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# Royal London **Global Sustainable Credit Fund** 2024 Outcomes Report

Issued August 2025



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# Introduction

## The purpose of this report

- In recent years there has been growing societal awareness of the impact that economic activity has on people and the environment. At the same time there is increasing demand for asset managers to report on the environmental and social performance of investments and to evidence claims made about funds. The overriding principles of our approach to reporting outcomes are honesty, critical objectivity and disclosure. Our aim is to give a complete view of the outcomes generated by the companies we invest in – what happens to the environment and to people because of what they do and how they do it.

## How we approach data

- The portfolio holdings used for this report are correct as of 31 December 2024, and the company data was collected through January 2025.
- We use the latest available data at the time of data collection. This means that this document mostly reflects data reported by companies in 2024, but in some cases it could be from 2023 or earlier.

## How to read this report

- In the interest of transparency, objectivity and authenticity, this report describes both positive and negative outcomes of our investee companies in 2024. We have done this relative to the fund's performance benchmark (where appropriate).
- When we refer to 'outcomes', we aim to measure the changes driven by both the operations and products & services of the companies in the fund. Outcomes are more immediate and easier to measure than impacts, which are often longer-term, multi-faceted and more complex to measure (see page 28 for further details).
- Our understanding of outcomes, impacts and data availability is constantly evolving. Today, there are large gaps in the data, as well as low coverage of certain metrics and a scarcity of data for product and service outcomes - particularly when compared to operational environmental and social outcomes. As such, 23 of our 30 indicators are focused on operational outcomes and only seven assess product and services outcomes. We continue to develop our framework and aim to address data gaps in future reports.
- Further information on our approach, methodology and limitations are included in the appendix.

# Our investment approach



## Philosophy

We believe that owners and managers of capital can be a catalyst for positive social and environmental change. They can do this in two ways: by allocating capital to sustainable companies that are helping solve the world's social and environmental challenges, and through active engagement to encourage continual improvement. In our view, strong sustainable credentials are often a good leading indicator of future financial performance with respect to growth and profitability and that sustainable investing focuses on an exploitable market inefficiency.



## Objective & Investment Focus

The fund's investment objective is to outperform the Bloomberg Barclays Global Aggregate Corporate Total Return Index Hedged USD (the "Benchmark") by 0.75% per annum over rolling three-year periods (gross of fees).

The fund will invest in bonds from companies that are deemed to make a positive contribution to society. Investments will adhere to Royal London Asset Management's sustainable investment policy.



## Process

The Fund will invest at least 80% of its Net Asset Value in fixed and floating rate investment grade corporate bonds which are listed or dealt on Recognised Markets. Our investment process focuses on companies that make a positive contribution towards a cleaner, healthier, safer and more inclusive society through the products and services the companies provide (i.e. what they do) and/or their standards of environmental and social management (i.e. how they operate). We evaluate these factors alongside our in-depth financial analysis and a detailed corporate governance assessment, as we believe that good governance is an enabler of good environmental and social performance.



## Research approach

We have a bottom-up research approach, ensuring all investments meet our sustainability requirements, while also offering attractive financial returns. An additional output of this research process is alignment of each company to a contributing factor that refers to the thematic elements that each investment supports.



# Our investment process

## What companies do (their products and services)



### Cleaner

- Reduce greenhouse gas (GHG) emissions, water and waste
- Build greener social and environmental infrastructure
- Preserve natural capital and increase resilience to climate change
- Support the energy transition



### Healthier

- Drive next generation medicine to improve health outcomes
- Access to affordable healthcare
- Improve hygiene and wellbeing
- Improve efficiency of scientific research through digitisation



### Safer

- Safer and more effective transport
- Cyber security and online safety
- Better automation
- Safer and healthier workplaces



### More inclusive

- Access to financial services for people and businesses
- Improving financial resilience for people and businesses
- Community funding
- Safe and affordable housing
- Access to digital technology and services

## How they do it (their operations)



Good governance, corporate culture, diversity and inclusion



Leadership in ESG practices



Managing material ESG risks



Do no significant harm



Reputational risks and controversies



Climate change and GHG emissions management

# Sustainable outcomes summary

This table summarises the outcomes performance of the fund against the benchmark (where appropriate) for the indicators available. Further detail on these indicators can be found in the sustainable outcomes data section.

Cleaner	Global Sustainable Credit Fund	VS	BBG Global Aggregate Corporate Index	
Absolute emissions Scope 1 & 2 (tCO <sub>2</sub> e)	969,733		4,722,803	> 79.5% better
Carbon intensity Scope 1 & 2 (tCO <sub>2</sub> e / \$m revenue)	86.8		211.3	> 58.9% better
Absolute emissions Scope 3 (tCO <sub>2</sub> e)	12,263,539		41,453,732	> 70.4% better
Carbon intensity Scope 3 (tCO <sub>2</sub> e / \$m revenue)	443.6		651.4	> 31.9% better
RLAM Climate Transition Assessment	0.5% (of financed emissions) aligned and climate leaders 13.1% (of financed emissions) aligning towards a net zero pathway 0.1% (of financed emissions) not aligned			
SBTi** approved climate commitments	18.6%		22.4%	> 3.7% worse
Implied temperature rise <1.5°C	27.2%		16.3%	> 10.9% better
Implied temperature rise <2°C	54.0%		45.7%	> 8.3% better
Absolute waste generated (tonnes)	68,839		10,128,833	> 99.3% better
Waste generation (intensity: Tonnes / \$M EVIC***)	1.5		125.9	> 98.8% better
Absolute water use (m <sup>3</sup> )	3,205,624		36,246,542	> 91.2% better
Water used (intensity: m <sup>3</sup> / \$M EVIC**)	95.7		683.2	> 86.0% better
Biodiversity impact (% of the fund severely impacting biodiversity)	2.6%		11.2%	> 8.6% better
P&S* Sustainable finance enabled	£90 billion			

\* P&S indicates products & services, all other indicators are operations. These indicators are applicable to specific industries and companies. No benchmark comparison is available. \*\* SBTi - Science Based Targets initiative \*\*\* EVIC - Enterprise Value Including Cash.

For data sources, data coverage and additional information on the metrics listed on these summary pages, please see the sustainable outcomes data section on pages 13 to 26.

## Healthier

P&amp;S\*

Number of underserved patients reached through affordable and access to healthcare schemes

Global Sustainable Credit Fund

3,200,000

## Safer

Global Sustainable Credit Fund

VS

BBG Global Aggregate Corporate Index

Health & safety score

9.6/10

9.1/10

&gt;

5.4% better

## More inclusive

Global Sustainable Credit Fund

VS

BBG Global Aggregate Corporate Index

Gender diversity (Board)

40%

36%

&gt;

4% better

Gender diversity (Management)

34%

34%

&gt;

0.5% better

Gender diversity (Employees)

44%

40%

&gt;

4% better

CEO: median employee salary ratio

143:1

111:1

&gt;

28.2% worse

P&amp;S\*

Number of MSME\*\* businesses provided with financial services

167,500

P&amp;S\*

Number of affordable homes delivered

3,450

P&amp;S\*

Additional people provided access to financial services

10,560,000

P&amp;S\*

Number of customers in financial hardship supported

75,450

P&amp;S\*

Number of customers provided access to insurance

30,200,000

## Good governance

Global Sustainable Credit Fund

VS

BBG Global Aggregate Corporate Index

Governance: employee representation

15.8%

10.9%

&gt;

5.0% better

Governance: equal voting rights

87.0%

91.0%

&gt;

4.0% worse

Governance: stakeholder constituency

36.9%

20.5%

&gt;

16.4% better

Governance: vote on pay

86.5%

91.1%

&gt;

4.7% worse

Governance: data security score

9.2/10

8.9/10

&gt;

3.6% better

\* P&S indicates products & services, all other indicators are operations. These indicators are applicable to specific industries and companies. No benchmark comparison is available.

\*\* MSMEs refers to Micro-, Small and Medium Enterprises.

For data sources, data coverage and additional information on the metrics listed on these summary pages, please see the sustainable outcomes data section on pages 13 to 26.

# Summary

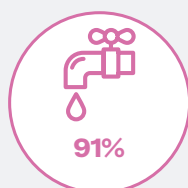
## Where our investee companies perform well:



18/22

In aggregate, the companies in our fund outperform the benchmark in **18 out of the 22** comparable operational sustainable outcome indicators. The indicators were chosen to represent the broadest range of sustainability outcomes where we could obtain relevant data.

### Cleaner:



91%



99%

Companies in our fund emit less greenhouse gas emissions (tCO<sub>2</sub>e) than the benchmark and more of them have an implied temperature rise below 1.5°C.

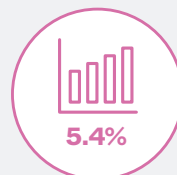
They are also generating **99% less** waste, and using **91% less** water than companies in the benchmark.



3 million

### Healthier:

UCB enabled over **3 million** low income people gain access to medicines<sup>1</sup>.



5.4%

### Safer:

Companies in the fund score **5.4% better** on average on health and safety performance according to the scoring methodology of MSCI ESG Research.



3/5

### Corporate governance:

The fund performs better than the benchmark on **3 of the 5** corporate governance measures.

## More inclusive:



44%

Companies in our fund perform narrowly better than the benchmark for gender diversity with higher female representation at board and employee levels, with marginally higher representation at management level too.



3,450

Housing associations in the fund delivered nearly 3,500 new affordable housing units<sup>2</sup>.



10,560,000

Companies in the fund supported over 10.5 million people gain access to financial services<sup>3</sup>.

## Where our investee companies need to make improvements:



Slightly less of the fund by weight has SBTi approved climate commitments.



Companies in our fund have a higher CEO: median employee salary ratio than the benchmark.

1 UCB Annual Report 2023 2 Places for People Annual Report 2024, A2 Dominion Customer Annual Report 2024, Sanctuary Group Annual Report 2023/24 3 Banco Santander Annual Report 2023, Banco Bilbao Vizcaya Argentaria Annual Report 2023, Credit Agricole Integrated Report 2023 and BNP Paribas Annual Report 2023.

For data sources, data coverage and additional information on the metrics listed on these summary pages, please see the sustainable outcomes data section on pages 13 to 26.

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# A healthier society

## HCA Healthcare

### Region

American  
company

### Industry sector

Healthcare

### Website

[HCA](https://www.hcahealthcare.com)

HCA Healthcare (HCA) is the world's largest private hospital group.

**What (products & services):** HCA (initially formed as Hospital Company of America) contributes to a healthier society through its services in the US and UK. HCA is comprised of 186 hospitals and approximately 2,400 sites of care in 20 US states and the UK. In addition to hospitals, sites of care include surgery centres, freestanding emergency rooms, urgent care clinics, diagnostic and imaging centres, walk-in clinics and physician clinics. It has a workforce of 309,000. As a learning health system, HCA analyses data from more than 43 million patient encounters each year, which helps develop technologies and best practices that improve patient care. It also shares learnings with the larger healthcare community and government agencies to improve care everywhere.

**How (operations):** The average length of stay at HCA hospitals has been declining year on year, meaning less time in hospital for each patient. That efficiency can positively influence payer (and patient) satisfaction with HCA's services, too, as they are likely saving the payer money by reducing the overall hospital day charges.

## Products and services



186 hospitals



Over 9 million emergency room visits in 2023.



45,000+ active and affiliated physicians.

These are company reported statistics from HCA Healthcare, including from its 2023 Annual Report. We are using these to support the sustainability case above. We do not consider them outcomes of our investment for the purpose of this report.

## How HCA Healthcare operates

	2024	2022
Total tCO <sub>2</sub> emissions (Scope 1 + 2 + 3)*	2,286,511	1,951,000
Carbon intensity (tCO <sub>2</sub> e Scope 1 + 2 + 3/ \$m revenue)*	35.2	33.2
Renewable consumption %**	Not disclosed	Not disclosed
Implied Temperature Rise*	2.1°C	Not available
SBTi approved commitments***	No	No
Biodiversity*	No significant incidents	Not available
Waste generated (tonnes)**	Not disclosed	Not disclosed
Waste intensity (tonnes / \$m EVIC)**	Not disclosed	Not disclosed
Water used (m <sup>3</sup> )**	Not disclosed	Not disclosed
Water intensity (m <sup>3</sup> / \$m EVIC)**	Not disclosed	Not disclosed
Female board**	30%	27%
Female managers**	52%	51%
Female employees**	78%	78%
CEO: median employee salary**	356:1	368:1
Health & safety*	10	Not available
Employee reps on board?*	No	Not available
Equal voting rights?*	Yes	Not available
Stakeholder constituency provision?*	No	Not available
Vote on executive pay?*	Yes	Not available
Data security score*	4	Not available

\* Certain information ©2025 MSCI ESG Research LLC. Reproduced by permission. Data as at 27 January 2025. Where 2024 data was not available, data from 2023 and 2021 was used to provide a 2 year comparison.

\*\* Data from Net Purpose.

\*\*\* Data from SBTi - Science Based Targets initiative as at 31 December 2024.

# A more inclusive society

**BBVA**

**Region**

**Spain**

**Industry sector**

**Banking**

**Website**

[BBVA](https://www.bbva.com)

BBVA is a global financial services group, present in more than 25 countries.

**What (products & services):** BBVA (Banco Bilbao Vizcaya Argentaria) offers its customers a unique value proposition, leveraged on technology and data, helping them improve their financial health with personalised information on financial decision-making. BBVA was one of the first banks to offer online banking services in the early 2000s and launched BBVA Wallet in 2013, one of the first mobile banking apps to offer contactless payments. The company has a significant presence in emerging markets, particularly in South America. It provides financial health tools to customers that see customers improve their savings capacity. Balances of users increased by 11% in Spain and 20% in Mexico compared to customers not using the tools.

**How (operations):** In order to foster new business, the bank is working on 3 levers: 1) promoting personalised advice to customers to capture incremental business opportunities across wholesale, enterprise and retail segments; 2) developing differential risk management capabilities; 3) building levers to do business in the right way.

The company has a strategic priority “Helping our clients in the transition towards a sustainable future”. Examples include funds channelled to activities such as renewable energies, energy efficiency, waste management and water treatment, or financing access to essential needs and services, such as housing and inclusive finance, among others.

## Products and services



More than 89 million customers globally.



Operating in over 25 countries, including Spain, Mexico, Turkey, and parts of South America.



Lending over €400 billion to corporate and personal customers.

These are company reported statistics from BBVA's Annual Report 2023. We are using these to support the sustainability case above. We do not consider them outcomes of our investment for the purpose of this report.

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## How BBVA operates

	2024	2022
Total tCO <sub>2</sub> emissions (Scope 1 + 2)*	1,684,849	311,349
Carbon intensity (tCO <sub>2</sub> e Scope 1 + 2 / \$m revenue)*	23.9	7.7
Renewable consumption %**	89%	79%
Implied temperature rise*	2°C	Not available
SBTi approved commitments***	No	No
Biodiversity*	No significant incidents	Not available
Waste generated (tonnes)**	2,668	4,371
Waste intensity (tonnes / \$m EVIC)**	0.01	0.02
Water used (m <sup>3</sup> )**	1,579,399	1,925,850
Water intensity (m <sup>3</sup> / \$m EVIC)**	6.0	7.9
Female board**	40%	33%
Female managers**	30%	32%
Female employees**	52%	53%
CEO: median employee salary**	Not disclosed	Not disclosed
Health & safety*	10	Not available
Employee reps on board?*	No	Not available
Equal voting rights?*	Yes	Not available
Stakeholder constituency provision?*	No	Not available
Vote on exec pay?*	Yes	Not available
Data security score*	10	Not available

\* Certain information ©2025 MSCI ESG Research LLC. Reproduced by permission. Date as at 27 January 2025. Where 2024 data was not available, data from 2023 and 2021 was used to provide a 2 year comparison.

\*\* Data from Net Purpose.

\*\*\* Data from STBi - Science Based Targets initiative as at 31 December 2024.

# Sustainable outcomes data: cleaner

## Greenhouse gas emissions and climate change

The following indicators tell us how much Greenhouse gas emissions (tCO<sub>2</sub>e) are emitted by companies in the fund, across Scope 1, 2 and 3, how operationally efficient our companies are in using the resources generating these emissions and how much of the energy comes from renewable sources.

As we don't invest in fossil fuel extraction companies in our sustainable funds we expect emissions to be much lower than the benchmark. Additionally, while not every company needs to be an ESG leader for inclusion in our funds, we tend to exclude the worst performers further contributing to relative performance vs the benchmark.

### Absolute emissions (Scope 1&2)

Global Sustainable  
Credit Fund

969,733  
Tonnes CO<sub>2</sub>e

Coverage: 97.0%

BBG Global Aggregate  
Corporate Index

4,722,803  
Tonnes CO<sub>2</sub>e

Coverage: 96.5%

79.5% better

### Carbon intensity (Scope 1&2)

Global Sustainable  
Credit Fund

86.8 Tonnes CO<sub>2</sub>e  
per \$m revenue

Coverage: 96.0%

BBG Global Aggregate  
Corporate Index

211.3 Tonnes CO<sub>2</sub>e  
per \$m revenue

Coverage: 96.2%

58.9% better

#### Top performer

Harbour Funding

#### Absolute emissions (tCO<sub>2</sub>e) and carbon intensity (tCO<sub>2</sub>e/\$m revenue)

9.6 / 0.03

#### Bottom performer

Republic Services

#### Absolute emissions (tCO<sub>2</sub>e) and carbon intensity (tCO<sub>2</sub>e/\$m revenue)

13,988,898 / 1,035

Companies are sorted into lowest and highest performers by their absolute emissions. These are not necessarily the highest and lowest performing companies based on carbon intensity.

Source: MSCI ESG Research as at 31 December 2024. Certain information ©2025 MSCI ESG Research LLC. Reproduced by permission.



Absolute emissions (Scope 3)\*

Global Sustainable  
Credit Fund

12,263,539  
Tonnes CO<sub>2</sub>e

Coverage: 85.0%

BBG Global Aggregate  
Corporate Index

41,453,732  
Tonnes CO<sub>2</sub>e

Coverage: 95.1%

70.4% better

Carbon intensity (Scope 3)\*

Global Sustainable  
Credit Fund

443.6 Tonnes CO<sub>2</sub>e  
per \$m revenue

Coverage: 84.0%

BBG Global Aggregate  
Corporate Index

651.4 Tonnes CO<sub>2</sub>e  
per \$m revenue

Coverage: 94.7%

31.9% better

Top performer

Elenia Verkoo

Absolute emissions (tCO<sub>2</sub>e) and carbon intensity  
(tCO<sub>2</sub>e/\$m revenue)

91,615 / 278.2

Bottom performer

e.on

Absolute emissions (tCO<sub>2</sub>e) and carbon intensity  
(tCO<sub>2</sub>e/\$m revenue)

74,009,029 / 715.1

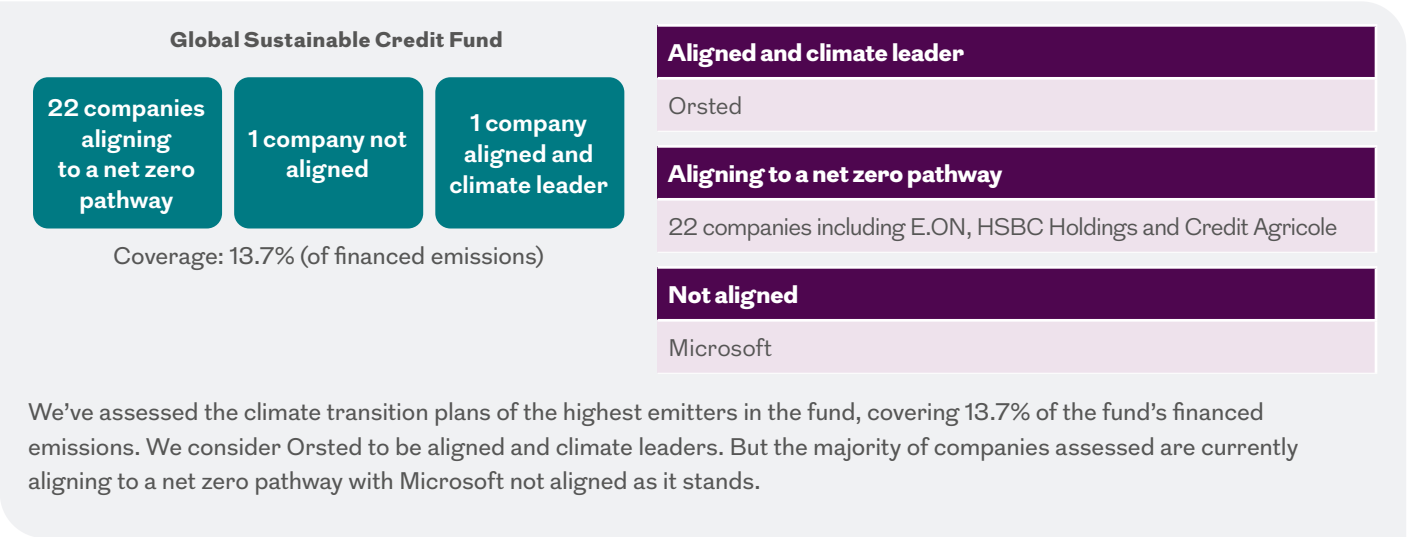
Companies are sorted into lowest and highest performers by their absolute emissions. These are not necessarily the highest and lowest performing companies based on carbon intensity.

Source: MSCI ESG Research as at 31 December 2024. Certain information © 2025 MSCI ESG Research LLC. Reproduced by permission. All Scope 3 data is sourced from and estimated by MSCI ESG Research.

Royal London Asset Management climate transition assessment

To assess the credibility of climate transition plans Royal London Asset Management developed a set of 12 net zero indicators across three overarching expectations: setting emissions reductions targets aligned with the Paris Agreement, bringing others to net zero and demonstrating action now. Each of these indicators are assessed using a ‘red/amber/green’ rating based on proprietary criteria which factors in sector-specific considerations. We use our indicators to build a normalised methodology in line with the Net Zero Investment Framework (NZIF) categories: namely, aligned to a net zero pathway: aligning towards a net zero pathway; not aligned. We research companies based on these indicators and share the expectations with companies we invest in as part of our net zero engagement activity (the “Indicators Research”).

This indicators research is primarily focused on issuers responsible for 70% of our total financed emissions across Royal London Asset Management. The sustainable funds don’t invest in companies extracting fossil fuels and therefore not as many of the fund’s holdings are covered by the indicators research, so coverage of financed emissions in these funds is lower. We’ve also included the results of adhoc research done on other companies at various times.



Source: Royal London Asset Management as at 31 December 2024.

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## Science Based Targets initiative and Implied Temperature Rise

To support our company level qualitative analysis, at fund level, we assessed how many companies have Science Based Targets initiative (SBTi) approved climate commitments and their Implied Temperature Rise (ITR). We use ITR to track the percentage of our investment portfolio that is operating in alignment with limiting temperature rises to 1.5°C and 2°C. A company's ITR in degrees Celsius (°C) is calculated by considering the targets that the company has set to reaching net zero and the likelihood that these targets will be achieved, given their implemented strategy.

### SBTi approved climate commitments

Global Sustainable  
Credit Fund

18.6%

Coverage: 100.0%

BBG Global Aggregate  
Corporate Index

22.4%

Coverage: 100.0%

3.7% worse

Source: SBTi - Science Based Targets initiative as at 31 December 2024.

#### Top performers

37 names have targets set

#### Bottom performers

135 names do not have targets set

### Implied Temperature Rise <1.5°C

Global Sustainable  
Credit Fund

27.2%

Coverage: 89.9%

BBG Global Aggregate  
Corporate Index

16.3%

Coverage: 95.8%

10.9% better

### Implied Temperature Rise <2°C

Global Sustainable  
Credit Fund

54.0%

Coverage: 89.9%

BBG Global Aggregate  
Corporate Index

45.7%

Coverage: 95.8%

8.3% better

#### Top performers

48 companies have an ITR below 1.5

#### Bottom performers

47 companies have an ITR above 2°C

Source: MSCI ESG Research as at 31 December 2024. Certain information ©2025 MSCI ESG Research LLC. Reproduced by permission.

Both of these metrics - SBTi and ITR - make assumptions that embed uncertainties in their results. For more information on some of the limitations of these metrics please see our [Taskforce on Climate Related Financial Disclosures \(TCFD\) Report](#).

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## Waste

The following indicators tell us how much waste is generated in absolute terms and the amount of waste generated per \$million Enterprise Value (EVIC) of companies in the fund.

### Absolute waste generated

Global Sustainable  
Credit Fund

68,839 tonnes

Coverage: 62.5%

BBG Global Aggregate  
Corporate Index

10,128,833 tonnes

Coverage: 61.6%

99.3% better

Top performers	Tonnes waste
ASR Nederland	164
ERG	216
AA	241

Bottom performers	Tonnes waste
Smurfit Westrock	879,819
CenterPoint Energy	757,738
e.on	701,500

Source: Net Purpose as at 27 January 2025.

### Waste generation (intensity)

Global Sustainable  
Credit Fund

1.5 tonnes/\$million  
EVIC

Coverage: 62.5%

BBG Global Aggregate  
Corporate Index

125.9 tonnes/\$million  
EVIC

Coverage: 61.6%

98.8% better

Top performers	Tonnes waste / \$m value (EVIC)
ABN AMRO	0.00
Credit Agricole	0.01
Banco Santander	0.01

Bottom performers	Tonnes waste / \$m value (EVIC)
Smurfit Westrock	45.0
Pennon Group	39.0
CenterPoint Energy	20.3

Source: Net Purpose as at 27 January 2025.

As we don't invest in fossil fuel extraction and mining companies, which are intense producers of waste, we expect the volume of waste generated to be lower than the benchmark. Additionally, while not every company needs to be an ESG leader for inclusion in our funds, we tend to exclude the worst performers further contributing to relative performance vs the benchmark.

## Water

These indicators tell us how much water is used in absolute terms and how much water is consumed per \$million Enterprise Value (EVIC) of companies in the fund.

### Absolute water consumption

Global Sustainable  
Credit Fund

3,205,624

Coverage: 60.0%

BBG Global Aggregate  
Corporate Index

36,246,542 m<sup>3</sup>

Coverage: 61.9%

91.2% better

Top performers	Water used (m <sup>3</sup> )
ERG	1,176
OSB Group	7,180
ASR Nederland	13,057

Bottom performers	Water used (m <sup>3</sup> )
Iberdrola	79,804,000
Vonovia	44,400,000
Avista Corporation	24,182,000

Source: Net Purpose as at 27 January 2025.

### Water consumption (intensity)

Global Sustainable  
Credit Fund

95.7  
per \$million EVIC

Coverage: 60.0%

BBG Global Aggregate  
Corporate Index

683.2  
per \$million EVIC

Coverage: 61.9%

86.0% better

Top performers	Water used (m <sup>3</sup> ) / \$m value (EVIC)
Prologis	0.05
ERG	0.16
ASR Nederland	0.51

Bottom performers	Water used (m <sup>3</sup> ) / \$m value (EVIC)
Avista Corporation	4,147
Pennon Group	845.4
Vonovia	565.0

Source: Net Purpose as at 27 January 2025.

As we don't invest in fossil fuel extraction and mining companies, which are intense users of water, we expect water use to be lower than the benchmark. Additionally, while not every company needs to be an ESG leader for inclusion in our funds, we tend to exclude the worst performers further contributing to relative performance vs the benchmark.



## Biodiversity

This indicator\* tells us how many companies in the fund either have operations located in or near biodiversity sensitive areas, are assessed to potentially negatively affect local biodiversity, and have no impact assessment; or are involved in controversies with severe impact on local biodiversity.

### Biodiversity impact (% of the fund)

#### Global Sustainable Credit Fund

**2.6%**  
(3 companies)

Coverage: 89.5%

#### BBG Global Aggregate Corporate Index

**11.2%**  
(224 companies)

Coverage: 96.8%

**8.6% better**

Source: MSCI ESG Research as at 27 January 2025. Certain information ©2025 MSCI ESG Research LLC. Reproduced by permission.

### Sustainable finance enabled

#### Global Sustainable Credit Fund

**£90 billion**

Coverage: n/a

Natwest provided £29.3billion of sustainable and climate financing while BBVA enabled approximately €70billion.

Source: Natwest 2023 ESG Disclosures Report and BBVA 2023 Annual Report.

\* Note: Currently, there are still large data gaps, with low coverage for some metrics including biodiversity. Therefore, here we have provided the EU Sustainable Finance Disclosure Regulation (SFDR) Principal Adverse Sustainability Indicator (PAI) figures for biodiversity - #7. Activities negatively affecting biodiversity-sensitive areas.

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# Sustainable outcomes data: healthier

## Access to healthcare

This indicator tells us how many people were reached by healthcare companies through affordable healthcare schemes. These are schemes designed to support underserved and low income groups who might not have otherwise had access to medication.

### Number of underserved patients reached through affordable and access to healthcare schemes

#### Global Sustainable Credit Fund

3,200,000

Coverage: n/a

#### BBG Global Aggregate Corporate Index

n/a

Coverage: n/a

The company who has reported relevant figures in our fund is UCB, who provided 3.2 million people around the world with access to medicines in 2023.

# Sustainable outcomes data: safer

## Labour practices and decent work

This indicator aims to demonstrate how well companies manage employee health & safety by measuring the severity of controversies related to the safety of a firm's employees.

### Health & safety score

Global Sustainable  
Credit Fund

9.6/10

Coverage: 90.0%

BBG Global Aggregate  
Corporate Index

9.1/10

Coverage: 97.1%

5.4% better

#### Top performers

137 companies are scored 10/10 for health & safety

#### Bottom performers

4 companies score 5/10 or below

Source: MSCI ESG Research as at 27 January 2025. Certain information ©2025 MSCI ESG Research LLC. Reproduced by permission.

This indicator measures the severity of controversies related to the safety of a firm's employees. Factors affecting this evaluation include, but are not limited to, a history of involvement in workplace safety-related legal cases, widespread or egregious fines for unsafe workplace practices, resistance to improved practices, and criticism by non-governmental organisations (NGOs) and/or other third-party observers.

Note: This indicator shows the MSCI employee health & safety score where 0 is the worst available score and 10 is the best.

Reference to any security is for information purposes only and should not be considered a recommendation to buy or sell. Portfolio holdings are subject to change without notice.

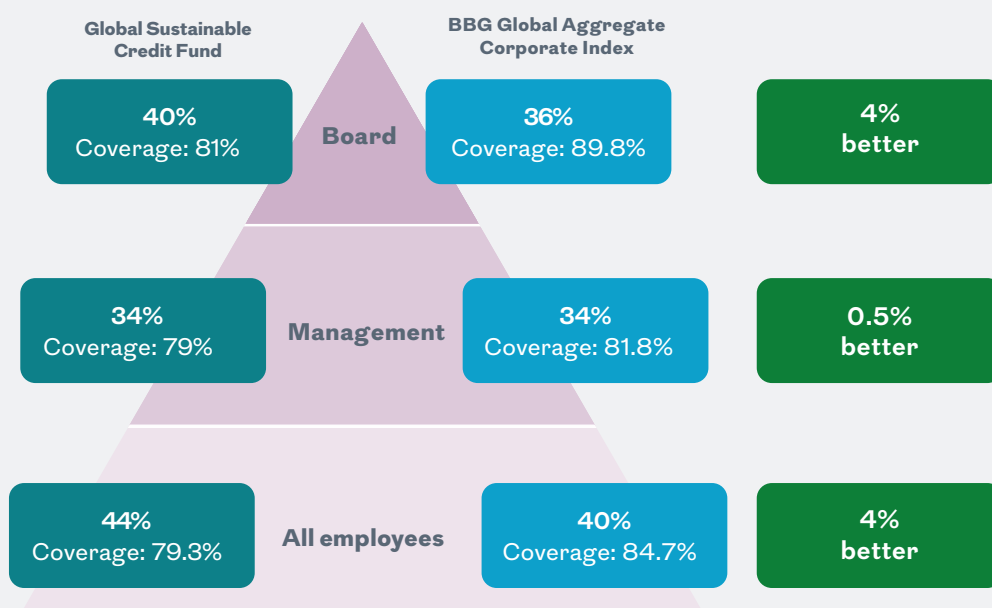
# Sustainable outcomes data: more inclusive

## Gender diversity

These indicators tell us what proportion of company employees are women, at levels throughout the organisations.

Royal London Asset Management is a member of the 30% Club – a group of investors aiming to ensure 30% female representation on boards – so we are pleased that the fund is on target overall.

### Female representation in the workforce



#### Board

Top performers	%
Pennon Group	62%
American Water Works Company	60%
Unibail-Rodamco-Westfield	60%

Bottom performers	%
AA	13%
CenterPoint Energy	20%
Takeda Pharmaceutical	20%

#### Management

Top performers	%
Akelius Residential Property	53%
HCA Healthcare	52%
Zoetis	51%

Bottom performers	%
East Japan Railway Company	11%
Broadcom	14%
NXP semiconductors	17%

#### All employees

Top performers	%
HCA Healthcare	78%
Klepierre	62%
Nationwide Building Society	61%

Bottom performers	%
CSX Corporation	5%
Canadian National Railway Company	8%
Ashtead Group	13%

Source: Net Purpose as at 27 January 2025.

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## Financial inclusion

### Number of additional people provided access to financial services

10,560,000

Coverage: n/a

Banco Bilbao Vizcaya Argentaria, Credit Agricole, BNP Paribas & Banco Santander provided access to financial services to 10.56m customers collectively.

Source: Banco Santander Annual Report 2023, BBVA Annual Report 2023, Credit Agricole Integrated Report 2023 and BNP Paribas Annual Report 2023.

### Number of MSME businesses provided with financial services

167,500

Coverage: n/a

Caixabank, Credit Agricole and Fidelity provided financial services to over 160,000 micro, small and medium (MSME) businesses.

Source: Caixabank 2023 Annual Report, Credit Agricole 2023 Annual Report and Fidelity 2023 Global Sustainability Report.

## Financial Resilience

### Number of customers provided access to insurance

30,200,000

Coverage: n/a

Allianz reached 28.2m people in 2023, while AXA Group's Inclusive protection program reached 2m new customers in 2023.

Source: Allianz Sustainability Report 2023 and AXA Universal Registration Document 2023.

### Number of people in financial hardship supported

75,450

Coverage: n/a

Westpac and National Australia Bank provided support to over 75k customers in financial hardship.

Source: Westpac Annual Report 2023 and National Australia Bank Annual Report 2023.

## Affordable Housing

### Number of new social housing units delivered & Tenant Satisfaction Measures

Places for People, A2 Dominion and Sanctuary Group (owners of Swan Housing Association) delivered 3,450 homes, with an average TSM of 61%.

3,450

61%

Source: Places for People Annual Report 2024, A2 Dominion Customer Annual Report 2024, Sanctuary Group Annual Report 2023/24.



Pay inequality

CEO: median employee salary ratio is used as a proxy for pay fairness and equality.

There is no widely accepted view of what a fair CEO:employee pay ratio is. Peter Drucker, management consultant, educator and author, considered founder of modern management, suggested a ratio of 20:1 in 1984, but since then average pay ratios in the UK and the US have increased considerably. The average pay ratio in FTSE 100 companies as of 2023 was 120:1<sup>4</sup>, and in the US it was 290:1 in 2023<sup>5</sup>.

CEO: median employee ratio

Global Sustainable  
Credit Fund

143:1

Coverage: 55.2%

BBG Global Aggregate  
Corporate Index

111:1

Coverage: 89.2%

28.2% worse

Top performers	CEO: median employee ratio
ASR Nederland	14:1
National Express Group	17:1
Allianz	21:1

Bottom performers	CEO: median employee ratio
TE Connectivity	588:1
Broadcom	510:1
Fidelity National Info Services	443:1

Source: Net Purpose as at 27 January 2025.

4 High Pay Centre, Analysis of UK CEO Pay in 2023, dated August 2024.

5 Economic Policy Institute, CEO pay has skyrocketed 1,085% since 1978, dated September 2024.

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# Sustainable outcomes data: governance

## Governance indicators

We regard good governance as an enabler to delivering environmental and social outcomes and therefore typically would not include governance indicators in an Outcomes report. However, we believe the five indicators presented below are particularly closely aligned to outcomes.

### Good governance indicators summary (see further detail below)

Global Sustainable  
Credit Fund

3/5

BBG Global Aggregate  
Corporate Index

2/5

Source: MSCI ESG Research as at 27 January 2025.

### Governance: employee representation

Global Sustainable  
Credit Fund

15.8%

Coverage: 83.1%

BBG Global Aggregate  
Corporate Index

10.9%

Coverage: 88.0%

5.0% better

#### Top performers

22 companies have employee reps on the board

#### Bottom performers

107 companies don't have employee reps on the board

Source: MSCI ESG Research as at 27 January 2025.

### Governance: equal voting rights

Global Sustainable  
Credit Fund

87.0%

Coverage: 89.6%

BBG Global Aggregate  
Corporate Index

91.0%

Coverage: 97.0%

4.0% worse

#### Top performers

138 companies have equal voting rights

#### Bottom performers

6 companies don't have equal voting rights

Source: MSCI ESG Research as at 27 January 2025.

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Reference to any security is for information purposes only and should not be considered a recommendation to buy or sell. Portfolio holdings are subject to change without notice.

### Governance: stakeholder constituency

Global Sustainable  
Credit Fund

36.9%

Coverage: 83.0%

BBG Global Aggregate  
Corporate Index

20.5%

Coverage: 87.9%

16.4% better

#### Top performers

55 companies have stakeholder constituency provision in their governing documents

#### Bottom performers

73 companies don't have stakeholder constituency in their governing documents

Source: MSCI ESG Research as at 27 January 2025.

### Governance: vote on pay

Global Sustainable  
Credit Fund

86.5%

Coverage: 89.6%

BBG Global Aggregate  
Corporate Index

91.1%

Coverage: 97.0%

4.7% worse

#### Top performers

139 companies in the fund have a vote on executive pay

#### Bottom performers

5 companies do not have a vote on executive pay

Source: MSCI ESG Research as at 27 January 2025.

### Governance: data security score

Global Sustainable  
Credit Fund

9.2/10

Coverage: 90.5%

BBG Global Aggregate  
Corporate Index

8.9/10

Coverage: 97.1%

3.6% better

#### Top performers

130 companies are scored 10/10 for data security

#### Bottom performers

10 companies score 5/10 or below

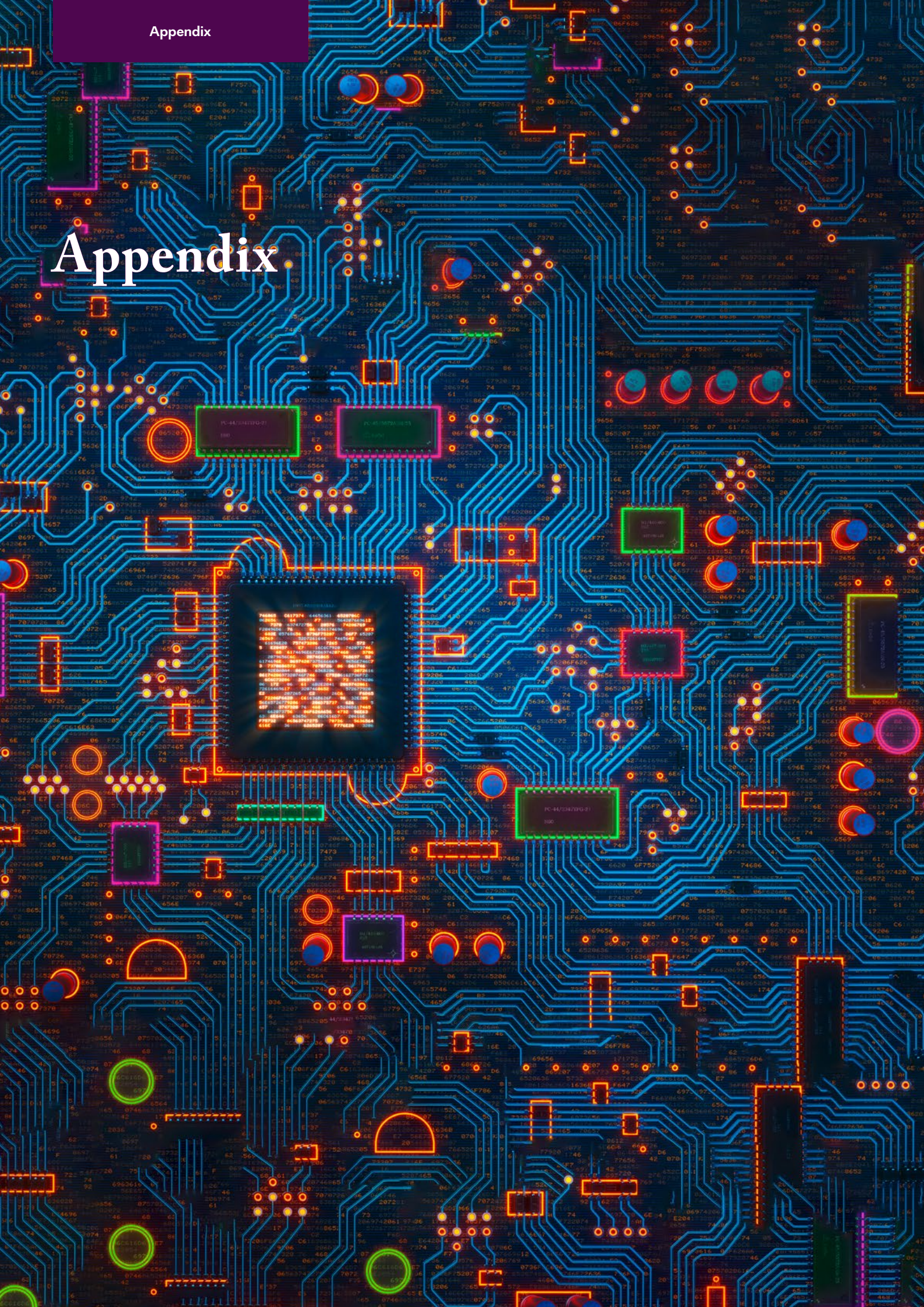
Source: MSCI ESG Research as at 27 January 2025.

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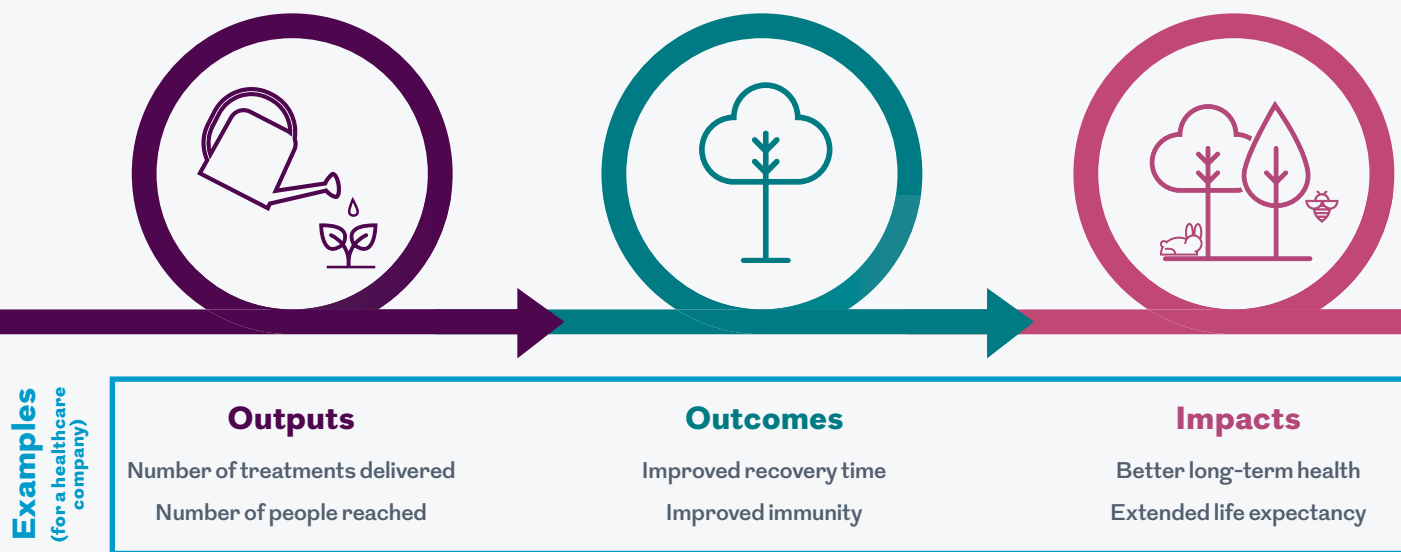
# Appendix





# Our approach to outcomes reporting

The overriding principles of our approach to reporting outcomes are honesty, critical objectivity and disclosure. Our aim is to give a complete view of the outcomes generated by the companies we invest in – what happens to the environment and to people because of what they do and how they do it.



To achieve this we have developed a process, following a thorough review of best market practices and available methodologies, which aspires to align with the Impact Management Project's (IMP) approach to measuring and reporting impacts, and we strive to account for all material outcomes – positive and negative, intended and unintended – from a double materiality perspective, accounting for what is important to all stakeholders.

We refer to outputs as the immediate results of what a company does e.g., number of customers reached, number of units produced/installed.

We are interested in the changes driven by these outputs, but impacts – the longer term and societal changes – are difficult to measure and we want to be conservative in our approach and claims. So we aim to report outcomes – the more immediate changes achieved. The example diagram for a healthcare company above helps to explain this.



# Limitations and future improvements

Throughout the report we have attempted to give concise explanations of outcome definitions and methodologies whilst being transparent about data quality, availability, coverage and sources, taking a conservative approach wherever we were lacking confidence in the reliability of the data. However, we have a long-term approach to reporting outcomes and recognise there are limitations to this report. The report is the result of our first-generation framework and we'll continue to evolve our process and welcome feedback.

We are not able to report all outcomes that are material to all stakeholders in this first-generation report. This is due to the historic focus on ESG metrics, which are driven by financial materiality, combined with the limited scope of indicators and lack of readily available data, particularly for the outcomes of products and services generated by companies.

As our framework evolves, we hope you will see greater coverage and detail of the positive and negative outcomes generated.

For our first generation of reports, we focused on making the process simple and therefore took a top-down approach focused on a small number of generally

accepted high impact outcomes. This excludes outcomes of many holdings, so our second generation framework aims to take a bottom-up approach, mirroring our sustainable investment philosophy.



# Guidance note: methodology

As a general guide we consider data coverage below 50% to be too low and will not report an indicator where this is the case as it is difficult to draw any conclusions. Exceptions are made where outcomes relate to specific industries (e.g. number of patients reached is specific to healthcare).

For intensity values, we normalise reported figures per \$million Enterprise Value (market cap + gross debt) including cash (EVIC) because this effectively tells us how efficient those companies are at generating the relevant outcome relative to how they are financed. We use EVIC as the allocation factor rather than market cap because it is becoming the standard and represents the total financing of each company. The only exception in this report is carbon intensity which uses revenue (\$m) to normalise as this is an externally defined, industry standard metric.

Indicators normalised against EVIC are calculated based on EVIC of the companies that have reported the relevant indicator only, not the total investment in the fund. Therefore, it does not mean that every \$m invested in the fund delivers those outcomes. The calculation is (for companies reporting a value):

$$\frac{\sum \text{reported value} / \text{company EVIC}}{\text{coverage}}$$

We use averages to enable comparison against the benchmark, weighted to give the most accurate representation of the fund's and benchmark's percentage holdings and therefore outcomes performance. Indicators using weighted averages are identified in the following pages. It means that if we have a bigger investment in company A than company B, then company A's outcomes performance counts for more towards the overall fund's outcomes performance.

When calculating metrics that are weighted averages, we have "grossed up" the coverage to 100%. This means that for the portion of the fund where data is not available, the holdings are removed from the aggregation and the remainder of the fund is reweighed to 100%. The portion of the fund that has no available data is assumed to mirror the behavior of the holdings with available data. In some cases this may underestimate outcomes performance, while in others it may overestimate it. This depends on what good outcomes performance looks like and the reasons companies have not disclosed. Grossing up is less reliable with lower coverage so we don't generally report indicators with lower than 50% coverage.

Due to the nature of outcomes and indicators, good outcomes performance can be high or low. We've indicated in text whether the performance of the fund is better or worse than the benchmark.

# Guidance note: cleaner

Term / Outcome	Notes
Greenhouse Gas: Absolute emissions	<p>This indicator shows how much greenhouse gas (tCO<sub>2</sub>e) is emitted, by each company, using the funds % holding in each of these companies to aggregate to the fund level. This is not a regulatory indicator and it doesn't follow methodology outlined by Taskforce for Climate-related Finance Disclosures (TCFD) or other recommendations. We have used it because it shows company's, and therefore the funds, "actual" carbon emissions, presented as a weighted average to enable comparison against the benchmark. It is calculated as a weighted average sum of the holdings with carbon emission coverage.</p> $\text{Absolute emissions} = \sum \frac{\text{current value of investment}}{\text{current portfolio value}} \times \text{company emissions}$ <p>Given the lack of issuer data and inconsistencies in reporting, we selected to disclose our holdings' Scope 3 emissions as estimated by data providers following the GHG Protocol methodology.</p>
Greenhouse Gas: Carbon intensity	<p>This indicator shows how much greenhouse gas (tCO<sub>2</sub>e) is emitted by companies in the fund, on average, per \$m revenue. It is calculated as a weighted average sum of the holdings with carbon intensity coverage, following the TCFD recommendation.</p> $\text{Carbon intensity} = \sum \frac{\text{current value of investment}}{\text{current portfolio value}} \times \frac{\text{company emissions}}{\text{company \$m revenue}}$
Renewable energy consumption	<p>Outcomes performance represents the average amount of renewable energy consumed in operations as a percentage of the total energy consumed.</p> <p>Reported as a weighted average of the holdings with available data.</p>
Science-Based Targets initiative (SBTi) approved climate commitments	<p>This indicator shows the number of companies in the fund with SBTi approved targets. Though we believe there are challenges with SBTi methodology we also believe external independent verification provides certain assurance over the quality of targets including how achievable they are.</p>
Absolute waste generated	<p>This tells us how much waste investee companies generate (tonnes). Reported as a weighted average of the holdings with available data.</p>
Waste generated (intensity)	<p>This tells us how much waste investee companies generate per \$m EVIC.</p> <p>Reported as a weighted average of the holdings with available data.</p>
Absolute water consumed	<p>This simply tells us how much water companies consumed (m<sup>3</sup>). Our data provider, Net Purpose, takes either company reported water consumption data or subtracts water discharged from water withdrawn. Reported as a weighted average of the holdings with available data.</p>
Water consumption (intensity)	<p>This metric tells us how much water companies consume per \$m EVIC. Our data provider, Net Purpose, takes either company reported water consumption data or subtracts water discharged from water withdrawn.</p> <p>Reported as a weighted average of the holdings with available data.</p>
Companies with activities negatively affecting biodiversity-sensitive areas	<p>This is an SFDR indicator so we have reported as per SFDR requirements.</p> <p>This indicator is taken from MSCI ESG Research and shows the percentage of the fund invested in companies that either have operations located in or near biodiversity sensitive areas, are assessed to potentially negatively affect local biodiversity, and have no impact assessment; or are involved in controversies with severe impact on local biodiversity.</p>

Term / Outcome	Notes
Royal London Asset Management Climate Transition Assessment	To assess the credibility of climate transition plans, Royal London Asset Management developed a set of 12 indicators, across 3 overarching expectations: setting emissions reductions targets aligned with the Paris Agreement, bringing others to net zero and demonstrating action now. For more detail on the 12 indicators, please refer to Royal London Asset Management's Net Zero Stewardship Programme Report found <a href="#">here</a> .
Implied temperature rise (<1.5°C or <2°C)	<p>The percentage of instruments (by value) held in the portfolio that have implied temperature rises (ITR) below 2°C (or 1.5°C).</p> <p>ITR aims to measure the global warming outcome from the emissions trajectory of a company, if the whole economy followed the same trajectory. Each company is allocated a carbon budget based on sector emission reductions pathways that achieve the Paris Agreement goals. The projected cumulative company emissions based on the companies' most recent Scope 1, 2 and 3 emissions and the companies' targets are then assessed against the carbon budget. The percentage over- or undershoot from the allocated budget is then expressed in degrees centigrade (°C), using the Transient Climate Response (TCRE) factor. The TCRE is published by IPCC reports, it results from the linear relationship between cumulative emissions and global temperature increase.</p>
Estimated value of sustainable finance enabled	This measures the total financial resources allocated to projects and initiatives that promote environmental, social, and governance (ESG) goals. This includes investments in green bonds, sustainability-linked loans, and other financial instruments aimed at supporting sustainable development.

# Guidance note: further detail on outcomes healthier; safer; more inclusive

Term / outcome	Notes
Access to healthcare	We used the number of underserved and low income patients reached as we are not confident in the reliability of the figures provided for total number of patients, and providing healthcare to people in greater need is generally associated with better outcomes. However, as this number was manually sourced we have not been able to provide an equivalent comparison for the benchmark.

Term / outcome	Notes
Employee health and safety score	Reported as a weighted average of the holdings with available data. This indicator reports the MSCI ESG Research score for employee health and safety, which measures the severity of controversies relating to employee health and safety. Factors affecting the score can include historic involvement in legal cases, penalties and fines and criticism by third parties.

Term / outcome	Notes
Gender diversity on boards	This is an EU Sustainable Finance Disclosure Regulation (SFDR) indicator so we have reported as per SFDR requirements. Reported as a weighted average of the holdings with available data.
Gender diversity at manager level	Reported as a weighted average of the holdings with available data.
Gender diversity across all employees	Reported as a weighted average of the holdings with available data. This simply takes an average across all levels, so includes manager and board levels highlighted above.
CEO: median Employee Ratio	This measure compares the overall compensation of the CEO to that of the typical employee. Reported as a weighted average of holdings with available data.
Number of MSME businesses provided with financial services	The number of micro-, small, and medium-sized enterprises (MSMEs) provided with financial services by companies within the fund. As this number was manually sourced, we have not been able to provide an equivalent comparison for the benchmark.
Additional people provided with access to financial services	This indicator shows the number of previously underbanked people provided with access to financial services. As this data point is specific to the industry and company reporting it, no benchmark comparison is available.
Financial Resilience: number of customers provided access to insurance	This indicator shows the total number of vulnerable individuals and businesses supported by companies in the fund. As it is specific to the industry and company reporting a benchmark comparison is not possible.
Financial Resilience: Customers in financial hardship supported	This indicator shows the total number of customers in Australia and New Zealand supported who were experiencing financial hardship e.g. through deferred or reduced repayments. As it is specific to the industry and company reporting a benchmark comparison is not possible.
Social Housing: Number of affordable homes built	Total number of affordable homes completed in the year. As this metric is specific to the industry, and company, reporting a benchmark comparison is not possible.
Social Housing: Tenant Satisfaction Measures	Weighted average of Tenant Satisfaction Measures (TSM) of housing associations in the fund that are reporting this metric. Tenant Satisfaction Measures are mandated, consistent measures housing associations are required to report on by the Regulator of Social Housing (RSH) in the UK. As this metric is specific to the industry and company reporting a benchmark comparison is not possible.

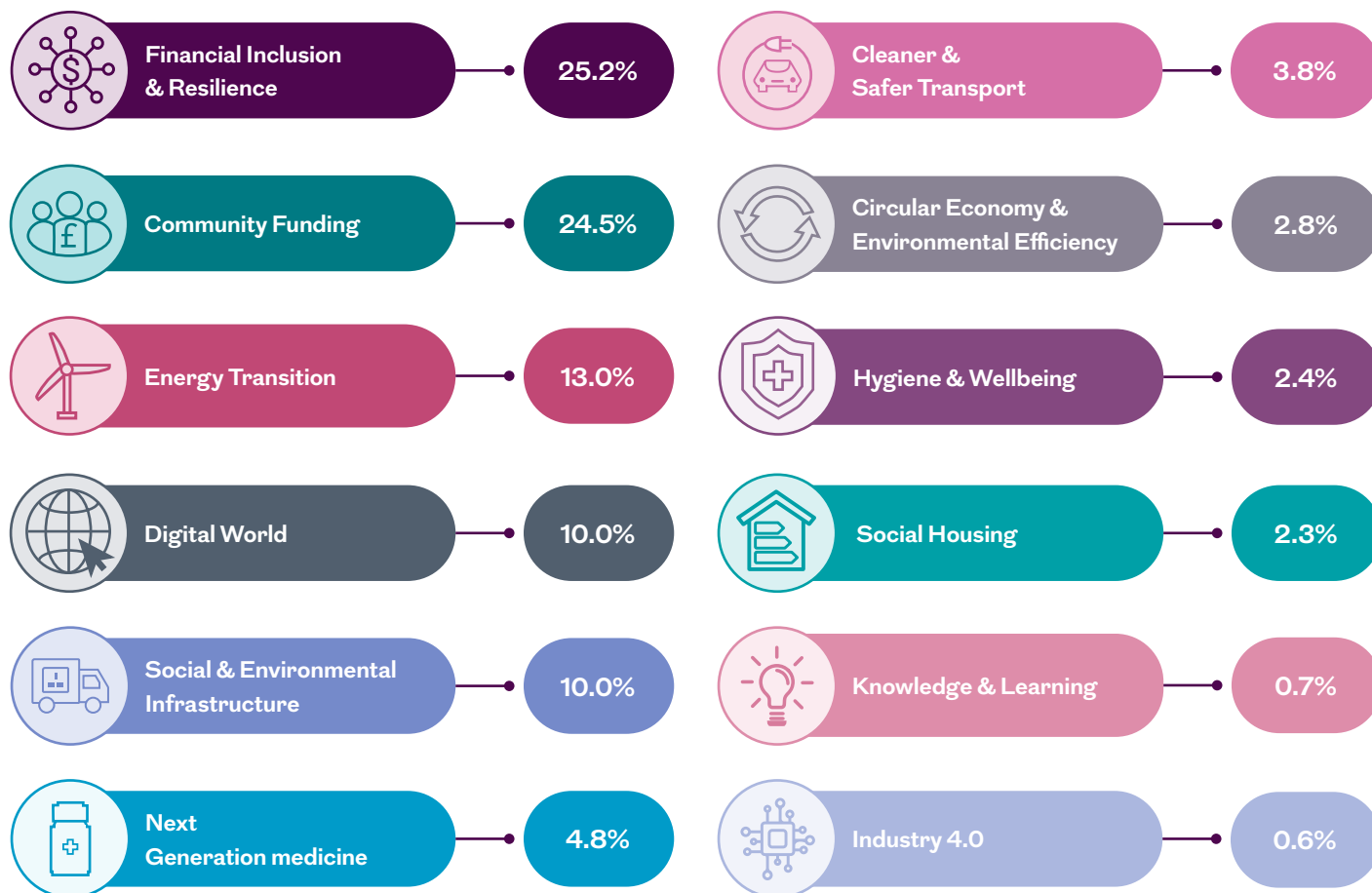


# Guidance note: rationale for governance indicators

Indicator	Rationale
% fund invested in companies with employee representation on board	Companies with employee representation on board should consider employee impacts such as wellbeing and pay in decision making with a higher priority than those without.
% fund invested in companies with equal shareholder voting rights	Equal voting ensures that individual shareholders do not have a disproportionate amount of control or influence. Majority or large shareholders clearly retain more votes than minority shareholders, but equal rights help to balance consideration of shareholders' priorities.
% fund invested in companies with stakeholder constituency provision	Stakeholder constituency is where companies have provision written into their governing documents (such as articles of association) for a responsibility or duty to consider stakeholders wider than their shareholders, thus enabling environmental and social factors to be considered alongside shareholders' profit. These stakeholders can include customers, employees, suppliers, communities etc.
% fund invested in companies with a vote on executive pay	Votes on executive pay help to keep executive pay fair and in check, relative to pay for all employees.
Data security score	<p>Reported as a weighted average of holdings with available data.</p> <p>This score measures severity of controversies relating to customers' data security, so gives an assessment of impact on customers of data breaches. Issues covered can include, legal but controversial uses of personal data, security breaches, regulatory action against the company, and changes to a company's policies or practices that erode customer privacy.</p> <p>Companies are scored out of 10, with 10 being the best score i.e. no severe breach.</p>









# Royal London Asset Management contributing factors – an output of bottom-up research approach







For information purposes only. Source: Royal London Asset Management internal contributing factors, as at 31 December 2024, excluding cash. Total weight may not equal 100% due to rounding.

# Top 10 fund holdings disclosure

Fund holding	% fund	Description and positive contribution to society	Royal London Asset Management contributing factor
Lloyds Banking Group Plc 8.953% 15/11/2033	1.4%	Lloyds generates societal benefits thanks to its leading position as a provider of UK mortgages and SME financing.	 Community Funding
Legal & General Group Plc 5.25% 21/03/2047	1.0%	L&G generates societal benefits relating to financial inclusion and resilience. Its products and services include investment management, lifetime mortgages, pensions, annuities and life assurance, which help customers build resilience in their financial planning and protect them from unexpected downside risks.	 Financial Inclusion & Resilience
HSBC Holdings Plc 7.39% 03/11/2028	1.0%	HSBC Holdings generates societal benefits thanks to its activities in trade finance and its global network, which enables clients to access global markets and conduct cross-border transactions efficiently. Also, through its presence in emerging markets, as an established foreign lender, it can not only improve access to international markets, but also bring efficiency improvements to the local banking sector, through training of the domestic workforce, better risk management practices and new financial products.	 Financial Inclusion & Resilience
Republic Services Inc 2.30% 01/03/2030	1.0%	One of the largest waste management companies in the US. The company helps to create cleaner and safer neighbourhoods.	 Circular Economy & Environmental Efficiency
NN Group 4.625% 13/01/2048	1.0%	NN Group is a financial services company that provides life insurance, non-life insurance and banking products and services. Its products help customers build resilience in financial planning and protect them from unexpected downside risks.	 Financial Inclusion & Resilience
Phoenix Group Holdings Plc 5.375% 06/07/2027	0.9%	Phoenix Group generates societal benefits relating to financial inclusion and resilience. Its products and services include pensions, savings and life insurance, which help customers build resilience in their financial planning and protect them from unexpected downside risks.	 Financial Inclusion & Resilience

Reference to any security is for information purposes only and should not be considered a recommendation to buy or sell. Portfolio holdings are subject to change without notice.

Fund holding	% fund	Description and positive contribution to society	Royal London Asset Management contributing factor
Prudential Financial Inc 5.375% 15/05/2045	0.9%	Prudential is a financial services company whose products and services include life insurance, mutual funds and pension and retirement related services. Its products help customers build resilience in financial planning and protect them from unexpected downside risks.	 Financial Inclusion & Resilience
M&G Plc 6.50% 20/10/2048	0.9%	A UK-listed asset management and financial services company, providing savings and investments products. M&G's activities support an inclusive society, enabling individuals to build savings and achieve greater financial security.	 Financial Inclusion & Resilience
Avista Corporation 4.35% 01/06/2048	0.8%	Avista Corp operates an electric generation, transmission, distribution and retailing network, along with a gas distribution and retailing network based primarily in Washington State. The company generates societal benefits through its heavy hydropower focus, as well as its energy distribution and transmission.	 Energy Transition
Agilent Technologies Inc 2.30% 12/03/2031	0.8%	Global provider of tools, instruments and consumables for life sciences, diagnostics and applied chemical markets. Its innovative technology enables advances in life sciences while helping reduce GHG emissions, waste and water use in laboratories, contributing to a cleaner and healthier society.	 Next Generation Medicine

Portfolio characteristics and holdings are subject to change without notice. This does not constitute an investment recommendation.

For information purposes only. Source: Royal London Asset Management internal contributing factors, as at 31 December 2024, excluding cash.

## Data sources and quality:

### Financial data:

Portfolio data and benchmark data is from Royal London Asset Management financial data systems with values at end of 2024.

Revenue data is from MSCI ESG Research's latest available information at the time of calculation.

EVIC data is from Net Purpose's latest available information at the time of calculation.

### Emissions data:

Our equity emissions data come is provided by MSCI ESG Research. We use the latest available data at the time of calculation.

All Scope 3 data is sourced from and estimated by MSCI ESG Research.

### Additional metrics:

ITR, biodiversity, health and safety, governance and principal adverse impact data are provided by MSCI ESG Research, using the latest available information at the time of calculation.

Waste, water, gender diversity and CEO: median employee salary ratio data are sourced from Net Purpose using the latest available information at the time of calculation.

Where available, we use Net Purpose products and services data, which we supplement with gathered data.

We take SBTi data directly from SBTi's public-access website.

Past performance is not a guide to future performance. Capital at 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.

**Investment Risk:** The value of investments and any in Investment Risk come from them may go down as well as up and is not guaranteed. Investors may not get back the amount invested.

**Credit Risk:** Issuers of certain fixed income securities could become unable to make income or capital payments on their debt. As such the value of a security will fall in the event of a rating downgrade or default of the issuer. In general fixed income securities that pay a higher level of income usually have a lower credit rating because of the increased risk of default.

**Exchange Rate Risk:** Investing in assets denominated Exchange Rate Risk 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 less predictable than normal. In some cases this may make such investments harder to sell at the last quoted market price, or at a price considered to be fair. Such conditions could result in unpredictable changes in the value of your holding.

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

#### **Efficient Portfolio Management (EPM)**

**Techniques:** The Efficient Portfolio Management (EPM) Techniques 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.

**Responsible Investment 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.

**Derivative Risk:** Derivatives are highly sensitive to Derivative Risk 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.

# Disclaimers

This report covers Royal London Asset Management Global Sustainable Credit Fund, domiciled in Dublin, Ireland.

This fund is managed by Royal London Asset Management in its capacity as appointed fund manager.

We've used different data sources including our own research. Due to the way a few of these sources account for cash in the fund they may calculate slightly different weights for each holding. Overall this has a negligible effect on the final numbers presented.

We've used data provided by 3rd parties. While every precaution has been taken to accurately assess data in this report, it is being provided to you on a best endeavours basis and Royal London Asset Management accepts no liability for any errors or omissions in connection to this data and its further use.

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## For professional clients/qualified investors only, not suitable for retail investors.

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