

Royal London

GMAP Conservative Fund

29th February 2024



Fund objective

The Fund's investment objective is to achieve a total return over the course of a market cycle, which should be considered as a period of 6–7 years, by investing at least 80% in other funds, known as collective investment schemes. The Fund aims to achieve the lowest level of risk and return relative to the other funds in the Royal London Global Multi-Asset Portfolio (GMAP) range. The IA Sterling Strategic Bond sector and the Fund's custom composite benchmark are considered appropriate benchmarks for performance comparison.

Fund benchmark

The benchmark for the Fund has been designed with the aim of providing a long run return in excess of inflation at a low level of risk compared to the other funds within the range. The Fund invests across a broadly diversified selection of fixed income asset classes with different risk characteristics, as indicated below.

Asset type	Benchmark weight (%)	Fund current weight (%)	Relative (%)
Gilts	25.0	24.9	-0.1
Global High Yield	0.0	6.1	6.1
Index Linked Gilts	25.0	25.0	0.0
Investment Grade Corporate Bonds	25.0	25.0	0.0
Cash and Absolute Return	25.0	18.9	-6.1

Source: RLAM as at 29th February 2024. Totals may not equal 100% due to rounding. We take a holistic approach to fixed income management and fund weights relative to their respective benchmarks may not reflect tactical exposures.

Year-on-year performance

	31/12/2022 to 31/12/2023	31/12/2021 to 31/12/2022	31/12/2020 to 31/12/2021	31/12/2019 to 31/12/2020	31/12/2018 to 31/12/2019
Class M (Acc)	4.64	-13.09	-0.08	5.83	6.29
Class M (Inc)	4.59	-13.14	-0.06	5.88	6.32

Cumulative performance (as at 29th February 2024)

	3 months	6 months	1 year	3 years	5 years
Class M (Acc)	1.12%	2.76%	1.89%	-8.48%	-1.19%
Class M (Inc)	1.13%	2.79%	1.80%	-8.52%	-1.04%
Benchmark*	1.94%	3.13%	2.44%	-8.80%	-2.04%
Sector average	3.03%	5.45%	5.98%	-2.22%	8.05%
Quartile ranking	4	4	4	4	4

Source: RLAM and FE fundinfo as at 29.02.2024. Fund performance is shown on a mid to mid price basis, net of fees and gross of taxes, with gross income reinvested unless otherwise stated. Benchmark performance is shown gross of fees and taxes.

Past performance is not a guide to future performance. The value of investments and the income from them is not guaranteed and may go down as well as up and investors may not get back the amount originally invested.

All yields shown are after expenses, and gross of taxes. Tax positions will depend on individuals' circumstances.

*The IA Sterling Strategic Bond sector and the Fund's custom composite benchmark are considered appropriate benchmarks for performance comparison.

The Fund's composite benchmark is made up of the below components. These components are a considered a good representation of the breakdown of the Fund's assets (as described in the Policy section above). iBoxx Sterling Non-Gilt Total Return GBP Index 17.5%, Bloomberg Barclays Global Aggregate Corporate Total Return Index GBP Hedged 7.5%, FTSE Actuaries UK Index Linked Gilts (All Stocks) Total Return GBP 20%, Bloomberg Barclays UK Government Inflation Linked Bond 1-10 year Total Return GBP Index 1.5%, Bloomberg Barclays World Government Inflation Linked Bond (ex UK) 1-10 year (GBP Hedged) 3.5%, FTSE Actuaries UK Conventional Gilts (All Stocks) Total Return GBP Index 20%, JPM Global ex-UK Traded Index GBP Hedged 5%, Sterling Overnight Index ("SONIA") 25%.

Fund Overview



General Information

Fund size (mid basis)	£475.3m
Fund type	OEIC
Fund domicile	GBR
Fund manager	Trevor Greetham
Base currency	GBP
ISA	Eligible
IA Sector	Global

Share Class M Accumulation

Inception date	14/03/2016
Fund Management Fee (FMF)	0.60%
Minimum investment	£10,000
Sedol number	BD8RSS7
ISIN	GB00BD8RSS75
Distribution yield	3.72%
Underlying yield	3.12%

Share Class M Income

Inception date	14/03/2016
Fund Management Fee (FMF)	0.60%
Minimum investment	£10,000
Sedol number	BD8RSR6
ISIN	GB00BD8RSR68
Distribution yield	3.72%
Underlying yield	3.12%

Share Class Z Accumulation

Inception date	31/01/2023
Fund Management Fee (FMF)	0.40%
Minimum investment	£15,000,000
Sedol number	BMCTC13
ISIN	GB00BMCTC136
Distribution yield	3.72%
Underlying yield	3.32%

Yield definitions

The distribution yield reflects the amounts that may be expected to be distributed over the next 12 months. The underlying yield reflects the annualised income net of expenses of the Fund as a percentage (calculated in accordance with the relevant accounting standards). Both these yields are calculated as a percentage of the mid-price of the Fund as at the date shown and are month end snap shots of the portfolio on that day and do not include any preliminary charges. Investors may be subject to tax on distributions. Reported yields reflect RLAM's current perception of market conventions around timing of bond cash flows.

Details of changes to the Fund

Business optimism has notably improved, especially in the US, as corporates look forward to the prospect of easing interest rates this year, and the manufacturing cycle is showing signs of turning around. Our Investment Clock has moved to the Recovery phase in this backdrop, which supports an overweight position in high yield versus cash. We expect the recent macro developments to lead to improvements in corporate earnings and provide further support to risk assets over the year. Consequently, whilst we remain positive on high yield, we're focussed more on short duration global high yield. While we are expecting inflation to continue falling over the year, the longevity of our positive view will depend on further business cycle developments.

This is not a recommendation or solicitation to buy or sell any particular security.

The views and opinions expressed herein are those of the manager at the time and are subject to change without notice.

Top 10 holdings*

Holding/Fund	Weight (%)
RL Index Linked Fund	20.0
RL UK Government Bond Fund	19.9
RL Sustainable Managed Income	13.5
RL Short Term Money Market Fund	12.9
RL Global Sustainable Credit Fund	7.5
RL Short Duration Global High Yield Bond Fund	6.1
RL Absolute Return Government Bond Fund	5.3
RL Short Duration Global Index Fund	5.0
RL International Government Bond Fund	5.0
RL Ethical Bond Fund	4.0
Total	99.3

Source: RLAM as at 29th February 2024. Total weight reflects rounding.

*There may be less than 10 holdings in the fund where there are other investments into cash, gilts etc.

Asset split



- Investment Grade Corporate Bonds 25.0%
- Global High Yield 6.1%
- Index Linked Gilts 25.0%
- Gilts 24.9%
- Cash and Absolute Return 18.9%

Source: RLAM as at 29th February 2024

Geographic breakdown



- UK 57.3%
- Other 42.7%

Source: RLAM as at 29th February 2024. 'Other' region includes global fixed income exposures, which are sterling hedged and commodity exposures.

Contact Details

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For Further information please see the privacy policy at www.rlam.com

For more information on the fund or the risks of investing, please refer to the Prospectus or Key Investor Information Document (KIID), available via the relevant Fund Price page on www.rlam.com

Important Information

The Fund is a sub-fund of Royal London Multi-Asset Funds ICVC, an open-ended investment company with variable capital with segregated liability between sub-funds, incorporated in England and Wales under registered number IC001058. The Company is a non-UCITS retail scheme. The Authorised Corporate Director (ACD) is Royal London Unit Trust Managers Limited, authorised and regulated by the Financial Conduct Authority, with firm reference number 144037. For more information on the fund or the risks of investing, please refer to the Prospectus or Non-UCITS retail scheme Key Investor Information Document (NURS KII Document), available via the relevant Fund Information page on www.rlam.com.

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Source: RLAM and HSBC as at 29.02.2024, unless otherwise stated. Figures are subject to rounding.

Our ref: FS RLAM PD 0120

Key concepts to understand

Capital growth is defined as the rise in an investment's value over time.

Bonds are defined as fixed-income investments issued as debt by companies and public bodies to raise finance. Investors in bonds receive a previously agreed, non-variable interest payment until the investment matures. Investment and sub-investment grade bonds are bonds credit-rating agencies have rated as high quality and low quality, respectively. Lower-quality bonds tend to pay a higher income, but come with a greater risk of default.

Money market instruments are short-term, more liquid investments issued by public bodies or corporations.

Active investing uses active management techniques, and passive investing sticks closely to an index in terms of its composition and expected returns.

A **type of pooled investment**, such as an investment trust, which issues a finite number of shares that are then listed on a stock exchange

The **tactical overlay component** of the Fund invests in derivatives for the purposes of making investment returns and efficient portfolio management (EPM).

Derivatives are defined as investments that derive their value from another closely related underlying investment.

EPM is a list of approved investment techniques used to protect against excessive risk, reduce cost or generate extra income or growth, and includes the use of derivatives.

Fund Risks

Investment risk: The value of investments and any income from them may go down as well as up and is not guaranteed. Investors may not get back the amount invested

Credit risk: Should the issuer of a fixed income security become unable to make income or capital payments, or their rating is downgraded, the value of that investment will fall. Fixed income securities that have a lower credit rating can pay a higher level of income and have an increased risk of default.

Derivative risk: Derivatives are highly sensitive to changes in the value of the underlying asset which can increase both fund losses and gains. The impact to the fund can be greater where they are used in an extensive or complex manner, where the fund could lose significantly more than the amount invested in derivatives.

EPM Techniques: The fund may engage in EPM techniques including holdings of derivative instruments. Whilst intended to reduce risk, the use of these instruments may expose the fund to increased price volatility.

Exchange Rate risk: Investing in assets denominated in a currency other than the base currency of the Fund means the value of the investment can be affected by changes in exchange rates.

Interest Rate risk: Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital.

Emerging Markets risk: Investing in emerging markets may provide the potential for greater rewards but carries greater risk due to the possibility of high volatility, low liquidity, currency fluctuations, the adverse effect of social, political and economic instability, weak supervisory structures and accounting standards.

Counterparty risk: The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the fund to financial loss.

Fund investing in Funds risk: The fund is valued using the latest available price for each underlying investment, however it may not fully reflect changing stock market conditions and the fund may apply a 'fair value price' to all or part of its portfolio to mitigate this risk. In extreme liquidity conditions, redemptions in the underlying investments, and/or the fund itself, may be deferred or suspended.

Liquidity and Dealing risk: The fund invests indirectly in assets that may at times be difficult to value, harder to sell, or sell at a fair price. This means that there may be occasions when you experience a delay in being able to deal in the fund, or receive less than may otherwise be expected when selling your investment.