

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 4 risk attitude.

This 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.

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.

Fund manager	Trevor Greetham, Royal London Asset Management (since Apr-15)
Launch date	28.08.12
AUM (£m)	1510.4
Annual management charge (AMC)	1.00%
Investment expenses	0.00%
Total expense ratio (TER)*	1.00%
Transaction Costs (2020)	0.096%
Royal London risk rating	4
Benchmark	Composite benchmark – see factsheet for further details
Latest tactical change	13.01.22

*The highest charge payable. Large fund and Scheme discounts mean that most customers are charged less than this

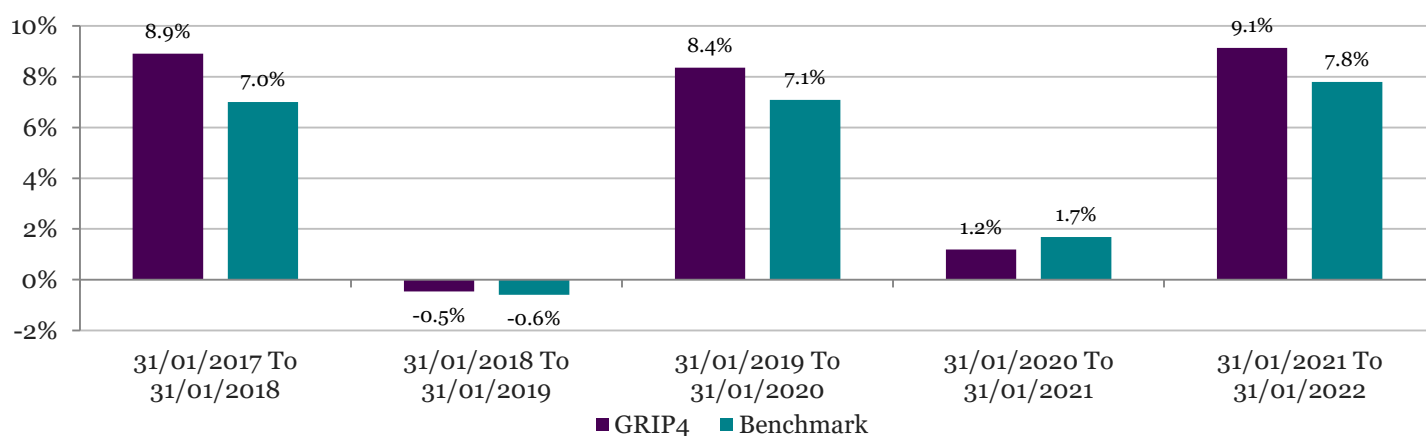
Latest positioning

Asset class	Benchmark	Tactical	+/-	Positioning
Equity	40.00%	42.50%	2.50%	Overweight
Gilts	5.00%	2.25%	-2.75%	Underweight
Corporate Bonds	5.00%	4.80%	-0.20%	Underweight
Index Linked	5.00%	2.95%	-2.05%	Underweight
Property	10.00%	9.75%	-0.25%	Underweight
Absolute Return Strategies (inc. Cash)	15.00%	14.75%	-0.25%	Underweight
High Yield	15.00%	16.50%	1.50%	Overweight
Commodities	5.00%	6.50%	1.50%	Overweight

Latest tactical positions as at 13.01.22

Portfolio performance against benchmark

The past 5 years:

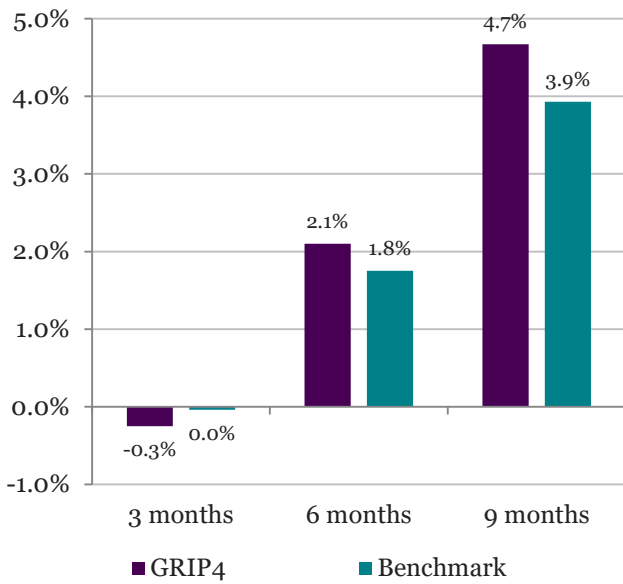


Source: Lipper, Royal London, as at 31.01.2022. All performance figures shown, including those shown for the growth in the benchmark, have been calculated net of a 1% Annual Management Charge. Past performance is not a guide to the future. Prices can fall as well as rise meaning you may not get back the full amount of capital originally invested. Investment returns may fluctuate and are not guaranteed.

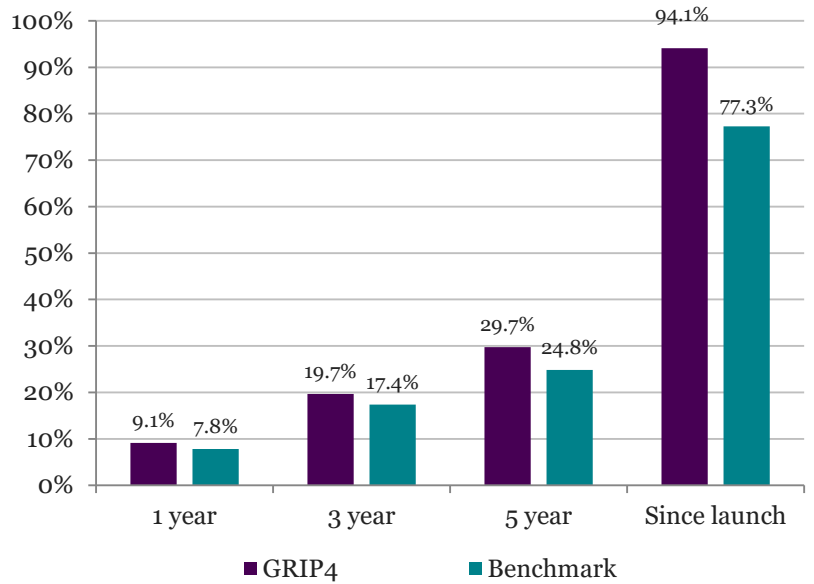
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Portfolio performance against benchmark continued

Shorter term:



Longer term:



5 year percentage growth



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Portfolio management

The portfolio is managed by the multi asset team at our sister asset management company Royal London Asset Management (RLAM), one of the UK's leading fund management companies. The multi asset team applies a systematic framework for allocating to various asset classes and regions, with investment decisions informed by a range of quantitative models.



“I believe multi asset investing can offer an attractive smoothing of returns in ever-changing market conditions. A robust tactical asset allocation process allows investors to exploit shorter-term opportunities and generate significant added value over time.”

Trevor Greetham, Head of Multi Asset, Royal London Asset Management

Portfolio governance

Our Governed Retirement Income Portfolios have a formal review process and are monitored by the Investment Advisory Committee (IAC). The IAC consists of pension and investment experts and is headed up by an independent chairperson, to ensure that decisions remain impartial. The IAC meets regularly, usually on a quarterly basis, to review our full investment proposition. The IAC process is deliberately about taking a long-term view to ensure that investment decisions are based on sound fundamentals.

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**INVESTMENT
ADVISORY
COMMITTEE
REVIEWS**

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**TACTICAL
ALLOCATION
CHANGES**

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**STRATEGIC
ALLOCATION
CHANGES**

Last 3 tactical changes:

13 January 2022

Case rates of Covid-19 accelerated globally in December, however global equity markets were supported by early signs that Omicron is less severe. Continuing strong inflation data globally saw the Bank of England increase the base interest rate slightly in the month, while the Federal Reserve dropped the term 'transitory' from its inflation commentary, guiding investors to earlier and faster rate rises. After reducing risk into year-end, we have added to our commodities, equities and global high yield bonds overweights for 2022. We moved underweight corporate bonds and further underweight government bonds. We remain around neutral in commercial property.

3 December 2021

The emergence of the Omicron variant of Covid-19 led equities to pull back from all-time highs with returns ending in negative territory for November. Global government bonds generated positive returns as investors moved into haven assets and reassessed the likelihood of future rate hikes. Oil saw a large monthly fall on potential supply-demand imbalances which led commodities lower. Prior to the November sell-off, we reduced our commodity overweight and decreased our underweight in government bonds. We retain a modest tilt towards equities and remain overweight corporates and short dated high yield bonds. We remain marginally underweight commercial property.

11 November 2021

Global data was strong in October; positive earnings drove strong global equity returns. However, inflation concerns remained dominant and the trend of decelerating growth continued. Central banks globally turned more hawkish – Governor Bailey commented that the Bank of England “will have to act” on inflation. Government bond yields rose globally as the medium-term risk of interest rate rises increased. We took profits in commodities and equities after strong performance this year, and trimmed our overweight in global high yield bonds. We remained underweight gilts but moved to overweight in corporate bonds. We remained modestly underweight commercial property.

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Holdings data

Total Equity	42.5%
UK Equities	18.1%
Royal London UK Core Equity Tilt	10.5%
Royal London UK Equity	0.7%
Royal London UK Mid Cap Growth	0.5%
Royal London UK Dividend Growth	1.4%
RLP UK Mid Cap	0.1%
Royal London UK Smaller Companies	0.5%
Royal London UK Opps fund	1.7%
ICF FTSE 100 Index Future	3.2%

US Equities	10.4%
Royal London US Equity Tilt	9.6%
CME S&P EMI Future	0.8%

European Equities	3.1%
Royal London European Growth	1.8%
Royal London Europe ex UK Equity Tilt	0.7%
Royal London European Opportunities	0.0%
EUX EUR STO 50	0.6%

Asia Pacific Equities	2.3%
Royal London Asia Pacific ex Japan Equity Tilt	1.3%
Royal London Japan Equity Tilt	1.3%
HKG HAN SEN Index Future	-0.3%

Global Equities	4.1%
Royal London Global Diversified	4.2%
MSE S&P TSX 60 Future	0.5%
OSE TOP Index Future	0.0%
SFE SPI 200 Future	-0.5%

Emerging Markets Equities	4.0%
Royal London Emerging Markets ESG Leaders Equity Tracker	4.1%
NYF MSC EMG	-0.1%

Other	0.5%
Cash Holdings	0.5%

Total Commodities	6.5%
RLP Commodity	6.5%

Total Property	9.8%
RLP Property	9.8%

Total High Yield	16.5%
RLP Global High Yield Bond	7.8%
RLP Short Duration Global High Yield	1.2%
RLP Sterling Extra Yield Bond	7.5%

Total Corporate	4.8%
RLP Medium (10yr) Corporate Bond	4.8%

Total Index Linked	3.0%
RLP Medium (10yr) Index Linked	3.0%

Total Gilts	2.3%
RLP Medium (10yr) Gilts	2.3%

Total Absolute Return (inc. cash)	14.8%
RLP Deposit	4.0%
RLP Cash Plus	7.0%
RLP Absolute Return Government Bond	3.8%

The allocations shown are derived by using the latest tactical allocation as at 13.01.22 and latest fund holdings data as at 31.01.2022. These figures should therefore not be relied upon as being exact. Negative allocations reflect the use of derivatives to decrease regional equity exposure. Allocations may not always total 100% due to rounding.

Risk factors

It is important that the potential risks associated with this portfolio are understood. We have detailed below the specific risks to be aware of. For further information on each of these risks please refer to our Guide to Fund Risks.

Exchange Rate	Yes	Property	Yes
Emerging Market	Yes	Higher Risk Funds	Yes
Concentrated Portfolio	No	Derivatives	Yes
Smaller Companies	Yes	Equities	Yes
High Yield Bonds	Yes	Bonds	Yes
Sector Specific	Yes	Money Market	Yes
Geared Investment	Yes	Stock Lending	Yes



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