changes to the inheritance tax treatment of pensions have an impact on this decision to delay or dip into the pot – something a wealth manager can help you weigh up.

Other income sources

When and how you take your pension will also depend on whether there are other income sources you can call on in the interim. These might include:

ISAs

Income taken from ISAs is tax free, making it a powerful option in retirement. You may need to look at shifting your ISA portfolio to assets with higher income yields.

Rental income

Buy-to-let property has become a less tax-efficient option in recent years. Nonetheless, rental income can still be a valuable supplement to income in retirement.

Equity released from downsizing

Moving to a smaller home and releasing capital held up in property is still a popular choice for many retirees. This can help supplement pensions and ISA investment income.

Business assets

For business owners, selling some or all of their business might be part of their retirement plan. This can be done using secondary transactions, which are private share sales used for partial business exits.

The state pension

The full New State Pension is £241.30 a week for the 2026/2027 tax year and you will need at least 35 qualifying years of National Insurance contributions to receive the full amount. If you have less than 10 years' contributions you will receive nothing. It's protected by the 'triple lock', which means it will rise by the higher of average wage growth, inflation or 2.5%. This may change should government priorities shift, but for now, the State Pension is still a valuable benefit that can also be deferred for a higher amount later.

Knowing where your pensions are held, how they work, and how you'll use them to generate an income, will help you retire with confidence.

Pension consolidation

Today, very few people stay in one job forever. You're likely to have worked for several employers or spent time self-employed. This can mean collecting multiple pension pots over the years, each with a different provider, access terms, and fees. Before deciding on a pension strategy, it may be worth reviewing whether consolidating your pensions would be appropriate in your circumstances.

Bringing these pensions together ahead of retirement can make life a lot simpler. Many providers also offer more competitive pricing structures for larger pots, so there can be cost advantages. It's important to check your pensions policy as transferring can mean you lose certain benefits. If you're unsure, it's worth seeking advice from an expert such as a qualified wealth manager.

Accessing your pension – what are your options?

Defined benefit schemes

These are becoming less common outside the public sector, but are often highly valuable. A defined benefit scheme guarantees an income for life based on your salary and length of service, rather than the value of the pot you've accumulated. The income is paid by an employer, so it's insulated from investment risk, and it typically increases each year. In very rare cases, retirees give up these benefits to transfer over to a defined contribution scheme. But be aware that to transfer any defined benefit scheme over £30,000 requires regulated financial advice, and in most cases it is better to stay in the scheme.

Defined contribution schemes

Defined contribution schemes are now the norm in most workplaces. What you get out is a reflection of the contributions you and your employer pay in, any investment growth, and time. At retirement, you can gradually drawdown on your pension pot to provide an income. This is where you could benefit from working with an wealth manager to build a retirement income strategy to align your savings, investments, and retirement needs.

Alternatively, you could buy an annuity which guarantees you an income for the rest of your life. There are two main types of income stream – buying what's known as an 'annuity' or choosing to drawdown from the pot.

Annuities

With an annuity, you're buying a guaranteed income for life or for a fixed term. You give up some or all of your pension pot, and in exchange get the security of a known regular income. The amount you receive depends on things like your age, health, whether you want inflation protection, and whether you want it to continue making payments to your spouse after your death. Rates can vary widely so it's worth shopping around.

You don't have to use all your retirement pot to buy an annuity. Many people choose to cover essentials like bills and food with the remainder towards a drawdown option.

Drawdown

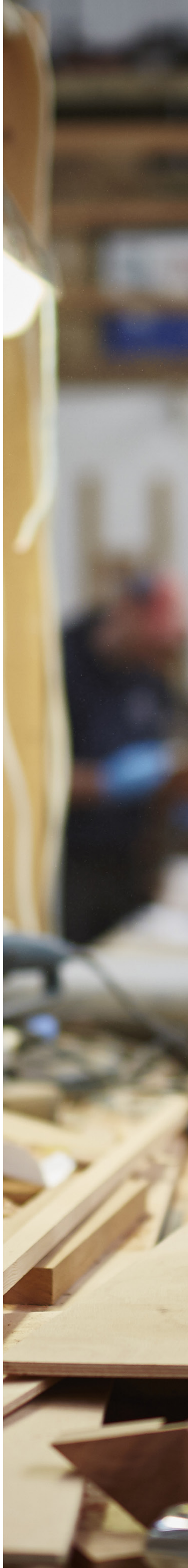
Drawdown lets you keep your pension invested and take money out as you need it. Drawdown portfolios will generally look to generate income from dividends, bond investments and alternatives such as commercial property. This has the advantage of your remaining capital being able to continue growing, but the trade off is that markets fluctuate, so your income isn't guaranteed.

The challenge with drawdown is managing it – take too much too soon and you could leave yourself short in your later years. However, it's more flexible overall.

Withdraw too much, too soon, or in the wrong way, and you could lose thousands to tax. But manage your pension carefully and you can keep more of what you've created.

The tax-free lump sum

One of the biggest benefits in pension planning is being able to take 25% of your pension out as a tax-free lump sum, up to a limit of £268,275. What you do with your lump sum is up to you – you can choose to spend it, pay off debt, or reinvest it. Just be careful to leave enough in the pot to generate future income.



While returns generated within the pension plan are free from capital gains and income tax, the usual income tax rates apply to pension withdrawals. If you're already drawing income from other sources, pay close attention to your tax band. Staggering your withdrawals over multiple years, or structuring them to include a combination of tax-free cash and taxable income, are common methods of managing a tax liability.

New inheritance tax treatments of pensions

Historically, unused pension money could be passed on free from inheritance tax (IHT). This meant it was advantageous from an IHT point of view to hold off using your pension until the last possible moment. However, the rules are changing. From April 2027, this benefit will disappear, and any unused pension funds will be treated as part of your estate for IHT purposes. This means your unused pension money could be subject to up to 40% tax. That is changing the thinking of many people approaching or in retirement, potentially making it more preferable for them to use up all their pension before eating into other savings.

9 in 10 **are aware of the change and are adapting their retirement strategies[5].**

Uncrystallised funds Pension lump sum (UFPLS)

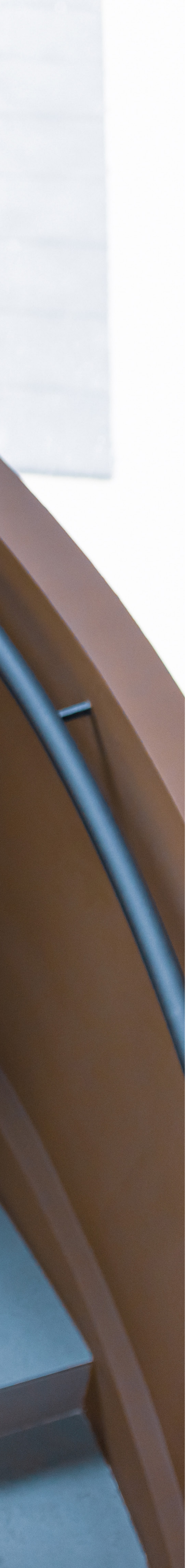
An uncrystallised funds pension lump sum (UFPLS) sounds like a mouthful, it's worth knowing about if you want to access your pension pot without taking a regular income. If your pension scheme offers it, you can withdraw any amount, without opting for an annuity or drawdown approach.

The first 25% of any amount withdrawn is tax free, with the rest taxable in the usual way. But there are potential downsides. If you choose UFPLS, this triggers the money purchase annual allowance (MPAA), which reduces your future annual pension contribution allowance from £60,000 (or up to 100% of your earnings) to just £10,000 a year.

The upshot is that UFPLS doesn't really work for those wanting to continue contributing significant amounts to their pension pots after retirement, but it could make sense for others who want a straightforward way to access their pension pot.

Pension in numbers

25%	Lump sum tax free
55	The age you can legally access your pension (57 from April 2028)
£60,000	Pension annual allowance
£241.30	Weekly rate for the full new State Pension for the 2026/27 tax year



THE BENEFITS OF PARTNERING WITH A WEALTH MANAGER

Entrust a dedicated Raymond James Wealth Manager to provide you with a holistic financial plan and a personalised investment strategy.

Our experts are

- **Experienced and knowledgeable** in helping clients secure a better financial future, no matter how complex their needs.
- **Flexible and accessible** advice tailored to you, available by phone, video, or in-person with local branches across the UK.

Our experts can help you

- **Plan ahead** – alleviate worries about potential future life events and how they might affect your finances.
- **Align your goals** – personalised recommendations tailored to your financial goals, stage of life, affordability, risk tolerance, and investment timeline.
- **Protect family wealth** – preserve family wealth by minimising taxes on assets passed down, ensuring family members receive maximum inheritance.
- **Navigate complex regulations and tax rules** – advisers are experienced in tax-efficient wealth management. They'll provide personalised strategies to optimise your tax allowances.
- **Increase potential returns and manage risk** – advisers support you through the market ups and downs and manage risk by diversifying your wealth.
- **Gain peace of mind** – working with a financial professional offers confidence in decisions.

At Raymond James, we specialise in helping wealthy individuals preserve, protect and grow their wealth across generations. Contact us to find out how we can help secure a brighter financial future for you and your family.

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WITH INVESTING, YOUR CAPITAL IS AT RISK

1 Source: Raymond James High-Net-Worth Survey 2025 2 Source: Raymond James High-Net-Worth Survey 2025 3 Source: Raymond James High-Net-Worth Survey 2025 4 Source: The Holmes-Rahe Life Stress Inventory 5 Source: Raymond James High-Net-Worth Survey 2025