

# Income Portfolio Range

A multi-asset investment solution that is 100% actively managed on your behalf. Helping you to achieve peace of mind. Our team aims to deliver sustainable and rising income while not losing money that can't be made back—investing when, and where, it makes sense to do so.

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

- Supplement your ongoing income needs
- Achieving financial security
- Improving your quality of life

## Why invest in the portfolio?

**Purpose built**—portfolios are built using assumptions that view the world through an income lens rather than with a sole focus on growth.

**Sustainable Income**—we build the portfolios to generate a stable, long-term income stream rather than eye-catching but unsustainable yields.

**Potential for growth**—unlike a cash account or lifetime annuity, you benefit from any growth achieved.

## How is the portfolio managed?

Morningstar Investment Management 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 underappreciated 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.



### Quality

...but it's not just about value. We focus on buying quality investments at attractive prices. We do this by undertaking comprehensive research to understand the fundamental drivers behind each opportunity.



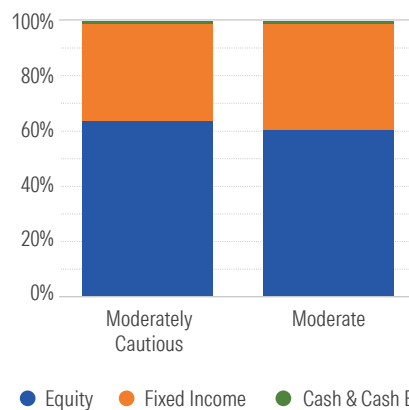
### True Diversification

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 in active funds where they are deemed to offer a positive trade off between fees and return. We will also use low-cost passive funds where they are deemed to be in your best interests.

The portfolio invests across a range of underlying asset classes such as equities, fixed interest and cash—when and where it makes sense to do so.



● Equity ● Fixed Income ● Cash & Cash Equivalents

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 designed for UK Investors wanting:

- ✓ **Income**—the portfolios are designed to be held for at least 5 years. They are suitable for people seeking healthy levels of income with the prospect of growing their capital over time.
- ✓ **Knowledge and experience**—the portfolios are suitable for all retail investors from those with basic knowledge up to advanced investors.
- ✓ **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”.
- ✓ **Cost efficiency**—we are committed to keeping fees low to help ensure you take home your share of the profits.

## Key Facts

Portfolios	Moderately Cautious	Moderate
Equity range	30-50%	50-70%
Time horizon	5+ years	5+ years

Source: Morningstar Investment Management Europe Limited as of 8th January 2024.

### 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.

### 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.