



GOVERNED RANGE GOVERNED RETIREMENT INCOME PORTFOLIO 3 FACTSHEET

Risk Grading : Risk Rating 3

What is a Governed Retirement Income Portfolio?

Choosing a suitable portfolio of funds to meet your requirements can be difficult. Our range of Governed Retirement Income Portfolios is designed to help with exactly that.

A Governed Retirement Income Portfolio matches your risk attitude to a suitable mix of assets and funds. There are five portfolios to choose from so you can select the one that best suits your risk attitude.

What governance process is in place?

Your portfolio comes with ongoing governance. This simply means that our investment experts check it regularly. It allows us to maintain the best mix of assets in line with the risk category - and to make sure it is performing in line with its overall objectives - aiming to give you the best returns. The value of your investment can go down as well as up and you may not get back the value of the original investment.

If our experts decide that the mix of assets needs to be adjusted, it happens automatically on your behalf, you don't need to do anything. What's more, this service comes at no extra cost.

For full details of our governance process please visit our website at royallondon.com/pensioninvestments.

Who is this portfolio designed for?

It is designed for someone who is taking income from their plan and can accept a level of uncertainty in their future income consistent with a risk rating 3 attitude to risk.

If you are in any doubt about the suitability of any particular type of investment, you should seek professional financial advice.

Advisers may charge for providing such advice and should confirm any costs beforehand.

What is the investment objective?

This portfolio aims to deliver growth above inflation to support regular income withdrawals, whilst taking a level of risk consistent with a risk rating 3 risk attitude.

Where is the portfolio invested?

The fund mix of the portfolio as at 14th May 2026 is shown below:

| Governed Retirement Income Portfolio 3 | |
|---|--------|
| RLS Global Mezzanine ABS Fund | 0.63% |
| RLS Global Senior ABS Fund | 1.87% |
| RLS Sterling Extra Yield Bond | 5.00% |
| RLS UK Corporate Bond | 10.00% |
| RLS Global Corporate Bond | 3.25% |
| RLS Short Duration UK Corporate Bond | 0.83% |
| RLS UK Government Bond | 10.40% |
| RLS Global Government Bond | 2.14% |
| RLS Short Duration UK Government Bond | 1.00% |
| RLP Property | 6.90% |
| RLS UK Index Linked | 7.50% |
| RLS Short Duration Global Index Linked | 2.50% |
| RLS Deposit | 3.82% |
| RLS Global High Yield Bond | 4.20% |
| RLS Short Duration Global High Yield | 1.08% |
| RLS Commodity | 6.00% |
| RLP Global Managed | 32.88% |

The Global Managed fund invests in UK, Global and Emerging Market equities. The current benchmark split is 22.5% UK Equities, 67.5% Global Equities and 10% Emerging Market Equities. You can replace the Global Managed pension fund with an alternative equity fund or funds from the Royal London Pensions fund range.

If you want to know more about any of the funds within your portfolio, including details of fund charges, please visit our website royallondon.com/pensioninvestments and view the relevant fund factsheet.

Does the portfolio rebalance?

This portfolio rebalances monthly. If a portfolio is not rebalanced regularly, the asset mix can drift significantly over time changing the suitability of the portfolio.

What is the portfolio benchmark?

The benchmark is a target against which performance is measured.

This benchmark is regularly reviewed and may be updated by Royal London so that it remains appropriate for the investor profile as detailed in the section **"Who is this portfolio designed for?"** or where a component index is discontinued or replaced.

The benchmark for this portfolio is a composite of indices:

| | |
|---|--------|
| FTSE World Index (21.60%)/FTSE All Share Index (6.40%)/MSCI EM (Emerging Markets) Index (4.00%) | 32.00% |
| ABI UK - UK Direct Property | 7.50% |
| Bloomberg Commodity Index | 5.00% |
| Markit iBoxx Sterling Non Gilts BBB Index | 5.00% |
| BofA Merrill Lynch Global HY Constrained GBP Hedged Index | 4.50% |
| Markit iBoxx Sterling Non-Gilt Index (10.00%)/Bloomberg Global Aggregate Corporate GBP Hedged Index (3.25%)/ICE BofA Merrill Lynch 1-5 Year Sterling Non-Gilt Index (0.83%) | 14.08% |
| FTSE Actuaries UK Index Linked Gilts (All Stocks) Index | 7.50% |
| Bloomberg World Government Inflation Linked Bond (ex UK) 1-10 year Index (1.75%)/Bloomberg UK Government Inflation Linked Bond 1-10 year Index (0.75%) | 2.50% |
| FTSE Actuaries UK Conventional Gilts (All Stocks) Index | 11.25% |
| JPMorgan Global GBI Hedged Index | 3.04% |
| FTSE Actuaries UK Conventional Gilts up to 5 Years Index | 1.00% |
| Sterling Overnight Index Average (SONIA) | 6.63% |

Details of changes to the portfolio

The following table documents the last 3 changes that Royal London have made to this portfolio.

| Effective Date of Change | Overview of Changes |
|---------------------------------|--|
| 14/05/2026 | Governed Retirement Income Portfolio 3 Global equities have continued to advance, as strong company earnings and optimism around AI have driven indices to new all-time highs. However, uncertainty surrounding the Iran war remains and macro indicators are deteriorating. We are reducing our equity exposure, taking profits following the recent rally. We are also adding to commodities given increasing expectations of a more prolonged disruption in the Middle East. Elsewhere, we are moving further underweight bonds. Yields continue to rise globally, especially at the longer end in the UK in the aftermath of the recent local elections. |
| 23/04/2026 | Governed Retirement Income Portfolio 3 Global markets staged a sharp relief rally as the announcement of a two-week US-Iran ceasefire materially reduced immediate escalation risks. Equities surged globally, with the S & P 500 posting its longest winning run since October. We are adding marginally to our equity exposure, as investor attention has slowly begun to shift towards corporate earnings season, and company fundamentals remain strong. Elsewhere we are adding to commodities at the margin on strong momentum grounds, given vessel crossing through the Strait of Hormuz remains heavily constrained. |

| Effective Date of Change | Overview of Changes |
|---------------------------------|--|
| 09/04/2026 | Governed Retirement Income Portfolio 3 Global markets continue to be dominated by the war in Iran, as volatility has remained elevated throughout the last few weeks. Attention has now turned to the US-Iran ceasefire deal with markets optimistic for a resolution but still pricing in meaningful tail risk. We are adding marginally to our equity exposure, as investor sentiment remains oversold. We are also adding back to bonds having benefited from an underweight position in recent weeks, given fears over sustained inflationary pressure. Elsewhere we are reducing our overweight position in commodities, taking profits at these elevated levels. |

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We're happy to provide your documents in a different format, such as Braille, large print or audio, just ask us when you get in touch.

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