

Fund Information Sheet

Global Equity Fund (previously known as the Global Assets Fund)

Royal Mail Defined Contribution Plan

As at 31 December 2011

The Global Equity Fund (previously known as the Global Assets Fund) aims to achieve long term growth, but accepting some shorter term volatility associated with investing in equities (shares). This Fund invests in shares of UK and overseas companies but may also invest in other asset classes.

The Global Equity Fund currently invests as follows:

- 100% in the Legal & General Investment Management 30:70 Global Equity Fund. This is a passively-managed fund (see the Glossary on page 23 of the Investment Guide for a definition of passive management).

Information on the Global Equity Fund

Launch date	April 2009
Fund size (£m)	13.0 (as at 31/12/2011)
Composite benchmark	30% FTSE All-Share, 70% FTSE All-World (with 75% developed market hedging)

The Global Equity Fund was launched in April 2009 which means we only have a short performance history to show you. The Global Equity Fund currently invests entirely in the LGIM 30:70 Global Equity Fund (LGIM Fund). We have included the performance figures of the LGIM Fund to show you how the Global Equity Fund performed against its benchmark and the LGIM Fund. The benchmark figures shown for returns prior to April 2009 have been simulated. They represent an approximation of the composite benchmark return and should give you an idea of how the Global Equity Fund might have performed prior to its launch in April 2009.

Top holdings (as at 31/12/2011)	
Royal Dutch Shell A	2.7%
Astrazeneca	1.8%
Vodafone Group	1.6%
Hsbc Hldgs	1.6%
Bp	1.5%
Glaxosmithkline	1.3%
Exxon Mobil Corporation	1.1%
British American Tobacco	1.1%
Apple Inc.	1.1%
Bg Group	0.8%

Asset split (as at 31/12/2011)	
Financials	19.5%
Oil & Gas	13.0%
Basic Materials	8.4%
Consumer Goods	12.9%
Consumer Services	9.6%
Health Care	8.4%
Industrials	11.0%
Telecommunications	5.1%
Utilities	4.0%
Technology	8.1%

Source: LGIM (as at 31/12/2011)

Market commentary	
Positive returns from most markets in Q4	
Global shares rallied in the final quarter of 2011. UK and European markets saw significant gains. Emerging market shares achieved good performance although the Japanese market posted a negative return.	
Interest rates in the US, UK and Japan remained at historic lows. European rates were cut by a quarter-point on two occasions. Interest rates were cut in several emerging markets to help offset the impact of slower growth in the developed world.	

Annual fund performance (as at 31/12/2011)					
	Simulated performance			Actual	
	31/12/2006-31/12/2007	31/12/2007-31/12/2008	31/12/2008-31/12/2009	31/12/2009-31/12/2010	31/12/2010-31/12/2011
	%	%	%	%	%
Global Equity Fund	-	-	-	14.7	-6.7
Benchmark	8.7	-32.7	28.7	14.1	-6.9
LGIM Fund	-	-	-	14.3	-6.7

Simulated annualised fund performance (as at 31/12/2011)		
	3 years % pa	5 years % pa
Global Equity Fund	-	-
Benchmark	10.7	-0.1
LGIM Fund	-	-

Source: Global Equity Fund performance - Zurich (as at 31/12/2011). Benchmark and LGIM Fund performance - LGIM (as at 31/12/2011)

Simulated benchmark performance Towers Watson (as at 31/12/2011)

Things you need to know

Please read this Information Sheet in conjunction with the Royal Mail Defined Contribution Plan Investment Guide.

The fund is designed to provide a return in line with the benchmark. This is expected to be the case over the long term. However, there may be times when the fund performance does not match the benchmark. This may be due to a number of reasons. For example, cash flows in or out of the fund resulting in unit price movements and slight timing differences for the period over which performance is measured.

All funds carry some risk and you should consider the different types of risk before making any investment decision.

Fund performance data is presented before the deduction of fees. You shouldn't use past performance as a suggestion of future performance and it shouldn't be used as a reason for making an investment decision. The value of investments and any income from them can fall as well as rise and will be reduced in real terms by the effects of inflation. You may not get back the amount you invested.

Produced March 2012

This Fund Information Sheet is for information only and has been provided to help you understand how the Global Equity Fund was invested and has performed. The Trustees, Royal Mail Group and its employees are not authorised to give you financial advice. Zurich is also unable to provide financial advice to you. If you are not sure whether this fund is suitable for you then you should speak to an independent financial adviser (IFA). You can find the name of an IFA through IFA Promotions Ltd at www.unbiased.co.uk