



GOVERNED RANGE GOVERNED PORTFOLIO DEFENSIVE FACTSHEET

What is the investment objective?

This portfolio aims to deliver above inflation growth, whilst taking a low 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 1. 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 19th June 2025 is shown below:

Governed Portfolio Defensive	
RLP Global Mezzanine ABS Fund	0.44%
RLP Global Senior ABS Fund	1.31%
RLP UK Corporate Bond	9.30%
RLP Global Corporate Bond	3.55%
RLP Short Duration UK Corporate Bond	10.75%
RLP UK Government Bond	9.05%
RLP Short Term Fixed Income	2.30%
RLP Global Government Bond	2.90%
RLP Short Duration UK Government Bond	10.20%
RLP Property	4.80%
RLP UK Index Linked	3.00%
RLP Short Duration Global Index Linked	6.55%
RLP Deposit	6.30%
RLP Global High Yield Bond	4.47%
RLP Short Duration Global High Yield	1.13%
RLP Commodity	5.75%
RLP Absolute Return Government Bond	3.70%
RLP Global Managed	14.50%

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 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 (8.75%)/FTSE All Share Index (2.5%)	11.25%
MSCI EM (Emerging Markets) Index	1.25%
ABI UK - UK Direct Property	5.00%
Bloomberg Commodity Index	5.00%
BofA Merrill Lynch Global HY Constrained GBP Hedged Index	7.50%
Markit iBoxx Sterling Non-Gilt Index (9.00%)/Bloomberg Global Aggregate GBP Hedged Index (3.50%)/ICE BofA Merrill Lynch 1-5 Year Sterling Non-Gilt Index (12.50%)	25.00%
FTSE Actuaries UK Index Linked Gilts (All Stocks) Index	2.50%
70% Bloomberg World Government Inflation Linked Bond (ex UK) 1-10 year Index/30% Bloomberg UK Government Inflation Linked Bond 1-10 year Index	7.50%
FTSE Actuaries UK Conventional Gilts (All Stocks) Index	9.50%
JPMorgan Global GBI Hedged Index	3.00%
FTSE Actuaries UK Conventional Gilts up to 5 Years Index	10.00%
Sterling Overnight Index Average (SONIA)	12.50%

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
19/06/2025	Governed Portfolio Defensive We have reduced our tactical exposure to equities as stock markets have rallied sharply back towards their highs and investor sentiment has returned to normal levels. Despite these developments, much uncertainty still remains and geopolitical risk has spiked meaningfully. Noting the risk of an inflationary shock and improving technical backdrop, we have added to commodities. We have added to bonds at the margin but remain broadly neutral the asset class given the current macro uncertainty.
05/06/2025	Governed Portfolio Defensive Equity markets have continued to rebound over the last month. Volatility has subsided with progress being made on tariffs and trade wars, however much uncertainty remains in the medium term. We maintain a broadly neutral tactical position to stocks. We have increased our allocation to bonds, moving closer to neutral. Pressure on the bond markets has eased and yields have come down from recent highs. Elsewhere we reduced our exposure to commodities, which have been extremely volatile amid uncertain demand outlook.

Effective Date of Change	Overview of Changes
15/05/2025	Governed Portfolio Defensive We have tactically increased equity exposures while remaining broadly neutral as investor sentiment continues to recover from the third most depressed level in history, following a series of trade war de-escalations since the shock tariff announcement on Liberation Day. While a sentiment recovery could carry on in the near term, we remain cautious over the medium term given elevated macro uncertainty. We have also reduced the allocation to bonds marginally.

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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