



## GOVERNED RANGE GOVERNED PORTFOLIO MODERATE FACTSHEET

### What is the investment objective?

This portfolio aims to deliver above inflation growth, whilst taking a medium 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 3. The portfolio invests in a range of asset classes, that can include, but is not limited to equities, fixed interest, cash, property and commodities.

### 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/pensions/investment-options/investment-governance](https://royallondon.com/pensions/investment-options/investment-governance).

### What are the Governed Portfolios?

Our range of Governed Portfolios offers a choice of different investment risk levels for investors. Each portfolio aims to deliver above inflation growth, within a tightly controlled risk framework. The portfolios benefit from regular reviews and hands-on management from investment experts to help make sure they continue to meet their objectives.

The portfolios invest in a range of asset classes, that can include, but are not limited to equities, fixed interest, cash, property and commodities.

### Which portfolio is right for you?

If you are not sure which portfolio is right for you, you can visit our online tool at [royallondon.com/pensions/investment-options/risk-profiler](https://royallondon.com/pensions/investment-options/risk-profiler) to give you an idea of which portfolio may be appropriate for you.

If you are in doubt about the suitability of any particular type of investment, you should ask for advice from a financial adviser. Financial advisers may charge for their services - though they should agree any fees with you upfront.

### Where is the portfolio invested?

The fund mix of the portfolio as at 11th June 2026 is shown below:

| Governed Portfolio Moderate           |        |
|---------------------------------------|--------|
| RLS Global Mezzanine ABS Fund         | 0.75%  |
| RLS Global Senior ABS Fund            | 2.25%  |
| RLS UK Corporate Bond                 | 5.00%  |
| RLS Global Corporate Bond             | 2.50%  |
| RLS Short Duration UK Corporate Bond  | 4.50%  |
| RLS UK Government Bond                | 6.15%  |
| RLS Global Government Bond            | 1.84%  |
| RLS Short Duration UK Government Bond | 2.50%  |
| RLP Property                          | 9.50%  |
| RLS UK Index Linked                   | 5.00%  |
| RLS Deposit                           | 4.60%  |
| RLS Global High Yield Bond            | 4.55%  |
| RLS Short Duration Global High Yield  | 1.08%  |
| RLS Commodity                         | 5.50%  |
| RLS Absolute Return Government Bond   | 0.90%  |
| RLP Global Managed                    | 43.38% |

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](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 investment objective as detailed in the section '**What is the investment objective**' or where a component index is discontinued or replaced.

The benchmark for this portfolio is a composite of indices:

|  |        |
|--|--------|
| FTSE World Index (28.69%)/FTSE All Share Index (8.50%)/MSCI EM (Emerging Markets) Index (5.31%)  | 42.50% |
| ABI UK - UK Direct Property  | 10.00% |
| Bloomberg Commodity Index  | 5.00%  |
| BofA Merrill Lynch Global HY Constrained GBP Hedged Index  | 5.00%  |
| Markit iBoxx Sterling Non-Gilt Index (5.00%)/Bloomberg Global Aggregate Corporate GBP Hedged Index (2.50%)/ICE BofA Merrill Lynch 1-5 Year Sterling Non-Gilt Index (4.50%) | 12.00% |
| FTSE Actuaries UK Index Linked Gilts (All Stocks) Index  | 5.00%  |
| FTSE Actuaries UK Conventional Gilts (All Stocks) Index  | 7.00%  |
| JPMorgan Global GBI Hedged Index   | 2.74%  |
| FTSE Actuaries UK Conventional Gilts up to 5 Years Index   | 2.50%  |
| Sterling Overnight Index Average (SONIA)   | 8.26%  |

## 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  |
|--------------------------|--|
| 11/06/2026               | <b>Governed Portfolio Moderate</b><br>After their recent rally since the March lows, global equities came under pressure last week amid a sell-off in semiconductors as Broadcom's disappointing outlook for AI chip demand was coupled with fears of Fed rate hikes, and a relapse in the Iran War situation. We are reducing our overweight in commodities, taking profits at these levels. Elsewhere, we continue to remain marginally overweight equities, given growth demand remains resilient as well as underweight bonds, as uncertainty surrounding the Iran War continues to drive yields higher. |

| Effective Date of Change | Overview of Changes   |
|--------------------------|---|
| 14/05/2026               | <b>Governed Portfolio Moderate</b><br>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               | <b>Governed Portfolio Moderate</b><br>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.                                |

**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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