

Real Return Portfolio Range



We invest with goals in mind: saving and investing for retirement, university, buying a home etc. But these goals are not investment objectives so how can you align your portfolio's goals to your own? Enter our Real Return Portfolios. These seek to provide investment outcomes that fit the profile of common investment goals. That way you can match your portfolio's outcomes with your goals.

We've partnered with your adviser to help you to achieve your goals, such as:

- ▶ Saving for retirement
- ▶ Achieving financial security
- ▶ Building an inheritance for your family
- ▶ Buying/upgrading a house
- ▶ Improving your quality of life

Why invest in the portfolio?

Preserve and increase your wealth—to grow your wealth in excess of the rising cost of living (inflation).

Active Management—to achieve healthy investment returns by investing in a portfolio that is appropriately positioned for changing market conditions.

Goal Planning—our Portfolios have defined outcomes to help you plan with precision to better align with your financial goals and help keep you on track to reach them.

How are the portfolios managed?

We invest your money with the following in mind:



Value

The potential for return is greater and loss is lower if you purchase investments that are currently overlooked or undervalued by other investors...



Capital Preservation

Our goal is to not invest in assets if the reward isn't worth the risk. In other words, we're happy to hold higher than normal levels of cash instead of investing in overvalued assets.



Goal-Determined

...but it's not just about value. We focus on buying quality investments that will help you achieve your goal. We do this by undertaking comprehensive research to understand the drivers behind each holding.



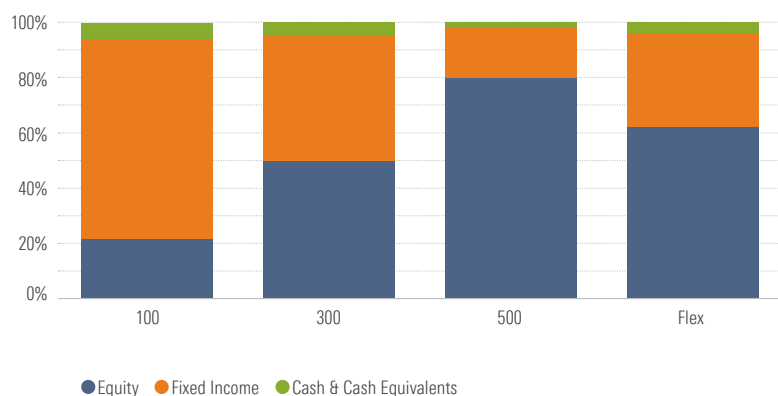
True Diversification

You're less exposed to the risks of investing when your money is spread across a mix of different underlying investments (like shares, property, bonds and cash) that complement each other. In other words, simply holding more of the same/similar thing isn't the same as true diversification.

What are you invested in?

You will be invested across a range of underlying asset classes such as equities, fixed interest and cash—when and where it makes sense to do so.

We do this using the most suitable investment vehicles, including exchange traded funds and managed funds.



This chart shows the portfolio's broad asset class ranges and investment allocation at 30th September 2021. Source: Morningstar Investment Management Europe Limited

Who is Morningstar Investment Management?

Morningstar was founded by Joe Mansueto in 1984 and today is a billion-dollar company with more than 6,000 employees and offices in 27 countries. For over 37 years we have been a leading provider of asset allocation, portfolio construction and investment research services, managing and advising on billions of pounds globally.

Apart from building portfolios for investors like you, we also provide manager selection, asset allocation and model portfolio solutions for some of the world's largest financial institutions.

Global investment management, local expertise.

Bigger is not always better, but it certainly helps. With a large team in London, as well as offices in the other major financial cities globally, our investment professionals share an international perspective that is informed by local market knowledge. The team are also guided by a consistent set of global investment principles, creating accountability to ensure our solutions meet their goals.

The UK team includes experienced investment managers, dedicated asset class specialists and an in-house investment operations team, fostering cohesive and agile decision-making.

These Portfolios are for UK Investors with the following objectives and characteristics:

- ✓ **Inflation beating returns**—the portfolios are designed to be held for at least 3 years rising to 10 at the higher investment risk end of the range. They are suitable for people seeking a defined rate of return above inflation.
- ✓ **Sound risk management**—the portfolios are built for your risk tolerance, where we define risk the same way you do; “a permanent loss of capital that can't be recovered in the investor's timeframe”.
- ✓ **Knowledge & Experience**—the portfolios are suitable for all retail investors from those with basic knowledge up to advanced investors.
- ✓ **Cost efficiency**—we are committed to keeping fees low to help ensure you take home your share of the profits.

Key Facts

Portfolios	100	300	500	Flex
Equity Range	0–30%	30–70%	60–100%	0–100%
Time Horizon	3+ Years	5+ Years	7+ Years	10+ Years

What you need to consider:

It is important to note that investments in securities involve risk and will not always be profitable. Morningstar Investment Management Europe Limited does not guarantee that the results of its investment decisions or the objectives of the portfolio will be achieved.

Morningstar Investment Management Europe Limited does not guarantee that negative returns can or will be avoided in any of its portfolios. An investment made in a security may differ substantially from its historical performance and as a result, portfolios may incur a loss. Past performance is not a guide to future returns. The value of investments may go down as well as up and investors may not get back the amount invested.

Exchange Traded Funds:

These portfolios can contain Exchange Traded Funds (ETFs) which on some investment platforms will attract additional transaction charges for lump sums and regular contributions. These charges may vary across the different investment platforms the Managed Portfolios are available on. We do not impose a minimum to open a new account; however, we suggest for those using platforms which do charge additional ETF transaction costs that a £20,000 minimum account size be maintained. Please contact the platform for further details on their charges.

To find out more:

For more information on the portfolios including their strategy, fees, product features, benefits and risks, please speak to your adviser.

Morningstar's Investment Management Group

Morningstar's Investment Management group comprises Morningstar Inc.'s registered entities worldwide, including the United Kingdom. Morningstar Investment Management Europe Limited is authorised and regulated by the Financial Conduct Authority to provide services to professional clients and is the entity providing the discretionary management services. Registered address: 1 Oliver's Yard, 55-71 City Road, London, EC1Y1HQ. Morningstar Managed Portfolios are intended for citizens or legal residents of the United Kingdom. These portfolios can only be made available through the use of investment advisers appropriately authorised and regulated by the Financial Conduct Authority.