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**.

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** 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 22nd October 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	5.91%
RLS Global Government Bond	1.64%
RLS Short Duration UK Government Bond	2.50%
RLP Real Assets	9.60%
RLS UK Index Linked	5.00%
RLS Deposit	3.72%
RLS Global High Yield Bond	4.52%
RLS Short Duration Global High Yield	1.02%
RLS Commodity	6.25%
RLS Absolute Return Government Bond	0.90%
RLP Global Managed	43.94%

The Global Managed fund invests in UK, Global and Emerging Market equities. The current benchmark split is 20% UK Equities, 67.5% Global Equities and 12.5% 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 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 Merril 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
22/10/2026	**Governed Portfolio Moderate** Equity markets have weakened as concerns over AI infrastructure spending and softer earnings expectations weighed heavily on technology and semiconductor stocks, with Asian markets leading global declines. Volatility has risen notably, with the VIX recording its largest weekly rise since May. Meanwhile, government bonds rallied as investors sought safer assets, driving yields lower despite resilient economic data and persistent inflationary pressures. Against this backdrop, we are reducing our overweight position in equities and increasing exposure to government bonds, reflecting a more cautious near-term outlook while retaining flexibility should investor sentiment and earnings expectations improve.
08/10/2026	**Governed Portfolio Moderate** Government bond yields continue to rise across the major developed markets with higher energy prices due to ongoing geopolitical risks an important driver. Elsewhere, resilient economic data and a more hawkish tone from central banks have continued to add further upward pressure. Against this backdrop, we are maintaining our underweight position in bonds and overweight position in commodities. Despite these pressures, global equities have once again eclipsed all-time highs, with the S & P500 marking its first record close since August. We are adding marginally to the asset class, noting strong corporate earnings.
24/09/2026	**Governed Portfolio Moderate** Global equities remain near their all-time highs, following a strong tech led rally over recent months. With AI productivity and policy in focus, volatility has risen in recent sessions, and investor sentiment has become more bearish. US retail investors are particularly bearish following the first Fed rate hike. We have taken the opportunity to add to our equity exposure on this sentiment wobble. Furthermore, we are adding back to bonds, taking profits on our tactical underweight position as bond volatility moves higher amid policy and geopolitical uncertainty.

Royal London

royallondon.com

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.

The Royal London Mutual Insurance Society Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The firm is on the Financial Services Register, registration number 117672. It provides life assurance and pensions. Registered in England and Wales number 99064. Registered office: 80 Fenchurch Street, London, EC3M 4BY. Royal London Marketing Limited is authorised and regulated by the Financial Conduct Authority and introduces Royal Londonâ€™s customers to other insurance companies. The firm is on the Financial Services Register, registration number 302391. Registered in England and Wales number 4414137. Registered office: 80 Fenchurch Street, London, EC3M 4BY.