



## GOVERNED RANGE GOVERNED PORTFOLIO 8 FACTSHEET

### What is a Governed Portfolio?

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

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

### 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](https://royallondon.com/pensioninvestments).

### Who is this portfolio designed for?

It is designed for someone who has an adventurous attitude to risk and is a medium time away from retirement. With this time horizon and attitude to risk, a medium to high level of investment risk is appropriate.

If you are not sure what your risk attitude is you can complete our online Risk Attitude Profiling Questionnaire at [royallondon.com/pensioninvestments](https://royallondon.com/pensioninvestments) to give you an idea of your 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 above inflation growth, whilst taking a medium to high level of investment risk relative to the other portfolios in the Governed Portfolio range. Investment risk is a measure of the expected volatility. On a scale rating the investment risk of Governed Portfolios from 1 to 7, with 1 being the lowest, this portfolio is a 5. The portfolio invests in a range of asset classes, that can include, but is not limited to equities, fixed interest, cash, property and commodities.

### Where is the portfolio invested?

The fund mix of the portfolio as at 10th October 2024 is shown below:

Governed Portfolio 8	
RLP UK Corporate Bond	1.80%
RLP Global Corporate Bond	0.85%
RLP UK Government Bond	1.12%
RLP Global Government Bond	1.25%
RLP Property	10.65%
RLP UK Index Linked	0.90%
RLP Deposit	0.06%
RLP Global High Yield Bond	2.24%
RLP Short Duration Global High Yield	0.75%
RLP Commodity	4.50%
RLP Global Managed	75.88%

The Global Managed fund invests in UK, Global and Emerging Market equities. The current benchmark split is 20% UK Equities, 70% 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](http://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	49.87%
FTSE All Share Index	14.25%
MSCI Emerging Markets ESG Index	7.13%
ABI UK - UK Direct Property	11.25%
Bloomberg Commodity Index	5.00%
BofA Merrill Lynch Global HY Constrained GBP Hedged Index	2.50%
Markit iBoxx Sterling Non-Gilt Index	1.50%
Bloomberg Global Aggregate GBP Hedged Index	0.50%
FTSE Actuaries UK Index Linked Gilts (All Stocks) Index	1.00%
FTSE Actuaries UK Conventional Gilts (All Stocks) Index	1.50%
JPMorgan Global GBI Hedged Index	0.50%
Sterling Overnight Index Average (SONIA)	5.00%

### 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
10/10/2024	<b>Governed Portfolio 8</b> Global stock markets have fared rather well in recent weeks and have risen to fresh highs, fuelled by improvements in the unemployment data and a shift towards easier policy from the Fed. We have increased our exposure to stocks and reduced our exposure to bonds, noting this improving macro backdrop. Elsewhere, we have added to commodities, moving closer to neutral. While the fundamental picture for broader commodity markets remains challenging, rising geopolitical risk and expectations around China stimulus present upside risk for the asset class in the near term.

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Effective Date of Change	Overview of Changes
19/09/2024	<p><b>Governed Portfolio 8</b> Global equities have risen back to near all-time highs after some weakness earlier in the month; we remain modestly overweight stocks in the current backdrop. With global growth showing signs of softening and central bank rate cuts on the way, we have increased our overweight in government bonds. We remain underweight commodities that are expected to underperform in the current phase of the business cycle.</p>
05/09/2024	<p><b>Governed Portfolio 8</b> Global equities recovered sharply from their early August sell-off and investor sentiment has normalised. Furthermore, we have seen global growth show signs of weakening. Against this backdrop we have reduced the size of our overweight position in stocks, taking profits as macro support withdraws. We have also deepened our underweight position in commodities, as China demand continues to disappoint, and inflation falls. We have added to bonds, which typically perform well in this macro environment.</p>

**Royal London**

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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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