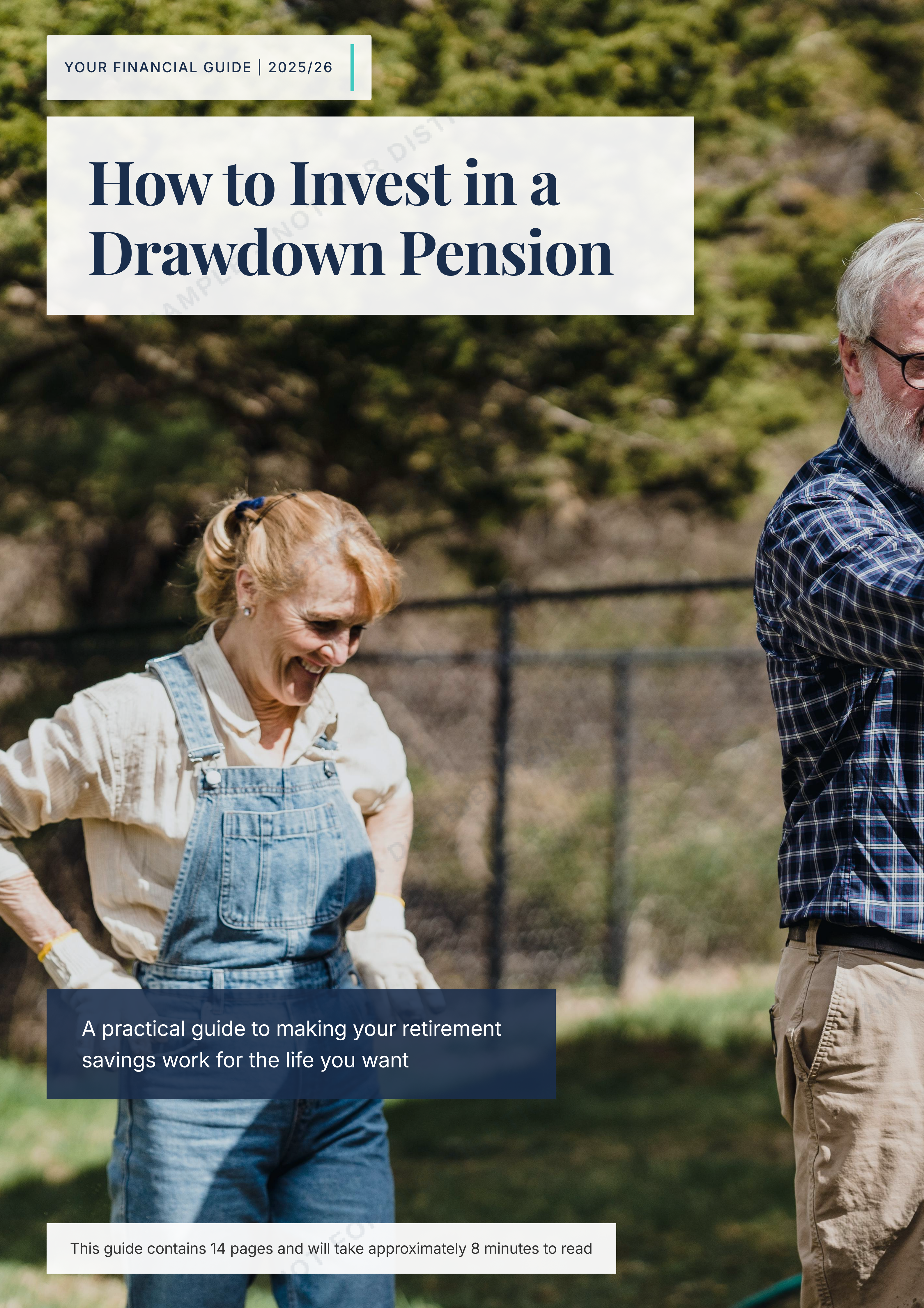
How to Invest in a Drawdown Pension



A practical guide to making your retirement savings work for the life you want

This guide contains 14 pages and will take approximately 8 minutes to read

What's Inside

This guide explains how drawdown pensions work, how to invest wisely within them, and how to turn your pension pot into the retirement income you need.

Contents

Images: Pexels

What Is Pension Drawdown?

Information accurate as of January 2026

Drawdown by the Numbers

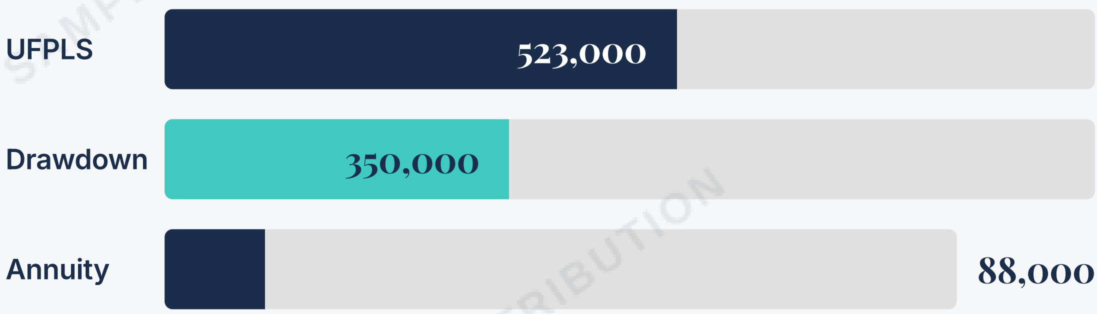
[illegible]

350k
Drawdown plans accessed in 2024/25

£70.9bn
Withdrawn flexibly from pension pots

25.5%
Increase in drawdown plan sales

[illegible]



Did you know?

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Information accurate as of January 2026

Your Tax-Free Lump Sum

[illegible]

The 25% rule

[illegible]

The Money Purchase Annual Allowance

[illegible]

Key Pension Allowances 2025/26

£268,275	£10,000	£60,000
Lump sum allowance (tax-free)	MPAA (after first drawdown income)	Annual allowance (before MPAA triggers)

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Drawdown vs Annuity

Drawdown

Annuity

Information accurate as of January 2026

Building Your Investment Strategy

Matching investments to your goals

Asset allocation basics

Investment Pathways

We manage this for you

Key Figures

Managing the Risks

How we protect you

How Much Can You Safely Withdraw?

[illegible]

The 4% rule, and why it may not be enough

[illegible]

A flexible approach

[illegible]

[illegible]

Pension pot after 25% tax-free	£225,000
Annual withdrawal at 3.9%	£8,775
Plus full State Pension	+ £11,500
Total annual income	**= £20,275**

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[illegible]

[illegible]

Margaret and David's Story

MD

Travel in retirement | Help grandchildren | Stay independent

SITUATION

→

ACTION

→

RESULT

Information accurate as of January 2026

Drawdown and Your Legacy

1

2

3

4

5

6

7

8

9

10

Information accurate as of January 2026

Your Next Steps

1

15 MINS

2

10 MINS

3

20 MINS

4

5 MINS

Your Financial Adviser

Your retirement, your way

A drawdown pension gives you the flexibility to enjoy retirement on your terms. We are here to help you invest wisely, manage the risks, and make the most of every pound in your pension pot.

Ready to take the next step?

Call us on 0800 XXX XXXX or email advice@example.com to book your free initial consultation.