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# Executive summary

# **Accumulation Risk Ratings**

## Summary

We conclude the following Risk Ratings for the Prudential Risk Managed Passive Funds:

Risk Managed Passive 1	2
Risk Managed Passive 2	3
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### **Assessment**

The Defaqto methodology involves using both quantitative and qualitative inputs to risk rate a fund:

Input 1 - Forecast the fund's future volatility

Input 2 - Discussion with the fund manager

Since our profiles are overlapping and not contiguous, we have some discretion as to whether a fund is rated in the upper or the lower profile.

Our assessment has been considered by our Investment Committee, and has taken into account some of Prudential's suggestions when arriving at our Risk Ratings.

# **Investment Committee summary**

#### **Historic volatility**

No historic volatilities have been used.

#### Stochastic (future) volatility

Our analysis has been based on holdings data provided by Prudential.



# Risk Rated on 23 April 2024

### Mandate

The Sub-fund aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit volatility over rolling 5 year periods to 9%.

There is no guarantee that the volatility target will be met and at any time the actual volatility may be higher or lower than the long term target.

### **Investment Committee Notes**

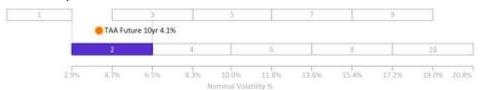
We used fund holdings supplied by Prudential to calculate all stochastic measures. Through discussion with Prudential in which the Defaqto methodology and their approach were considered, both Defaqto and Prudential believe that this fund is most appropriately risk rated as a 2.

## Conclusion/Risk Rating



### Next review

July 2024





# Risk Rated on 23 April 2024

### Mandate

The Sub-fund aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit volatility over rolling 5 year periods to 10%.

There is no guarantee that the volatility target will be met and at any time the actual volatility may be higher or lower than the long term target.

### **Investment Committee Notes**

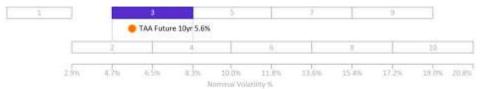
We used fund holdings supplied by Prudential to calculate all stochastic measures. Through discussion with Prudential in which the Defaqto methodology and their approach were considered, both Defaqto and Prudential believe that this fund is most appropriately risk rated as a 3.

# Conclusion/Risk Rating



### Next review

July 2024





# Risk Rated on 23 April 2024

### Mandate

The Sub-fund aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit volatility over rolling 5 year periods to 12%.

There is no guarantee that the volatility target will be met and at any time the actual volatility may be higher or lower than the long term target.

### **Investment Committee Notes**

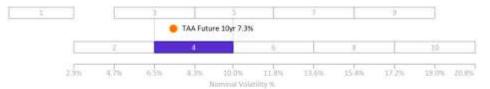
We used fund holdings supplied by Prudential to calculate all stochastic measures. Through discussion with Prudential in which the Defaqto methodology and their approach were considered, both Defaqto and Prudential believe that this fund is most appropriately risk rated as a 4.

# Conclusion/Risk Rating



### Next review

July 2024





# Risk Rated on 23 April 2024

### Mandate

The Sub-fund aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit volatility over rolling 5 year periods to 14.5%.

There is no guarantee that the volatility target will be met and at any time the actual volatility may be higher or lower than the long term target.

### **Investment Committee Notes**

We used fund holdings supplied by Prudential to calculate all stochastic measures. Through discussion with Prudential in which the Defaqto methodology and their approach were considered, both Defaqto and Prudential believe that this fund is most appropriately risk rated as a 5.

# Conclusion/Risk Rating



### Next review

July 2024





# Risk Rated on 23 April 2024

### Mandate

The Sub-fund aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit volatility over rolling 5 year periods to 17%.

There is no guarantee that the volatility target will be met and at any time the actual volatility may be higher or lower than the long term target.

### **Investment Committee Notes**

We used fund holdings supplied by Prudential to calculate all stochastic measures. Through discussion with Prudential in which the Defaqto methodology and their approach were considered, both Defaqto and Prudential believe that this fund is most appropriately risk rated as a 6.

# Conclusion/Risk Rating



### Next review

July 2024

