

# Governed Portfolios, managed by Morningstar

## **Morningstar Investment Management Globally**

- ▶ \$246.3 billion assets under management and advisement worldwide (as of 31 March 2021)

## **Morningstar, Inc.**

- ▶ More than 250,000 financial advisers served worldwide
- ▶ More than 120 manager research analysts worldwide
- ▶ More than 500 equity and credit analysts

For investment adviser use only and not to be distributed to or relied upon by retail clients.

The Governed Portfolios, five growth and one income, are designed to provide advisers and their client's with a cost effective discretionary managed solution built round our 5 risk profiles. They benefit from our renowned approach to valuation-driven asset allocation and portfolio construction, which is informed by manager research from Morningstar's global analysts. We fully support all of our portfolios with ongoing risk management and reporting providing reassurance that an investor's money is being monitored and looked after.

## **Available on the Aviva Platform**

The Governed Portfolios have been built and will be maintained to the high level specification put to Morningstar Investment Management Europe Limited by Aviva. The portfolios benefit from Morningstar Investment Management asset allocation and portfolio construction optimised across active and passive fund selection capped within a 0.50% ongoing charge for the growth portfolios, and a 0.60% ongoing charge for the income portfolio. This is inclusive of the fund's ongoing charge fee and discretionary management fees. Fund transaction cost and Platform fees are excluded.

Because markets are in constant motion, Morningstar monitors the chosen portfolio at platform level to keep it in line with its targets. This helps us maintain the portfolio's risk levels and allows us to update funds that no longer meet our criteria. Once the changes have been made on the platform, the portfolio will be automatically updated at the next re-balancing date.

## **About Morningstar**

Founded in 1984, Morningstar's mission is to create great products that help investors reach their financial goals. Today, Morningstar is a leading provider of investment information and insight with operations in 27 countries offering investment management services through its registered investment adviser subsidiaries. Morningstar's registered entities worldwide had more than \$245 billion in assets under advisement and management as of 31 March, 2021.

Morningstar Investment Management Europe was created by its parent company, Morningstar, Inc., to supply regulated services in the UK and other parts of Europe.

## **Why Work With Morningstar?**

Morningstar's discretionary investment management solution draws on our knowledge of risk profiling, asset allocation, manager research and portfolio construction.

Our experienced investment professionals build the strategic asset-allocation models to meet each of the investment objectives of the Governed Portfolios.

Morningstar, Inc analysts ratings and research reports are analyst ratings and research reports are in-depth, transparent and independent. This research informs the fund selection process we use in our the Governed Portfolios.

Morningstar, Inc has built a global database that is one of the largest and highest-quality in the world, covering approximately 700,000 investments including full portfolio holdings. The UK's major fund companies provide us with this portfolio data.

## **Independent Global Experts Working for You**

Morningstar Investment Management Europe is able to draw from the expertise of the Morningstar analyst team, which is one of the largest and most experienced fund research teams in the UK market. Morningstar analysts use independent data from Morningstar, Inc. and regular face-to-face meetings with investment managers to identify what they believe to be the highest-quality funds for investors.

### Sales Contacts

- ▶ Jason Evans  
Business Development Manager  
London & East England  
jason.evans@morningstar.com  
0203 194 1030
- ▶ Tom Jarvis  
Business Development Manager  
London & South East  
tom.jarvis@morningstar.com  
0203 107 2945
- ▶ Dan Fairweather  
Business Development Manager  
Midlands, South West & Wales  
dan.fairweather@morningstar.com  
07824 519356
- ▶ Chris French  
Business Development Manager  
North England  
chris.french@morningstar.com  
07885 552990
- ▶ Stephanie Williamson  
Business Development Manager  
Scotland, Northern Ireland &  
Channel Islands  
stephanie.williamson@  
morningstar.com  
07770 702227

### Contact Us

Morningstar Investment  
Management Europe Ltd  
1 Oliver's Yard  
55–71 City Road  
London EC1Y 1HQ  
Main: 0203 107 2930

Governed.Portfolios@  
morningstar.com

[www.morningstarportfolios.co.uk](http://www.morningstarportfolios.co.uk)

### Portfolio Construction and Monitoring

Our valuation-driven portfolio construction focuses on one central idea: we find fair value in fundamentally strong but underpriced investments. From idea generation to holistically building portfolios for the long term, valuation is the key factor guiding the way we construct portfolios and helping us manage risk.

When building portfolios, we look at the whole picture. The risk and return characteristics of particular investments may lead us to adjust our asset-class thinking as we bring pieces together into a portfolio.

As markets change, so do our portfolios. Our team monitors them periodically to stay well-positioned and risk-aware through the market's ups and downs.

### Risk-Appropriate Management

Each of the portfolios targets a consistent level of risk to maintain across market cycles. The Morningstar risk-tolerance questionnaire, which you give directly to clients, is tied to the portfolios' asset allocations. This helps you recommend portfolios that are suitable for each client's appetite for risk.

Our investment professionals keep a close eye on each portfolio to keep it in line with its targets.

### Dedicated Support

The Governed Portfolios give advisers the support they need to stay focused on client needs, including a dedicated service team for questions, a website with quarterly updated performance information and client-ready communications. Advisers using the Governed Portfolios receive regular portfolio updates and market commentary to help keep their clients informed about how their investments are doing.

### Risk Warning

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 no guarantee of future results. The value of investments may go down as well as up and investors may not get back the amount invested.

### 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, EC1Y 1HQ. Morningstar's fund research and rating activities are not undertaken by Morningstar Investment Management Europe Limited and as such, are not regulated by the Financial Conduct Authority. The Governed 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.