

For professional clients only, not suitable for retail clients. This is a marketing communication.

Royal London Asset Management

Sustainable Fund Commentary

30 April 2026



Funds that have a Sustainability Focus Label investing mainly in assets that focus on sustainability for people or the planet. Excluding RL European Sustainable Credit Fund, RL Global Sustainable Credit Fund & RL Global Sustainable Equity Fund (IRL).



Fund Commentary

30 April 2026

The purpose of this report is to provide an update on the Royal London Sustainable Funds. The report has been produced by Royal London Asset Management. All content within this report is at the report date unless otherwise stated.

Contents

[Royal London European Sustainable Credit Fund](#)

[Royal London Global Sustainable Credit Fund](#)

[Royal London Global Sustainable Equity Fund](#)

[Royal London Global Sustainable Equity Fund \(IRL\)](#)

[Royal London Sustainable Corporate Bond Trust](#)

[Royal London Sustainable Diversified Trust](#)

[Royal London Sustainable Growth Fund](#)

[Royal London Sustainable Leaders Trust](#)

[Royal London Sustainable Managed Growth Trust](#)

[Royal London Sustainable Short Duration Corporate Bond Fund](#)

[Royal London Sustainable World Trust](#)

[Disclaimers](#)

Sustainable

Royal London European Sustainable Credit Fund

The fund saw a positive return over the month in euro terms, and was ahead of the benchmark index. In April, Middle East tensions and rocketing energy prices continued to dominate headlines. Global government bonds saw yields continue to move higher due to fears over energy-driven inflation pressured markets, although these moves were more restrained than the panic-driven increase in March. However, there were positive returns across credit markets, where the negative impact of higher yields was more than outweighed by the positive impact of tighter credit spreads and the higher income on the asset class.

We continued to add to holdings using the new issue market. Financials remain a key element, with the purchase of senior bonds from Svenska Bank, as well as subordinated bonds from Banco Santander and AT1 bonds from Rabobank. Utilities also remained in focus, with Belgian transmission system operator Elia Group and Dutch electricity network operator Alliander also added over the month. Finally we added a recent new issue from SEGRO European Logistics Partnership – a real estate vehicle of continental European logistics assets across six countries.

At a fundamental level, we still believe that credit spreads over-compensate investors for default risk, and that the all-in yield on 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.

Royal London Global Sustainable Credit Fund

The fund saw a positive return over the month in dollar terms, and was ahead of the benchmark index. In April, Middle East tensions and rocketing energy prices continued to dominate headlines. Global government bonds saw yields continue to move higher due to fears over energy-driven inflation pressured markets, although these moves were more restrained than the panic-driven increase in March. However, there were positive returns across credit markets, where the negative impact of higher yields was more than outweighed by the positive impact of tighter credit spreads and the higher income on the asset class.

We continued to add to holdings using the new issue market. Financials remain a key element, with the purchase of senior bonds from CaixaBank and Svenska Bank, as well as subordinated bonds from Banco Santander and AT1 bonds from Rabobank. Utilities also remained in focus, with Belgian transmission system operator Elia Group and Dutch electricity network operator Alliander also added over the month. Finally we added a recent new issue from SEGRO European Logistics Partnership – a real estate vehicle of continental European logistics assets across six countries.

At a fundamental level, we still believe that credit spreads over-compensate investors for default risk, and that the all-in yield on 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.

Sustainable

Royal London Global Sustainable Equity Fund

The MSCI ACWI advanced in April supported by increased optimism that a peace deal would be reached in Iran, easing concerns around energy supply disruption.

The fund outperformed in April and was positioned in the first quartile. Main contributors included Texas instruments, a manufacturer of analogue and power semiconductors, due to an acceleration in end-market demand. The holding in Comfort Systems, a provider of HVAC, plumbing and mechanical services, benefited from high levels of demand from data centre build outs. The main detractors included Intuit, an accounting software provider for small businesses, as concerns around potential AI-driven disruption weighed on the shares.

The fund continued to build its position in Ciena, an optical networking supplier enabling AI-driven data traffic growth, and exited its position in Shimano, a Japanese manufacturer of bicycle components, reallocating capital towards other Japanese holdings with stronger growth prospects.

Royal London Global Sustainable Equity Fund (IRL)

The MSCI ACWI advanced in April supported by increased optimism that a peace deal would be reached in Iran, easing concerns around energy supply disruption.

The fund outperformed in April and was positioned in the first quartile. Main contributors included Texas instruments, a manufacturer of analogue and power semiconductors, due to an acceleration in end-market demand. The holding in Comfort Systems, a provider of HVAC, plumbing and mechanical services, benefited from high levels of demand from data centre build outs. The main detractors included Intuit, an accounting software provider for small businesses, as concerns around potential AI-driven disruption weighed on the shares.

The fund continued to build its position in Ciena, an optical networking supplier enabling AI-driven data traffic growth, and exited its position in Shimano, a Japanese manufacturer of bicycle components, reallocating capital towards other Japanese holdings with stronger growth prospects.

Royal London Sustainable Corporate Bond Trust

In April, global government bonds presented mixed results as yields stayed elevated while energy-driven inflation pressured markets. The UK 10-year gilt yield rose by 10bps, closing the month above 5.0% for the first time in 18 years. Corporate bonds delivered positive returns, and high yield bonds outperformed investment grade peers. Credit spreads narrowed on improved global risk sentiment.

The fund saw positive returns for April and marginally underperformed its benchmark. While the longer duration positioning relative to the benchmark detracted from performance, the fund saw strong performance contribution from stock selection in the banks and insurance sector and underweight exposure to supranational bonds.

We continue to find attractive investment opportunities, partly through the new issue market but also by focusing on exploiting market inefficiencies and remain confident that we can further achieve an attractive yield premium in our sterling credit portfolios.

Sustainable

Royal London Sustainable Diversified Trust

The MSCI ACWI advanced in April supported by increased optimism that a peace deal would be reached in Iran, which eased concerns around energy supply disruption. The sterling credit market produced modest positive returns in April, driven primarily by income, with a rise in gilt yields partially offset by the outperformance of corporate bonds.

The trust delivered a positive absolute return in April and was positioned in the first quartile. The top contributors included Broadcom, a manufacturer of semiconductor chips, which benefited from demand for custom silicon and networking solutions in AI data centres, and Alphabet, the parent company of Google, which is demonstrating its ability to monetise its AI investments. The main detractors included Hospital Corporation of America, a US hospital operator, due to concerns over weaker patient volumes.

The trust continued to build a position in Prysmian, a power cable manufacturer benefitting from AI driven data and power growth.

Royal London Sustainable Growth Fund

The MSCI ACWI advanced in April supported by increased optimism that a peace deal would be reached in Iran, which eased concerns around energy supply disruption. The sterling credit market produced modest positive returns in April, driven primarily by income, with a rise in gilt yields partially offset by the outperformance of corporate bonds.

The fund delivered a positive absolute return in April and was positioned in the first quartile. The top contributors included Broadcom, a manufacturer of semiconductor chips, which benefited from demand for custom silicon and networking solutions in AI data centres, and Alphabet, the parent company of Google, which is demonstrating its ability to monetise its AI investments. The main detractors included Hospital Corporation of America, a US hospital operator, due to concerns over weaker patient volumes.

The fund continued building a position in Cloudflare, an infrastructure software company.

Royal London Sustainable Leaders Trust

The FTSE All-Share Index advanced in April, supported by increased optimism that a peace deal would be reached in Iran which eased concerns around energy supply disruption.

The Trust outperformed the index during the month and was positioned in the first quartile. Positive contributors included Amazon, which reported strong earnings that demonstrated its ability to monetise its AI investments, and Standard Chartered, an Asia-focused bank, which delivered strong results. AstraZeneca was among the main detractors, reflecting the broader weakness in the healthcare sector.

We initiated new positions in Mirion, a critical supplier of safety technologies to nuclear power and medical industries that should benefit from increased demand for both nuclear power and cancer care solutions; ASML, the provider of equipment used to manufacture leading edge semiconductors for AI; and National Grid, a regulated network utility benefiting from long term grid electrification.

Sustainable

Royal London Sustainable Managed Growth Trust

In April, Middle East tensions and volatile energy prices dominated headlines. Global government bonds presented mixed results as yields stayed elevated while energy-driven inflation pressured markets. The UK 10-year gilt yield rose by 10bps, closing the month above 5.0% for the first time in 18 years. Corporate bonds delivered positive returns, and high yield bonds outperformed investment grade peers. Credit spreads narrowed on improved global risk sentiment.

The fund saw positive returns for April. The fixed income exposure saw positive performance, helped by our positioning in the structured and underweight in supranationals. In equities, positive contributors included Broadcom and Schneider Electric.

We continue to find attractive investment opportunities, partly through the new issue market but also by focusing on exploiting market inefficiencies and remain confident that we can further achieve an attractive yield premium in our sterling credit portfolios.

Royal London Sustainable Short Duration Corporate Bond Fund

In April, global government bonds presented mixed results as yields stayed elevated while energy-driven inflation pressured markets. The UK 10-year gilt yield rose by 10bps, closing the month above 5.0% for the first time in 18 years. Corporate bonds delivered positive returns, and high yield bonds outperformed investment grade peers. Credit spreads narrowed on improved global risk sentiment.

The fund saw positive returns for April and outperformed its benchmark. While the longer duration positioning relative to the benchmark detracted from performance, the fund saw strong performance contribution from stock selection in banks and insurance and from underweight exposure to supranational bonds.

We continue to find attractive investment opportunities, partly through the new issue market but also by focusing on exploiting market inefficiencies and remain confident that we can further achieve an attractive yield premium in our sterling credit portfolios.

Royal London Sustainable World Trust

The MSCI ACWI advanced in April supported by increased optimism that a peace deal would be reached in Iran, which eased concerns around energy supply disruption. The sterling credit market produced modest positive returns in April, driven primarily by income, with a rise in gilt yields partially offset by the outperformance of corporate bonds.

The Trust delivered a positive absolute return in April and was positioned in the first quartile. The top contributors included Broadcom, a manufacturer of semiconductor chips, which benefited from demand for custom silicon and networking solutions in AI data centres, and Alphabet, the parent company of Google, which is demonstrating its ability to monetise its AI investments. The main detractors included Hospital Corporation of America, a US hospital operator, due to concerns over weaker patient volumes.

The Trust continued to build its position in Cloudflare, an infrastructure software company.

Disclaimers

Important information

For professional investors only, not suitable for retail clients. This marketing communication is a financial promotion and is not investment advice.

The views expressed are those of Royal London Asset Management at the date of publication unless otherwise indicated, which are subject to change, and is not investment advice. Telephone calls may be recorded. For further information please see the privacy policy at www.rlam.com.

RL Sustainable Leaders Trust, RL Sustainable World Trust, RL Sustainable Diversified Trust, RL Sustainable Managed Growth Trust, RL Sustainable Corporate Bond Trust.

The Trusts are authorised unit Trust schemes. The Manager is RLUM Limited, authorised and regulated by the Financial Conduct Authority, with firm reference number 144032.

RL Global Sustainable Equity Fund, RL Sustainable Growth Fund

The Funds are sub-Funds of Royal London Equity Funds ICVC, an open-ended investment company with variable capital with segregated liability between sub-Funds, incorporated in England and Wales under registered number IC000807. The Authorised Corporate Director (ACD) is Royal London Unit Trust Managers Limited, authorised and regulated by the Financial Conduct Authority, with firm reference number 144037.

RL European Sustainable Credit, RL Global Sustainable Credit Fund, RL Global Sustainable Equity (IRL):

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 Fund Rock 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. A summary of investor rights is also available in English. RLAM may terminate the arrangements made for marketing of the Fund pursuant to Article 93a of Directive 2009/65/EC.

RL Sustainable Short Duration Corporate Bond Fund

The Fund is a sub-Fund of Royal London Bond Funds II ICVC, an open-ended investment company with variable capital with segregated liability between sub-Funds, incorporated in England and Wales under registered number IC001128. The Authorised Corporate Director (ACD) is Royal London Unit Trust Managers Limited, authorised and regulated by the Financial Conduct Authority, with firm reference number 144037.

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.

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.

FTSE indexes and data are an intellectual property of FTSE International Limited ("FTSE"). "FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE under licence. The Index is calculated by FTSE or its agent. 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.

MSCI indexes and data are the intellectual property of MSCI Inc. MSCI has no liability to any person for any loss, damage, cost, or expense suffered as a result of any use of or reliance on any of the information.

Disclaimers

Important information

Bloomberg® is a trademark and service mark of Bloomberg Finance L.P. (collectively with its affiliates, "Bloomberg"). Barclays® is a trademark and service mark of Barclays Bank Plc (collectively with its affiliates, "Barclays"), used under license. Bloomberg or Bloomberg's licensors, including Barclays, own all proprietary rights in the Bloomberg Barclays Indices. Neither Bloomberg nor Barclays approve or endorse this material, or guarantees the accuracy or completeness of any information herein, or makes any warranty, express or implied, as to the results to be obtained therefrom and, to the maximum extent allowed by law, neither shall have any liability or responsibility for injury or damages arising in connection therewith.

ICE indexes and data are the intellectual property of ICE Data Indices, LLC, its affiliates ("ICE Data") and/or its Third-Party Suppliers and has been licensed for use by Royal London Asset Management. ICE Data and its Third-Party Suppliers accept no liability in connection with its use. See <https://www.theice.com/market-data/disclaimer> for a full copy of the Disclaimer.

iBoxx indexes and data are an intellectual property of Markit North America, Inc., Markit Indices GmbH, Markit Equities Limited and/ or its affiliates iBoxx and has been licensed for use in connection with the Fund (or other investment vehicle) or securities referenced herein. The Index provided by IHS Markit is subject to disclaimer currently available here (and as updated by IHS Markit from time to time): <https://ihsmarkit.com/Legal/disclaimers.html> and/or in the prospectus for the Fund.

Issued in May 2026 by Royal London Asset Management Limited, 80 Fenchurch Street, London, EC3M 4BY. Authorised and regulated by the Financial Conduct Authority, firm reference number 141665. A subsidiary of The Royal London Mutual Insurance Society Limited.

FC RLAM EM 0113 RA

Risk 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.

Concentration risk

The price of Funds that invest in a reduced number of holdings, sectors, or geographical areas may be more heavily affected by events that influence the stock market and therefore more volatile.

Credit risk

Should the issuer of a fixed income security become unable to make income or capital payments, or their rating is downgraded, the value of that investment will fall. Fixed income securities that have a lower credit rating can pay a higher level of income and have an increased risk of default.

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.

Efficient portfolio management (EPM) techniques

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

Investing in assets denominated in a currency other than the base currency of the Fund means the value of the investment can be affected by changes in exchange rates.

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.

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.

Emerging markets risk

Investing in Emerging Markets may provide the potential for greater rewards but carries greater risk due to the possibility of high volatility, low liquidity, currency fluctuations, the adverse effect of social, political and economic instability, weak supervisory structures and accounting standards.

Responsible investment style risk

The Fund can only invest in holdings that demonstrate compliance with certain sustainable indicators or ESG characteristics. This reduces the number securities in which the Fund can invest and there may as a result be occasions where it forgoes more strongly performing investment opportunities, potentially underperforming non-sustainable Funds.

Charges from capital risk

Charges are taken from the capital of the Fund. Whilst this increases the yield, it also has the effect of reducing the potential for capital growth.