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Royal London Sterling Extra Yield Bond Fund

Quarterly Investment Report

30 September 2025

Quarterly Report

The fund as at 30 September 2025

The purpose of this report is to provide an update on the Royal London Sterling Extra Yield Bond Fund. The report has been produced by Royal London Asset Management. The report starts with a summary dashboard showing key information about the fund. A glossary is located at the end of the report covering the description of some of the more technical terms used within the report. All data is as at the report date unless otherwise stated.

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ROYAL LONDON
ASSET MANAGEMENT

The fund

Fund performance objective and benchmark

The investment objective of the fund is to achieve a high level of income. The fund seeks to achieve a gross redemption yield (GRY) of 1.25 times the gross redemption yield of the FTSE Actuaries British Government 15 Year index (the "Benchmark"). The Benchmark is being used by the Fund for performance comparison purposes only and the Fund does not intend to track the Benchmark.

Fund value

	Total £m
30 September 2025	1,792.05

Asset allocation

	Fund (%)
Conventional credit bonds	94.69
Conventional gilts	1.57
Index linked credit bonds	1.32
Other	2.42

Fund analytics

	Fund
Fund launch date	11 April 2003
Fund base currency	GBP
Benchmark	FTSE Actuaries British Government 15 years Index
Duration (years)	4.05
Redemption yield (%)	7.23
Number of holdings	258
Number of issuers	194

Performance to 30 September 2025

Performance

	3 Month (%)	6 Month (%)	YTD (%)	1 Year (%)	3 Years (p.a.)	5 Years (p.a.)	Since Inception (p.a.)
A Inc GBP	3.65	5.66	9.02	11.66	11.95	8.09	7.96
Z Inc GBP	3.64	5.66	9.01	11.65	11.95	8.09	7.25

Past performance is not a guarantee or reliable indicator of future returns. Please refer to the Glossary for the basis of calculation and impact of fees. Source: Royal London Asset Management; Gross performance.

Performance based on RL Sterling Extra Yield Bond Fund (A Inc), since inception date of the share class is 11 April 2003 and RL Sterling Extra Yield Bond Fund (Z Inc), since inception date of the share class is 13 December 2013.

Performance commentary

The third quarter saw positive returns across corporate bond markets, with both investment grade and high yields markets seeing positive absolute returns. Against this, the fund recorded another impressive quarter of performance with the fund's investment grade, high yield and unrated bonds all producing positive returns. Despite the volatile nature of newsflow and government bond markets in 2025, year-to-date performance remains strong.

Distributions in respect of the third quarter of 2025, payable at the end of November, are 1.97p, 1.94p, 1.83p and 1.82p respectively for the A, B, Y and Z class income shares. These compare to amounts of 1.91p, 1.88p, 1.78p and 1.77p distributed in respective for the second quarter 2025.

Duration and curve positioning were a headwind in the quarter. This position does not reflect an overall view on bond yields, more that at the margin, and especially with recent steepening in the yield curve, we are finding attractive opportunities in longer dated bonds, pushing the fund's duration higher. We remain focused on stock specific credit selection, rather than taking positions primarily based on overall market yield levels.

The fund benefitted from the generally positive environment for corporate bonds in the period, with a diverse portfolio able to capture the buoyant market, with strong liquidity allowing for attractive re-pricing where the fund was able to buy in to better yielding opportunities.

Specifically, the general industrials sectors was a strong driver of performance. Holdings such as offshore accommodation providers Jacktel and Floatel Interntaional both performed well, as did Norwegian oil and gas operator DNO and aircraft leasing company Amedeo Air Four Plus.

The fund's structured sector was also a positive, with shopping centre Intu Metrocentra a highlight. Banks and insurance stock selection was also helpful. Subordinated bonds from Aberdeen, Close Brothers and Newcastle Building Society all performed well. Similarly in insurance, subordinated bonds from CNP Assurances and insurer Phoenix Group performed well.

Performance and activity

Top 10 holdings

	Weighting (%)
ELECTRICITE DE FRANCE SA 7.375 31 Dec 2079	2.66
INTULN_13-11 8.75 06 Dec 2028	2.19
ABBEY NATIONAL PLC 10.0625 31 Dec 2079	2.11
CO-OPERATIVE GROUP HOLDINGS (2011) 7.5 08 Jul 2026	1.99
SANTANDER UK % NON CUM PREF PLC	1.96
CENTRICA PLC 6.5 21 May 2055	1.83
PHOENIX GROUP HOLDINGS PLC 5.75 31 Dec 2079	1.66
M&G PLC 6.34 19 Dec 2063	1.65
CANARY WHARF GROUP INVESTMENT HOLD 3.375 23 Apr 2028	1.59
UK CONV GILT 3.5 22 Oct 2025	1.58
Total	**19.21**

Fund activity

New issue activity was lower than usual during the first two months of the quarter thanks to the normal summer lull, but activity picked up in September as issuers returned to primary markets. There continued to be strong liquidity in the secondary market and attractive opportunities to add to portfolios.

We continue to find attractive opportunities in the water sector, a key area for infrastructure spending and a regulated industry. We bought into a new issue by Yorkshire Water at a significant yield premium to market pricing, as well as participating in a new short-dated issue from Southern Water at an attractive spread of 300bps over equivalent government bonds.

Banks and financials dominated new issue activity towards the end of the quarter, and we participated in buying into a new issue of notes by NatWest. Earlier in the quarter, we took part in a new issue of subordinated bonds from Swiss bank UBS. The fund also added new subordinated notes from Chesnara. Also within financials, we took profits on a number of holdings where spreads had tightened considerably, including BNP Paribas, Commerzbank and OSB.

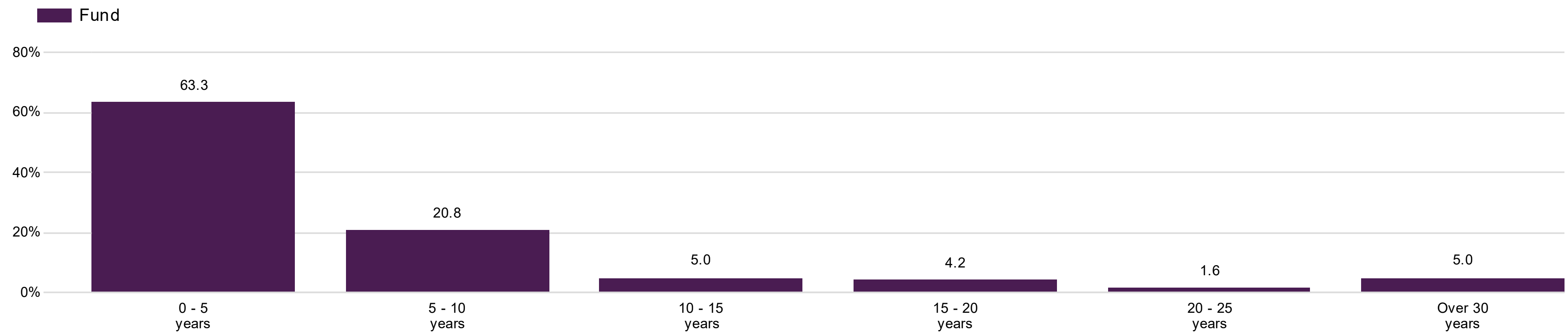
Elsewhere, the fund added 2031 bonds from Ford Motor, offering sector and regional diversification, at an attractive spread level of over 200bps over equivalent government bonds. The fund also picked up Norwegian kroner bonds from subsea services firm Reach Subsea and a sterling issue from energy from waste business Vital Energi.

The fund also took part in a new 2028 issue from Lime Petroleum after tendering the 2027 bonds, seeing a pickup in spread, and similarly picked up new bonds in UK supermarket chain Morrisons following tendering existing bonds from the firm.

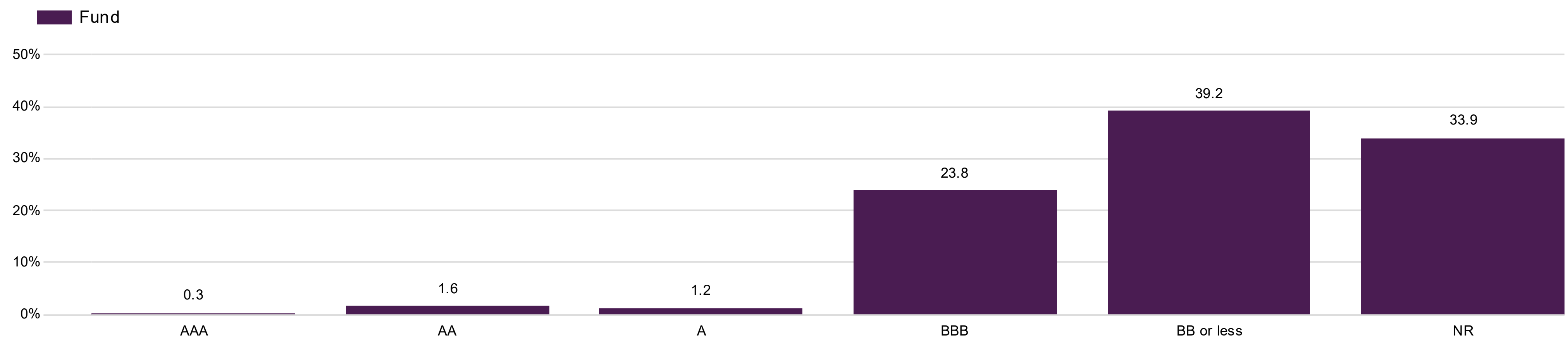
We will always look to switches to enhance spread or reduce risk. With underlying gilt yield curves steep at present, we looked for opportunities to effect switches that also marginally extended maturity, thereby adding yield through both the underlying gilt as well as credit spread. An example during the quarter was Nationwide, where we sold Aberdeen bonds into bonds from the building society, seeing an attractive pickup in spread level.

Fund breakdown

Maturity profile

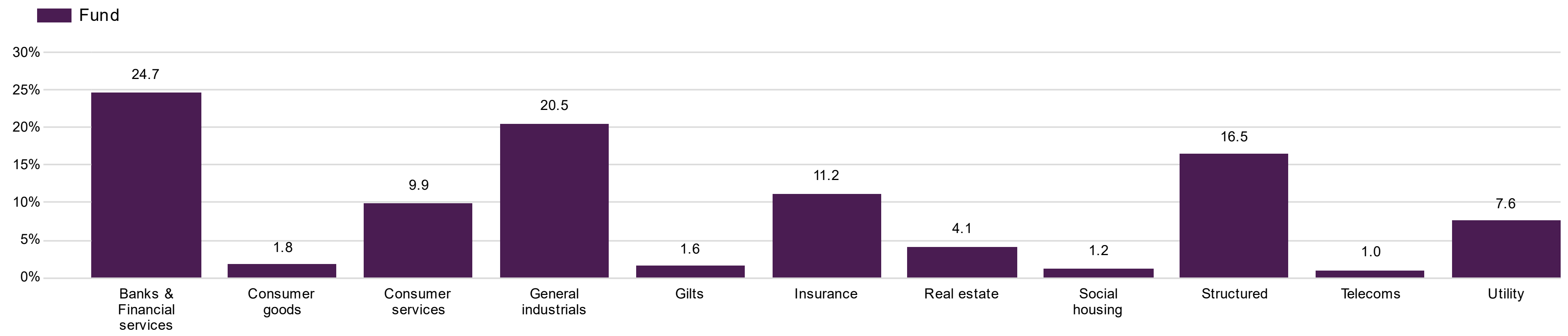


Credit Ratings

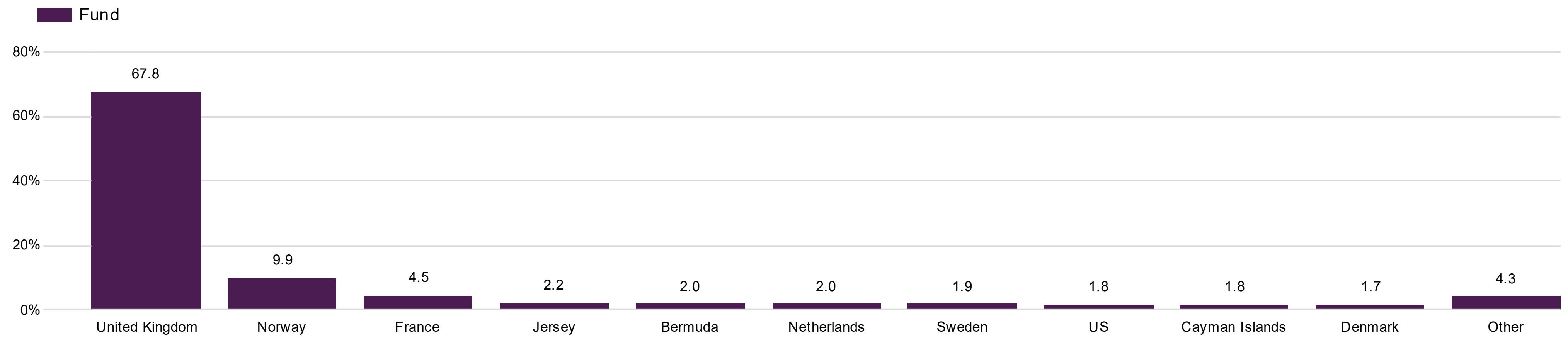


Fund breakdown

Sector breakdown



Geographical breakdown



Fund Engagement

Engagement definition

Engagement is active dialogue with investee companies (or other entities). There are two types: engagement for information, which is dialogue as part of investment research or ongoing monitoring, without specific objectives for change, and engagement for change, which is purposeful dialogue to influence positive change, with defined objectives and demonstrable outcomes.

Engagements

Engagement activity	Fund 3 months	Fund 12 months
Number of entities engaged	12	22
Number of engagements	14	44

This is an estimate. Some engagements at the issuer level may not have been attributed to the specific bond held in the fund, resulting in a lower number of engagement activities.

Total engagements by theme and topic

Theme / Topic	Engagements
Biodiversity	1
Climate	3
Climate - Transition Risk	3
Diversity	1
Gender Diversity	1
Environment	2
Governance	5
Corporate Governance	4
Board	1
Social & Financial Inclusion	9
Just transition	8
Social & Financial inclusion	1
Technology, Innovation & Society	1
Technology & Society	1

The numbers of engagements and themes/topics discussed may differ where a single engagement covers multiple themes/topics.

Engagement focus

Firm-wide engagement activity is centred around six themes which we have identified in consultation with our clients. These are: climate change; nature and biodiversity; health; governance and corporate culture; social and financial inclusion; innovation, technology and society. Portfolio level engagements are not thematic and are focussed on issues specific to managing the portfolio and meeting the investment objective.

Engagement data represents all engagements undertaken at both firm and portfolio level across Royal London Asset Management, and may not be limited to those undertaken solely for the purpose of managing the fund.

Fund Engagement

Engagement outcomes

Centrica Plc - Net zero

Purpose:

The purpose of the engagement meeting with Centrica, a UK energy company, was to provide feedback on the improvements seen in its new climate transition report and to ask further questions to gain clarity on lobbying, physical climate risk, and the company's biodiversity practices.

Outcome:

Centrica has made significant progress following our engagements. The company's latest climate transition report demonstrates improved transparency on emissions offsetting, remuneration, and decarbonisation strategies, directly addressing areas we previously raised. Centrica clarified its lobbying position, confirming the company had exited from a controversial trade body in 2023 and committing to greater disclosure through a new trade association report. It now assesses trade associations for alignment with the Paris Agreement and just transition principles and has committed to a twelve-month engagement plan for those institutions not aligned.

On physical climate risk, Centrica provided disclosures consistent with the Task Force on Climate related Financial Disclosures (TCFD). The company highlighted its low exposure due to asset location and lifecycle, while proactively managing risks such as extreme weather and sea level rise; although current disclosures remain primarily linked to climate impacts. Biodiversity was acknowledged as an emerging priority, with existing action plans and strategies in place to meet the policy requirement that development projects deliver a measurable net gain - typically at least 10% - in biodiversity as a condition of planning approval. While net gain strategies are being developed, current disclosures remain largely focused on climate-related impacts. A follow-up climate letter will be issued to maintain engagement and encourage further progress on integrating biodiversity considerations into corporate reporting and strategy.

Market commentary

Market overview

Following a turbulent second quarter shaped by the initial shock of US trade tariff announcements, markets stabilised during the third quarter. Globally, attention shifted towards fiscal policy and government debt sustainability. With central banks circumspect about the prospects for further rate cuts, uncertainty around potential rate cuts influenced bond yields and investor confidence.

Risk assets generally performed well over the period. US markets navigated mixed signals. While second-quarter earnings generally exceeded subdued expectations, and business surveys reflected a sense of optimism, signs of a cooling labour market and renewed concerns over the Federal Reserve's independence added a layer of uncertainty during the period. The US dollar softened slightly, while equities—especially in the tech sector—remained buoyant, driven by ongoing enthusiasm for artificial intelligence despite growing concerns over near-term revenue potential.

A shadow was cast over the UK's economic outlook during the summer quarter. Inflation proved more persistent than expected, prompting the Bank of England to strike a more cautious tone—even as it proceeded with a rate cut in August. Expectations for further easing were dampened and resulted in upward pressure on gilt yields. There were mounting concerns over the government's fiscal health, leading to speculation about potential tax increases or further gilt issuance in the forthcoming autumn budget.

The eurozone also faced a mixed quarter. While robust activity data and strong earnings in select sectors offered encouragement, political uncertainty sparked volatility and weighed on market performance. This was perhaps most visible in France, where the resignation of Prime Minister Bayrou, after losing a confidence vote over plans to address debt levels, added to pressure on President Macron.

Government bond markets proved volatile over the summer. Benchmark 10-year gilt yields rose from 4.48% to end at 4.70%, but with sharp rallies in both early August and September. Meanwhile at 5.75%, UK 30-year gilt yields hit their highest levels in almost 30 years. In the US, 10-year treasury yields stood at 4.13% at the end of September, slightly lower than levels seen at the start of July but with considerable volatility in the interim. In the eurozone, the spread between 10-year bonds in France and Germany expanded to the widest level in more than a year as French bond yields climbed higher amid the country's debt crisis. The German 10-year bund yield was 2.67% at the end of the third quarter, broadly in line with previous months.

The sterling investment grade credit market (iBoxx non-gilt index) returned 0.69% over the period under review, outperforming gilts, with the average sterling investment grade credit spread (the average extra yield available from non-gilt bonds compared with government debt of equal maturity) tightening over the period, narrowing from 0.87% to 0.77% (iBoxx). This continued the narrowing of spreads seen during the second quarter which had more or less reversed the widening seen in the first quarter. Sector returns were generally positive, led by banks, insurance and structured bonds, while supranationals, utilities and consumer sectors lagged.

Economic overview

Business surveys look consistent with most major global economies seeing growth in the third quarter, showing a degree of resilience in the face of global trade tensions and higher US tariff rates. President Trump implemented an updated set of country tariffs after the previous reciprocal tariff pauses expired. Tariffs ended the quarter at their highest levels since the 1930s (bar those seen briefly in April when trade tensions escalated with China). US labour market data became a focus of attention over the quarter with low payroll readings and large downward back revisions that suggested the jobs market was in weaker than previously thought. Despite inflation remaining above target, the Federal Reserve resumed rate cuts and the Bank of England cut rates further.

The Bank of England cut rates by 25bps in August, but with four of the nine MPC members voting for an 'on hold' decision. That was followed by an expected September 'on hold' decision and, over the quarter, markets greatly reduced the implied probability of a November rate cut. At their annual quantitative tightening decision, they reduced the stock of government bonds held by £70bn over the next 12 months, so slowing the pace of balance sheet reduction (and skewed those sales away from longs). On rates, the BoE retained its rate cutting bias: "A gradual and careful approach to the further withdrawal of monetary policy restraint remained appropriate."

Inflation, however, remained well above the BoE's target. August inflation data was broadly in line, with CPI steady at 3.8% year-on-year and core falling to 3.6% from 3.8%. Services inflation was a touch lower than expected at 4.7% year-on-year after 5.0%. Inflation was widely expected to increase further in the near-term. Focus on UK public finances increased over the quarter. The government's decision to water down flagship welfare reforms, in order to avoid a parliamentary defeat, intensified concerns around the UK's fiscal trajectory with those welfare reforms originally expected to cut several billion pounds of government spending. There were also press reports that the OBR intended to revise down its productivity growth forecasts with potentially sizeable implications for the fiscal projections. Expectations firmed that more (and relatively sizeable) tax hikes were likely at the Autumn Budget

Market commentary

Over the quarter, in the US, the labour market data, specifically non-farm payrolls, deteriorated significantly. That reflected both lower monthly payroll prints as well as substantial downward back revisions. The last release during the quarter showed only a 22K gain in payrolls in August and after 79K in July, significantly weaker than expected (consensus: 75K). Inflation, however, remained above target. The August headline PCE deflator came in at 2.7% year-on-year and CPI rose 0.4% month-on-month, slightly higher than consensus and with year-on-year inflation rising to 2.9% after 2.7%. Searching for evidence of tariff effects, evidence remained somewhat patchy. However, with import data suggesting that during the quarter firms tried to get ahead of August tariff increases (import growth jumped in July then fell off in August), these impacts may continue to take time to be fully felt.

As expected, having been on hold throughout this year, the US Federal Reserve cut rates at its September meeting. The driver of the decision to cut rates 25bps to a 4-4.25% range was a weaker labour market assessment. From describing the labour market as “solid” in its July statement, at its September meeting the Fed noted “that downside risks to employment have risen.” Meanwhile, during his press conference, Chair Powell said that, since April, the risks of higher more persistent inflation have become a little less. The median FOMC participant forecast pencilled in two more rate cuts this year and one more in each of 2027 and 2028, only slightly more ‘bearish’ than the previous forecast from June. However, the participant forecasts also painted a picture of a relatively divided Committee with a wide range of interest rate profiles pencilled in for the near-term. Worries about Federal Reserve independence rose over the quarter after President Trump tried to fire Board member Lisa Cook.

The European Central Bank kept rates steady at both of its meetings in the third quarter, with the July meeting the first meeting of the year where it did not cut rates. The ECB continued to take a “data-dependent”, “meeting-by-meeting” approach and continued to send a message that they are not pre-committed to a particular path. At the September meeting, President Christine Lagarde noted that the Bank is “in a good place.” Lagarde gave little away directionally, but that makes sense given inflation is roughly at target, their inflation forecasts aren’t far from target, where Lagarde also described the domestic economy too as “showing resilience” and the ECB see the risks to growth as having become more balanced. On the latter, earlier in the quarter, the EU and US were able to agree a trade deal, putting to rest some of the uncertainty around future tariff rates. The agreement set a 15% tariff on EU exports to the US, which would apply to various sectors, including autos, pharmaceuticals and semiconductors. The agreed rate was much smaller than the previously threated 30% tariff. The composite PMI business survey measure rose gently over the quarter, signalling modest positive private sector output growth. The unemployment rate remained at low levels in data releases over the quarter. Headline inflation in the euro area held firm at 2% in June and July, rising to 2.1% in August and 2.2% in September. Core inflation was stable at 2.3% year-on-year.

Outlook

There is no let-up in market uncertainty. Geopolitics are perhaps a bigger factor than at any time this century given the ongoing situation in Ukraine, wider Russian belligerence in Europe, the conflict in Gaza and the potential for spillover effects. At the same time, policy uncertainty has not eased, with tariffs still very much on the US agenda, the current administration still announcing policies without details appearing to be complete and doing nothing to erase concerns about political interference in monetary policy. On top of these, budget concerns are also a significant factor in both the US and UK. Monetary policy settings are generally seen as supportive of fixed income markets, but even here, there is uncertainty around the timing and quantum of rate cuts as inflation is still not fully subdued. These factors help explain why government bond yields have been relatively volatile in 2025, and there seems little prospect of a material change in this in the next few months.

Yet risk markets generally, including sterling credit, have continue to produce attractive returns. With sterling investment grade credit spreads having compressed in recent months, it is natural to look at absolute levels to determine whether the market still offers ‘value’. With default rates low, and new issuance active, we continue to believe the all-in yield on sterling credit remains attractive. Furthermore, we continue to find attractive investment opportunities, partly through the new issue market but also by focusing on exploiting market inefficiencies. By focusing on bottom-up analysis, we continue to build overall portfolios that we believe offer attractive risk / return profiles with above-market yields.

While near-term absolute performance is likely to be heavily influenced by movements in the yields of underlying government bond markets, we expect performance to continue to be meaningfully influenced by more economically sensitive or cyclical industrial and consumer sectors.

Despite the uncertain outlook at present, a characteristic of the fund is the scope to invest across a wide range of assets, encompassing investment grade, high yield and unrated bonds, diversified by sector and across both sterling and non-sterling bonds. This, together with a process orientated towards mitigating risk by investment in bonds where structure or a claim on assets or on cash flows, and with a focus on income generation, has been the basis of the fund’s strong performance over the longer term. While the state and challenges of economic and market conditions change over time, we believe the fund is well positioned to continue to deliver attractive returns to investors over the medium term.

Further Information

Please click on the links below for further information:

Stewardship and Responsible Investment at RLAM

Royal London Sterling Credit ESG analysis

TCFD climate report

Find out more

In an uncertain geopolitical and economic environment, we recognise the importance of keeping our clients updated on our current investment thinking.

Articles, videos, podcasts and webinars giving the latest views of our investment experts can be found in the Our Views section of www.rlam.com, including regular updates from our Fixed Income, Global Equity, Sustainable and Multi Asset teams.

Disclaimers

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Notice for UK Investors

The Fund is recognised in the UK under the Overseas Fund Regime (OFR) but is not a UK authorised fund and is not authorised by the Financial Conduct Authority (FCA). It is therefore not subject to the same regulatory oversight as UK authorised Funds and is not required to adhere to the UK sustainable investment labelling disclosure requirements. Most of the protections provided by the UK regulatory system, and the compensation under the Financial Services Compensation Scheme, will not be available. Investors are strongly encouraged to seek independent financial advice before making any investment decisions.

The Fund is a sub-fund of Royal London Asset Management Funds plc, an open-ended investment company with variable capital (ICVC), with segregated liability between sub-funds.

Incorporated with limited liability under the laws of Ireland and authorised by the Central Bank of Ireland as a UCITS Fund. It is a recognised scheme under the Financial Services and Markets Act 2000.

The Management Company is FundRock Management Company SA, Registered office: Airport Center Building, 5 Heienhaff, L-1736 Senningerberg, Luxembourg and is authorised and regulated by the Commission de Surveillance du Secteur Financier (CSSF).

The Investment Manager is Royal London Asset Management Limited.

The Prospectus and Key Investor Information Document (KIID) are available in English via the relevant Fund Information page on www.rlam.com. A summary of investor rights is also available in English, and can be accessed at www.rlam.com/uk/policies-and-regulatory

RLAM may terminate the arrangements made for marketing of the fund pursuant to Article 93a of Directive 2009/65/EC.

For more information on the Fund or the risks of investing, please refer to the Prospectus or Key Investor Information Document (KIID), available via the relevant Fund Information page on www.rlam.com.

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FTSE makes no claim, prediction, warranty or representation either as to the results to be obtained from the Fund or the suitability of the Index for the purpose to which it is being put by Royal London Asset Management.

Risks and Warnings

Investment risk

The value of investments and any income from them may go down as well as up and is not guaranteed. Investors may not get back the amount invested.

Credit risk

Credit risk is the potential for loss due to a borrower, debtor or debt issuer defaulting on agreed obligations to make interest or capital repayments. Credit ratings are independent assessments of the credit risk of a debtor or an individual debt security. Securities that have a lower credit rating have a higher risk of default.

EPM techniques risk

The Fund may engage in EPM techniques including holdings of derivative instruments. Whilst intended to reduce risk, the use of these instruments may expose the Fund to increased price volatility.

Exchange rate risk

Changes in currency exchange rates may affect the value of your investment.

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital. Unlike the income from a single fixed interest security, the level of income (yield) from a fund is not fixed and may go up and down. Bond yields (and as a consequence bond prices) are determined by market perception as to the appropriate level of yields given the economic background.

Liquidity risk

In difficult market conditions the value of certain fund investments may be difficult to value and harder to sell, or sell at a fair price, resulting in unpredictable falls in the value of your holding.

Counterparty risk

The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Fund to financial loss.

Derivative risk

Derivatives are highly sensitive to changes in the value of the underlying asset which can increase both Fund losses and gains. The impact to the Fund can be greater where they are used in an extensive or complex manner, where the Fund could lose significantly more than the amount invested in derivatives.

Performance to 30 September 2025

Cumulative (%)

Annualised (%)

	3 Month	6 Month	1 Year	3 Years	5 Years	3 Years (p.a.)	5 Years (p.a.)
A Inc GBP (gross)	3.65	5.66	11.66	40.37	47.59	11.95	8.09
A Inc GBP (net)	3.43	5.21	10.73	36.87	41.52	11.02	7.19
Z Inc GBP (gross)	3.64	5.66	11.65	40.35	47.57	11.95	8.09
Z Inc GBP (net)	3.49	5.35	11.01	37.93	43.35	11.30	7.46

Year on year performance (%)

	30/09/2024 - 30/09/2025	30/09/2023 - 30/09/2024	30/09/2022 - 30/09/2023	30/09/2021 - 30/09/2022	30/09/2020 - 30/09/2021
A Inc GBP (gross)	11.66	14.72	9.58	(8.45)	14.85
A Inc GBP (net)	10.73	13.76	8.66	(9.22)	13.89
Z Inc GBP (gross)	11.65	14.73	9.57	(8.45)	14.85
Z Inc GBP (net)	11.01	14.06	8.93	(8.98)	14.18

Past performance is not a guarantee or reliable indicator of future returns. The impact of fees or other charges including tax, where applicable, can be material on the performance of your investment.

Source: RLAM as at 30 September 2025. All figures are mid-price to mid-price in GBP.

Glossary

Asset allocation

Breakdown of the assets by asset classes. Based on RLAM asset classification scheme.

Bonds

Securities that represent an obligation to repay a debt, with interest. Investment grade bonds are high quality bonds that are viewed as being highly likely to make all scheduled payments of interest and principal. Low quality bonds carry higher risk but also typically pay higher rates of interest. Corporate bonds are those issued by companies to raise finance.

Credit ratings

Credit ratings are based on RLAM composite ratings which uses a hierarchy of S&P, Moody's and then the Fitch rating.

Derivatives

A financial instrument whose price is dependent upon or derived from one or more underlying asset.

Duration

Measure of sensitivity of a Fixed Income instrument to changes in interest rates, indicating the potential impact of interest rate fluctuations on the value of the investment.

Efficient Portfolio Management (EPM) techniques

The Fund may engage in EPM techniques including holdings of derivative instruments. The use of these instruments may expose the Fund to volatile investment returns and increase the volatility of the net asset value of the Fund. EPM techniques may involve the Fund entering into transactions with counterparties where there may be a risk of counterparty default. The Fund's ability to use EPM strategies may be limited by market conditions, regulatory limits and tax considerations.

Fund analytics

All figures exclude cash. Credit bonds include non-sterling bonds and CDs where held within the fund or benchmark.
This is applicable to the following sections: fund Asset Allocation, Duration, Yield curve, Sector breakdown, Financial holdings, Credit ratings.

Number of holdings

Total number of unique holdings of the Fund excluding cash, currency and derivatives.

Number of issuers

Number of unique issuers of all assets held by the Fund, excluding cash, currency and derivatives.

Performance

Both the Fund and Index performance are based on close of business prices.

Pricing

The Fund's price may swing to bid or offer to protect existing investors from the costs associated with buying or selling the fund's underlying assets when other investors are entering or leaving the fund. Performance is based on this pricing.

Redemption yield

Redemption yield is the rate of discount at which a bond's future obligations of interest and capital payments equates to its current price. The gross redemption yield shown for the fund is the average for its individual holdings, weighted by their current value, gross of relevant fund management costs and gross of tax.

Sector breakdown

Breakdown of the fixed income assets, excluding derivatives and cash by RLAM's internal industry sector classification scheme. Figures are subject to rounding.