

Milliman Managed Risk Parity

The Milliman Managed Risk Parity Strategy (MMRP) combines the dynamic asset allocation approach of risk parity with the risk mitigating features of volatility management.



Risk parity, enhanced with volatility management.



Allocates portfolio capital so that each asset contributes the same amount of risk to the portfolio.

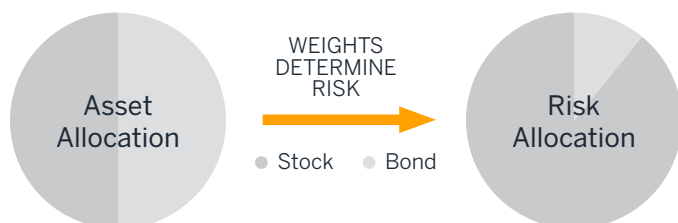


Seeks to stabilize risk and reduce drawdowns.

ASSET ALLOCATION

MMRP determines portfolio asset allocations based on the risk of each individual asset. Rather than passively letting risk be a byproduct of weights, MMRP dynamically assigns weights as a function of risk. Approaching it in this way limits the effect that any single asset class can have on portfolio performance.

Traditional Asset Allocation:



MMRP Allocation:



For illustrative purposes only, does not represent the performance of any actual investment or portfolio, and should not be viewed as a recommendation to buy/sell.

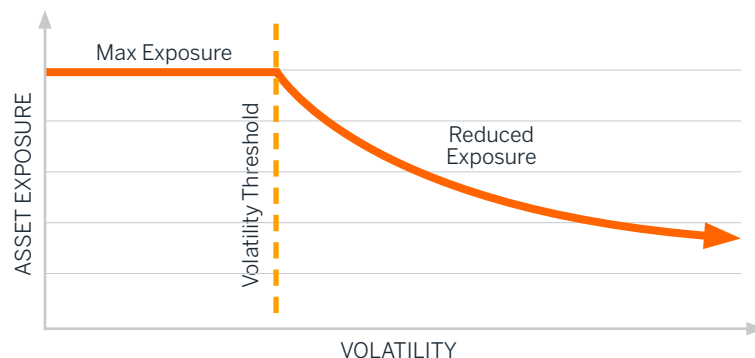
RISK MANAGEMENT

MMRP uses ongoing **volatility management** to limit portfolio risk. To prevent portfolio volatility from rising above its designated threshold, the portfolio de-allocates into cash. This helps to stabilize portfolio risk and reduce portfolio drawdowns.

MILLIMAN CAPABILITIES

Milliman can manufacture risk parity strategies across diverse asset classes, using a variety of instruments, offered in a range of product structures. Through its trading desks, located strategically in Chicago, London, and Sydney, Milliman FRM is positioned to carry out the management and trading for risk parity strategies around the clock and the globe.

Volatility Management



For illustrative purposes only, does not represent the performance of any actual investment or portfolio, and should not be viewed as a recommendation to buy/sell.

Creating transformational improvement in the retirement savings industry.

Chicago

71 S. Wacker Drive
31st Floor
Chicago, IL 60606
United States
Tel: +1 312 726 0677

London

Eastcheap Court
11 Philpot Lane
London, EC3M 8AA
United Kingdom
Tel: +44 207 847 1500

Sydney

Level 5
32 Walker Street
Sydney, NSW 2060
Australia
Tel: +61 2 8090 9100



Milliman Financial Risk Management LLC is a global leader in financial risk management to the retirement savings industry. Milliman FRM provides investment advisory, hedging, and consulting services on approximately \$185.2 billion in global assets (as of June 30, 2025). Established in 1998, the practice includes over 200 professionals operating from three trading platforms around the world (Chicago, London and Sydney). Milliman FRM is a subsidiary of Milliman, Inc.

Milliman is among the world's largest providers of actuarial and related products and services. The firm has consulting practices in healthcare, property & casualty insurance, life insurance and financial services, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe.

For more information, visit frm.milliman.com

The information, products, or services described or referenced herein are intended to be for informational purposes only. This material is not intended to be a recommendation, offer, solicitation or advertisement to buy or sell any securities, securities related product or service, or investment strategy, nor is it intended to be relied upon as a forecast, research or investment advice.

The products or services described or referenced herein may not be suitable or appropriate for the recipient. Many of the products and services described or referenced herein involve significant risks, and the recipient should not make any decision or enter into any transaction unless the recipient has fully understood all such risks and has independently determined that such decisions or transactions are appropriate for the recipient. Investment involves risks. Any discussion of risks contained herein with respect to any product or service should not be considered to be a disclosure of all risks or a complete discussion of the risks involved. Investing in foreign securities is subject to greater risks including: currency fluctuation, economic conditions, and different governmental and accounting standards. There are risks associated with futures contracts. Futures contract positions may not provide an effective hedge because changes in futures contract prices may not track those of the securities they are intended to hedge. Futures create leverage, which can magnify the potential for gain or loss and, therefore, amplify the effects of market, which can significantly impact performance. There are also risks associated with investing in fixed income securities, including interest rate risk, and credit risk.

The recipient should not construe any of the material contained herein as investment, hedging, trading, legal, regulatory, tax, accounting or other advice. The recipient should not act on any information in this document without consulting its investment, hedging, trading, legal, regulatory, tax, accounting and other advisors. Information herein has been obtained from sources we believe to be reliable but neither Milliman Financial Risk Management LLC ("Milliman FRM") nor its parents, subsidiaries or affiliates warrant its completeness or accuracy. No responsibility can be accepted for errors of facts obtained from third parties.

The materials in this document represent the opinion of the authors at the time of authorship; they may change, and are not representative of the views of Milliman FRM or its parents, subsidiaries, or affiliates. Milliman FRM does not certify the information, nor does it guarantee the accuracy and completeness of such information. Use of such information is voluntary and should not be relied upon unless an independent review of its accuracy and completeness has been performed. Materials may not be reproduced without the express consent of Milliman FRM. Milliman Financial Risk Management LLC is an SEC-registered investment advisor and subsidiary of Milliman, Inc.

© 2025 Milliman Financial Risk Management LLC - 7/25