

Royal London Asset Management Limited, RLUM Limited and Royal London Unit Trust Managers Limited

2025 Sustainability Entity Report

Reporting period 1 January to 31 December 2025

Published November 2026

ROYAL LONDON
ASSET MANAGEMENT

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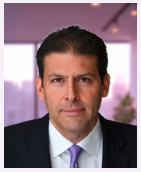
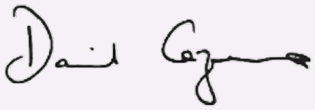


The disclosures in this report, along with the reports linked to in this document, comply with the requirements under the FCA's ESG sourcebook regulation (ESG 5.4 and 5.6). We use data supplied by third-party providers and the nature of this means that, while we take reasonable efforts to evaluate data, there are limits to our ability to oversee the validity and accuracy of the data used.



Daniel Cazeaux
Interim Chief Executive Officer
Royal London Asset Management Limited, RLUM Limited,
and Royal London Unit Trust Managers Limited

About this report

This Sustainability Entity Report has been prepared in accordance with the UK Financial Conduct Authority's (FCA) Environmental, Social and Governance (ESG) Sourcebook, specifically ESG 5.4.5R and ESG 5.6. It covers the activities of Royal London Asset Management, comprising Royal London Asset Management Limited, RLUM Limited (RLUM) and Royal London Unit Trust Managers Limited (RLUTM).

For ease of reading, references to "Royal London Asset Management", "we" or "our" are used throughout to describe the business as a whole, with specific legal entities identified only where this aids clarity.

Royal London Asset Management is the asset management business of The Royal London Mutual Insurance Society Limited (together with its subsidiaries, Royal London or the Group). Owned by its customers, Royal London provides protection, long-term savings and retirement solutions for customers in the UK and Ireland, and asset management solutions for clients around the world. Royal London Asset Management manages assets on behalf of Royal London's customers as well as for a broad range of external clients.

Our approach to sustainability and climate considerations reflects our responsibilities as an asset manager and our role within Royal London.

Royal London completed its acquisition of Dalmore Capital Limited (Dalmore) on 3 November 2025, a leading UK-based infrastructure investment manager with circa £6 billion in assets. Ownership of Dalmore and its asset servicing arm, Resolis, have transferred to Royal London Asset Management but they continue to operate as standalone businesses while benefiting from the strength and scale of the wider Royal London Group.

For the purpose of the 2025 reporting cycle for this Sustainability Entity Report Dalmore have not been included. You can learn more about Dalmore by visiting their website www.dalmorecapital.com and reading their Sustainability Highlights Report 2025.

This report covers the 12-month period from 1 January 2025 to 31 December 2025. It should be read alongside the Royal London Group 2025 Climate (TCFD) Report, which sets out in more detail our approach to climate-related strategy, risk management and governance.

About us

Royal London Asset Management is one of the UK's leading fund management companies, managing assets on behalf of a wide range of clients.

As an integral part of customer-owned mutual Royal London – the UK's largest mutual life, pensions and investment company, we put our clients at the heart of what we do, with a longer-term approach to generating investment returns. We're committed to delivering outstanding active asset management value for clients around the world. It's asset management excellence, with a longer-term perspective.

Founded in 1988 as an in-house asset manager, we bring proven expertise in multi-asset investing. Our mutual ownership structure sets us apart – aligning our success with that of our clients.

A focus on outcomes

We combine expertise across fixed income, equities, multi asset, property and responsible investment, with a focus on delivering investment solutions that reflect our clients' needs and long-term objectives.

Our reputation is based on successfully working with a wide range of clients, from wealth managers to local authorities, insurance companies, pension schemes and consultants. We understand that different clients face different challenges that require unique approaches and solutions. It's why we offer bespoke solutions alongside a range of pooled funds – giving clients flexibility to meet their specific objectives, coupled with the service that they deserve.

Learn more About RLAM

Explore our Fund Centre

Explore Responsible Investment

Any commitments apply at the firm level. Individual funds will have different investment objectives, so not all commitments will apply to every strategy; investors should refer to the relevant prospectus for fund-specific details.

Royal London Asset Management does not offer financial advice to retail investors. We recommend you seek independent financial advice before making any investment decisions.



Our vision and strategy

At Royal London Asset Management, it is our vision to be a leading global active asset manager that puts clients at the heart of what we do. Our investment philosophy guides our long-term approach and is supported by three principles that shape our investment strategy and decision-making. Together, these principles reflect our responsibility as active investors and our focus on delivering better long-term outcomes for clients.

Investment philosophy and principles

Purpose-driven



Delivering long-term outcomes for customers and clients

We put customers and clients at the heart of our decisions, seeking to understand their goals, values and risk and return preferences. We take investment risk where we have strong conviction, while being underpinned by transparency, accountability and strong governance.

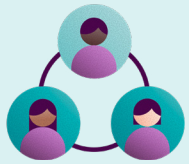
Long-term value creation



Independent thinking and appropriately rewarded risk

We use active, evidence-led investment and independent thinking to identify opportunities and deliver long-term, risk-adjusted returns for customers and clients recognising they will live in the society we mutually help to create.

Active ownership



Influencing outcomes through stewardship

Long-term environmental and social trends shape investment outcomes and client wellbeing, requiring active oversight to maintain resilient portfolios.

We integrate environmental, social and governance factors into our investment processes and embrace our responsibility as active stewards, prioritising engagement where we believe meaningful change can be achieved and using exclusions selectively.

Doing our part

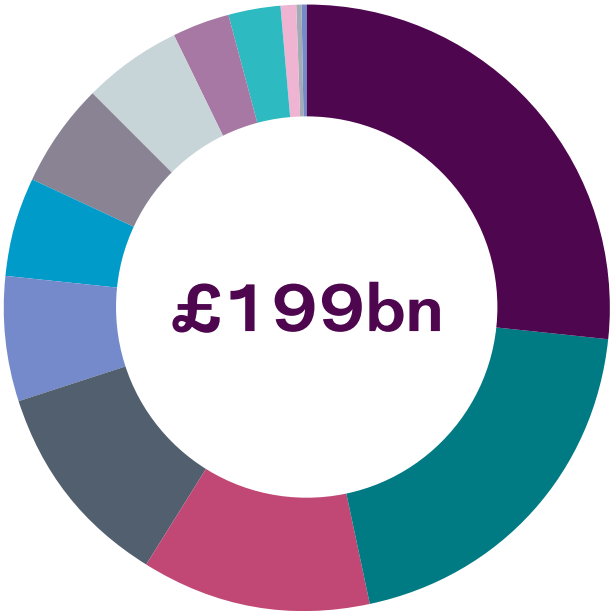
As part of Royal London, our Purpose defines the outcomes we aim to achieve as a business, including 'playing our part in moving fairly to a sustainable world'. The actions and investment behind this are set out in the Royal London Annual Report and Accounts.

- Our climate commitments are a central part of delivering on that ambition. They inform how we manage climate-related risks and opportunities across portfolios, while supporting long-term outcomes for our clients. More detail of our Climate change commitments is available in our Royal London Climate Transition Plan.
- We apply the principles of the Financial Reporting Council's (FRC) UK Stewardship Code, reflecting our focus on active ownership and accountability.
- We have been a signatory to the United Nations' Principles for Responsible Investment (PRI) since 2008, and this continues to underpin our approach to responsible investment.

To learn more about our approach to stewardship and responsible investment – including how we apply it in practice – see our latest Stewardship and Responsible Investment Report.

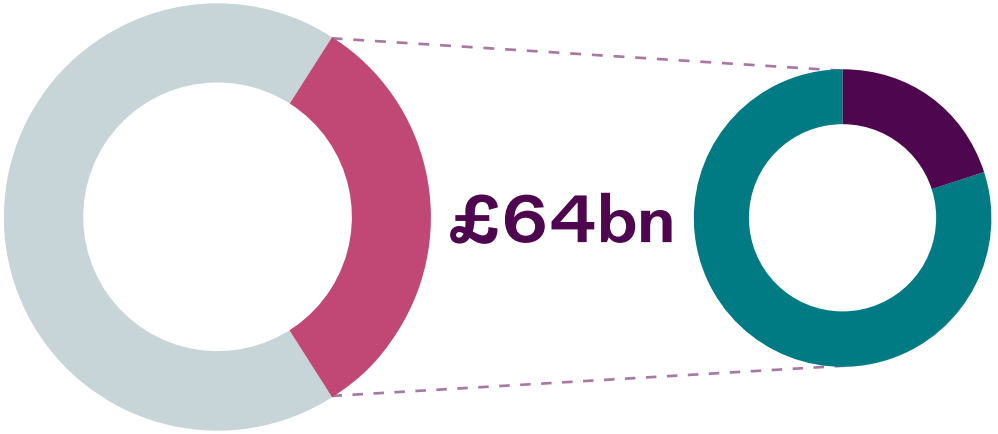
Royal London Asset Management assets under management (AuM) as at 31 December 2025

Assets under management (£bn)[1]



Sterling Credit	26.8%	Property	5.2%
Quant / Tilts	20.0%	Other[2]	3.2%
Global Equities	12.2%	Dalmore[3]	2.8%
Cash	11.2%	Private Debt	0.7%
Sustainable	6.4%	Derivatives	0.3%
Global Credit	5.5%	Private Equity	0.3%
UK Equities	5.4%		

% of AuM by funds classified as ESG characteristics and sustainable objective



Sustainable and ESG characteristics	32.2%
Traditional funds[5]	67.8%

Sustainable	6.5%
ESG characteristics[4]	25.7%

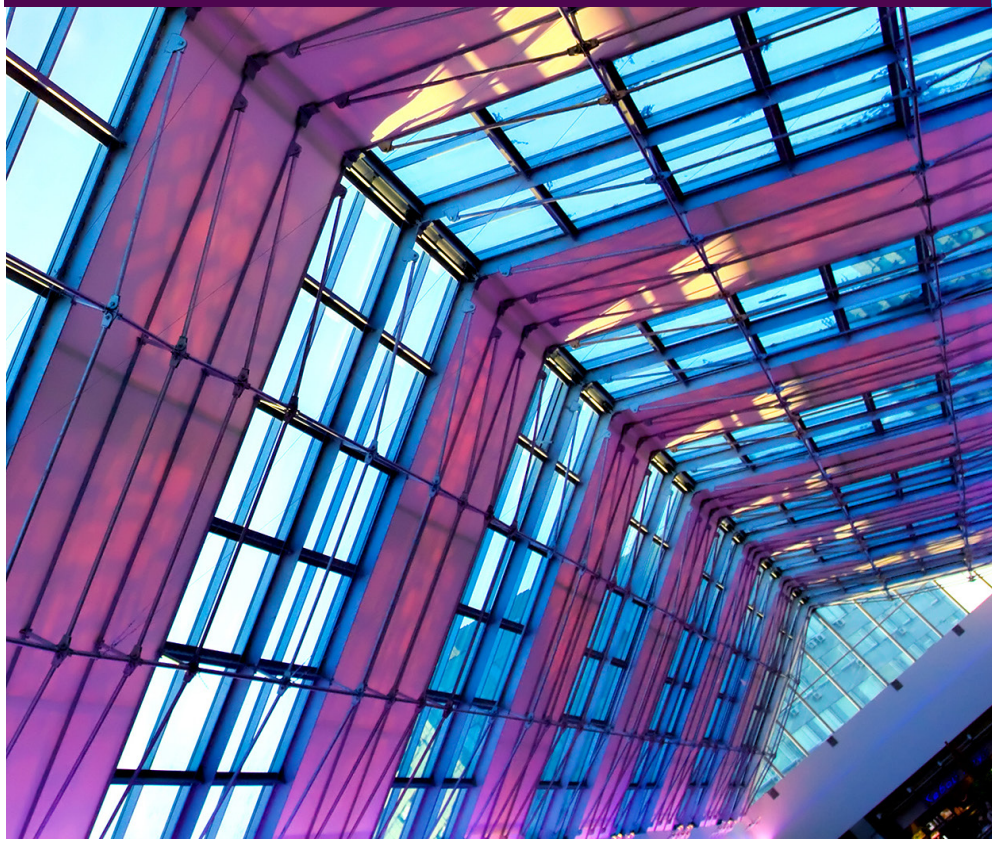
Further details of the fund classifications can be found on page 23 – Sustainability metric: Funds with ESG characteristics and sustainable objectives.

1 Global AUM as at 31 December 2025, subject to rounding.
2 Other includes externally managed and multi asset mandates. In 2025, £116.8bn of total Royal London Asset Management assets form part of a Multi Asset Solution managed on behalf of a range of clients.
3 Royal London Asset Management acquired Dalmore Capital Limited (Dalmore) as of 3 November 2025. AuM data as of 31 December 2025.
4 Royal London Asset Management also manages four multi-asset funds that disclose under SFDR Article 8, with total AuM of £333.6 million at 31 December 2025. To avoid double counting, the figures include only their underlying funds.
5 15.9% of Royal London Asset Management's AuM was invested in funds applying fund specific exclusions. Although these exclusions are binding, we report these assets in the Traditional funds category to align with our regulatory classification approach.

Executive summary



Ashley Hamilton Claxton
Head of Responsible Investment



With the Sustainability Disclosure Requirements regulation now embedded into our processes, this report reflects a structured and consistent way of presenting how we manage sustainability across our business – from our operations through to our strategic, commercial and investment decisions.

It brings together our approach across strategy, governance and oversight, risk management, and the metrics we use to assess performance and track progress.

While the regulatory framework has evolved, our underlying approach has not fundamentally changed. We have been managing sustainable strategies for over two decades and continually improving our analysis and integration of material ESG considerations. Sustainability Disclosure Requirements (SDR) has provided clarity and consistency in how this is articulated and disclosed.

As an asset manager, the most material sustainability risks and opportunities we face arise from how we invest on behalf of our clients. That is why responsible investment is central to our corporate strategy. In practice, this means systematically integrating ESG factors into investment decision-making, alongside targeted stewardship activity.

We consider ESG factors both as sources of risk and as drivers of long-term value, including where markets may not fully reflect sustainability-related risks or opportunities. Our aim is to strengthen investment outcomes for clients while supporting a more resilient and sustainable economy.

Our business continues to grow and evolve

During 2025, Royal London Asset Management continued to expand its Private Assets offering and embed ESG and sustainability considerations into relevant deal-selection processes.

Following the launch of ProperTies Living, our residential investment and property-management platform, in October 2024, the Living portfolio was launched in 2025 and comprised five assets by 31 December. Living-specific development and asset-management briefs helped incorporate sustainability considerations across acquisition, development and operation.

The acquisition of Dalmore Capital, a specialist infrastructure investment manager, in November 2025 further broadened our Private Assets capabilities and complemented our approach to responsible investment.

Strategy

At Royal London Asset Management, our ambition is to be a leading global active asset manager that puts clients at the heart of what we do. We are part of Royal London, a customer-owned life, pensions and investment company that is driven by its purpose: **'Protecting today, investing in tomorrow. Together we are mutually responsible'**. Within the wider Group, we contribute to delivering three core outcomes: helping build financial resilience, moving fairly to a sustainable world, and strengthening the mutual choice for customers. Further detail on how these outcomes are measured is set out in the Royal London Annual Report and Accounts.

As an asset manager, the most significant sustainability risks and opportunities we face arise from how we allocate and manage capital on behalf of our clients. We believe that long-term environmental and social trends impact investment outcomes and the financial wellbeing of our customers and clients, and that this requires active management and regular oversight to ensure portfolios remain resilient. Responsible investment is therefore a core pillar of our corporate strategy and underpins how we approach sustainability across the business. This sits alongside our approach to managing operational sustainability risks and impacts as part of the wider Royal London Group.

We maintain a disciplined approach to reviewing our strategic risks and opportunities, including the impact of sustainability factors. Our Business Risk Committee assesses emerging and strategic risk exposures on a quarterly basis, and these are treated as key inputs into strategy development and business planning. Sustainability considerations are monitored across several risk categories that span our economic environment, regulatory change across jurisdictions, technological developments such as artificial intelligence, evolving client expectations, and our brand and reputation. This approach helps us mitigate risk effectively and identify new strategic opportunities.

Our strategy sets out four priority areas in response to these dynamics:

1. Grow third-party business

As client demand evolves, we are broadening our proposition across both public and private markets to better serve differing client needs. We manage one of the largest sustainable fund franchises in the UK, and this remains a core part of our offering. We also intentionally moved away from market-weight passive funds, with no considerations of ESG or climate risks, to carbon-tilted quantitative funds.

In 2025 we continued to deliver innovative solutions that meet our clients' responsible investment requirements. A prominent example included development work for a bespoke climate-aware sterling credit mandate built for a local government pension fund, which launched in early 2026. We also expanded our range of carbon-tilted equity strategies, with the launch of the Royal London Global Equity Tilt Fund in December.

Over the period, we completed the acquisition of Dalmore Capital, a specialist in UK infrastructure investments including utilities, transport and energy networks with strong environmental and socially positive credentials across its portfolio.

We also made progress in expanding our property franchise into new sectors that target key societal challenges in the UK. This includes the residential build-to-rent sector where we are building new high-quality housing, and healthcare real estate, where we supply high-quality sustainable care homes that meet the evolving needs of the UK's ageing population. Across the property portfolio we continued to actively manage decarbonisation, social value and biodiversity, as we move from concept stages to tangible results.

2. Deliver a first-class client experience

Maintaining and strengthening our reputation is closely linked to the quality of outcomes we deliver for clients. During the period, we have focused on improving how we communicate with clients, with a particular emphasis on making sustainability, climate and ESG-related information clearer and more decision-useful. This has included further enhancements to client reporting and disclosures alongside improvements to the consistency and usability of factsheets and other communications, ensuring they remain accessible, coherent and aligned with regulatory expectations.

3. Embed responsible investment excellence

Responsible investment is embedded in our heritage and remains central to our strategy. Our focus is on continually strengthening how ESG factors are integrated into investment decision-making and how stewardship is used to support long-term outcomes for clients. This includes a greater emphasis on shared standards and frameworks across investment teams, clearer articulation of investment views, and more targeted engagement linked to material risks and opportunities.

Over the period, we have prioritised enhancing the quality and usability of ESG data, evolving our stewardship approach, and embedding regulatory requirements, such as SDR, within our investment and product frameworks. These developments build on an established approach, reinforcing and sharpening existing practices rather than representing a fundamental change.

4. Build an organisation of the future

Delivering on our strategy depends on having an efficient, scalable and resilient operating model in place. We continue to invest in our people, technology and processes to ensure we can respond effectively to evolving sustainability issues.

This includes ongoing training and development for our investment and client-facing teams, as well as enhancements to systems and data infrastructure to better support ESG integration and reporting.

Working with Royal London Group, we continue to support efforts to reduce value chain emissions and strengthen sustainability standards across our supply chain. The Royal London Supplier Code of Conduct sets out the expectations we have of our suppliers, promoting transparency, high standards and alignment with our broader objective of supporting a fair transition to a sustainable world.

What this means for our financial plan

The financial implications of these strategic priorities are reflected within our business planning and financial forecasts. This includes investment in systems, data and people, as well as consideration of climate-related impacts on our capital and liquidity through the ICARA process (see Risk Management section).

We use a defined set of metrics and targets to monitor our performance against key sustainability risks and opportunities. These are set out in the Metrics and Targets section and will continue to evolve as our approach develops.



Governance

Governance defines how we oversee delivery of our strategy and hold ourselves to account. We see it as an enabler of effective sustainability management, ensuring that responsibilities are clear and that sustainability considerations are embedded in decision-making across the business.

We recognise that sustainability presents both risks and opportunities for our clients and the companies in which we invest. These considerations are therefore embedded into governance and decision-making processes across the organisation, supported by our management committee structure.

The Royal London Asset Management Board is responsible for oversight of our approach to Responsible Investment and Stewardship, including relevant policies, commitments and strategic priorities. It is also responsible for promoting the long-term success of the business, taking into account the interests of stakeholders and our impact on the environment, and sets overall risk appetite, including for sustainability-related risks.

Day-to-day management is delegated to the Chief Executive Officer, supported by the Executive Committee, which sets strategic direction and oversees delivery — including across responsible investment, climate and net zero priorities.

The Executive Committee supports the Chief Executive Officer in overseeing the implementation of Responsible Investment and Stewardship across Royal London Asset Management, including climate-related priorities. A number of executive management committees support this framework, providing oversight across key areas of the business.

Sustainability considerations are embedded across this structure and integrated into decision-making at Board and Executive Committee level.

The Royal London Asset Management Board and committee structure is shown on page 10.

Risk and Capital Committee
The Risk and Capital Committee is a Board committee whose membership includes non-executive directors. It reviews sustainability-related risks that may affect the business or its capital position, including climate-related risks, as part of its broader oversight responsibilities.

Investment Committee
The Royal London Asset Management Investment Committee, chaired by the Chief Investment Officer, receives regular reports from the Responsible Investment Committee and is responsible for monitoring, oversight and advice to the Chief Investment Officer on investment matters relating to responsible investment.

The Responsible Investment Committee, chaired by the Head of Responsible Investment, provides oversight and challenge of Royal London Asset Management's responsible investment and stewardship activities, including ESG and climate-related matters, and reviews key responsible investment policies, reporting and implementation across the investment business.

This includes other sub-committees, including the Property Investment Committee and the Private Assets and Credit Committee, to consider ESG and sustainability risks relevant to their asset classes.

Performance and Investment Risk Committee (PIRC)
The Performance and Investment Risk Committee is a cross-functional committee chaired by the Royal London Asset Management's Chief Risk Officer. It provides oversight of investment activity and adherence to product requirements, including sustainability, ESG and climate performance where appropriate, to help ensure funds remain within tolerance and are invested in line with their stated objectives. The Head of Responsible Investment is a member of the Committee.

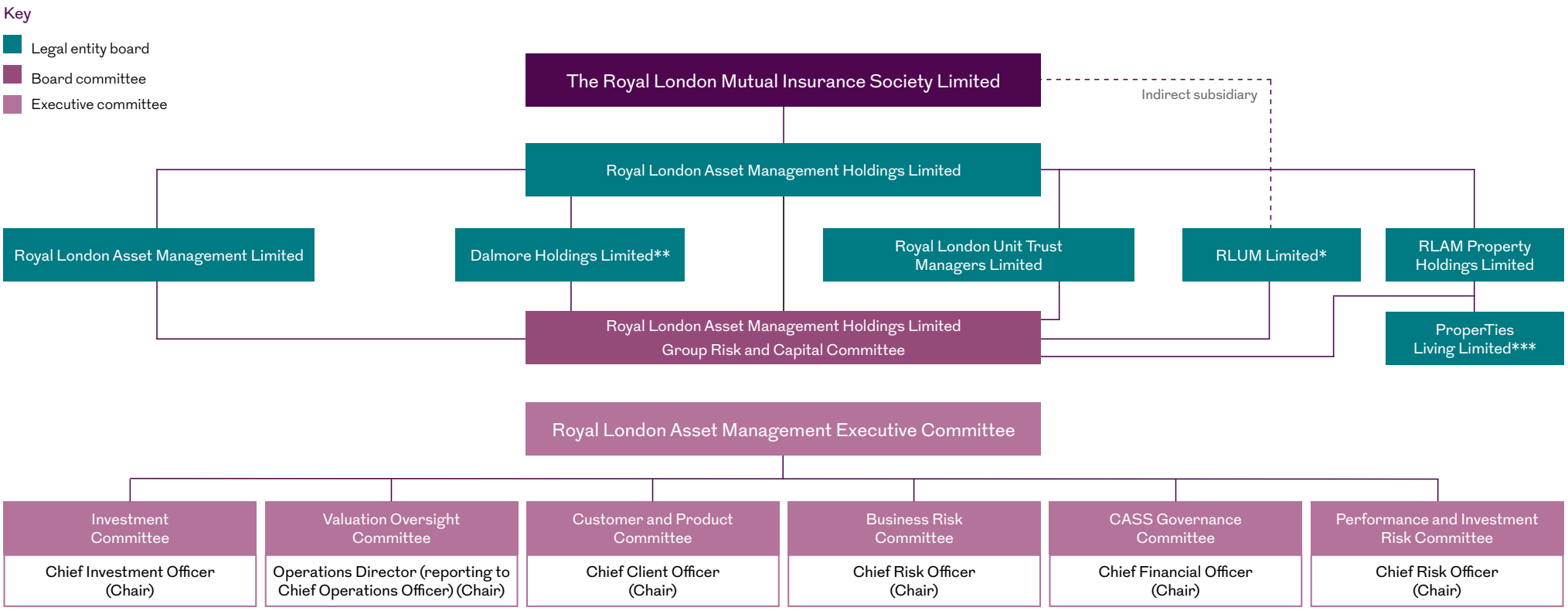
Customer and Product Committee (C&PC)
The C&PC oversees product strategy, development and governance, with a focus on delivering good customer outcomes. This includes ensuring that sustainability considerations are appropriately reflected in product design, disclosures and ongoing management.

Engagement Delivery Group (EDG)
The Engagement Delivery Group brings together representatives from the Responsible Investment team and investment teams to support the coordination and delivery of engagement activities, including collaboration and escalation where appropriate. Key engagement activity is escalated to and monitored by the Group. Updates are provided to the Responsible Investment Committee and, where required, escalation options may be discussed at the Investment Committee.

Sustainability-related activities in 2025
The notable sustainability-related activities considered by the Board and relevant committees during the year included:

- review and approval of the Stewardship and Responsible Investment Report
- oversight of Sustainability Disclosure Requirements (SDR), including product positioning, disclosures and governance
- consideration of climate-related risks, including scenarios and implications within the ICARA process
- regular updates on sustainability and climate-related strategic risks and emerging risk themes
- updates on regulatory developments and their impact on investment processes, products and client disclosures
- a targeted review of key elements of our responsible investment strategy, including ESG integration, stewardship priorities and data capabilities
- oversight of sustainability-related product development and associated customer disclosures through the Customer and Product Committee. This included testing our SDR Disclosure Document with a retail customer panel through an independent research partner. The feedback was largely positive and will help inform future improvements.
- review and approval of the Royal London Asset Management Appendix of the Royal London Climate Report

Royal London Asset Management Board and committee structure



* From April 2024, the oversight of RLUM Limited moved to Royal London Asset Management.

** Acquired Dalmore Capital Limited effective 3 November 2025.

*** Royal London Asset Management's majority-owned residential property management and operational platform.

Performance management and reward

Aligning with client interests

As a member-owned business, Royal London's focus is on delivering long-term value for our members. This is reflected in how we assess performance and determine remuneration, linking outcomes for clients with investment performance and the delivery of our strategy. Our Business Scorecard provides the primary framework for this, incorporating a mix of financial and non-financial measures, including stewardship and climate-related indicators.

Responsible investment and remuneration

Responsible investment is embedded within the Business Scorecard and forms part of how discretionary performance and reward are determined. In 2025, this included objectives linked to the delivery of our Net Zero Stewardship Programme, where performance is assessed against engagement with priority high-emitting companies and progress, alongside broader stewardship activity and regulatory delivery, including SDR.

ESG integration in performance evaluation

While ESG and sustainability risk is considered a part of investment processes, we do not assess it through a single standardised metric. Instead, performance is reviewed through a combination of factors, including contribution to investment results, customer outcomes, risk management and stewardship activity. Our approach to remuneration supports a long-term perspective and reinforces the expectation that sustainability considerations are reflected in investment decision-making.

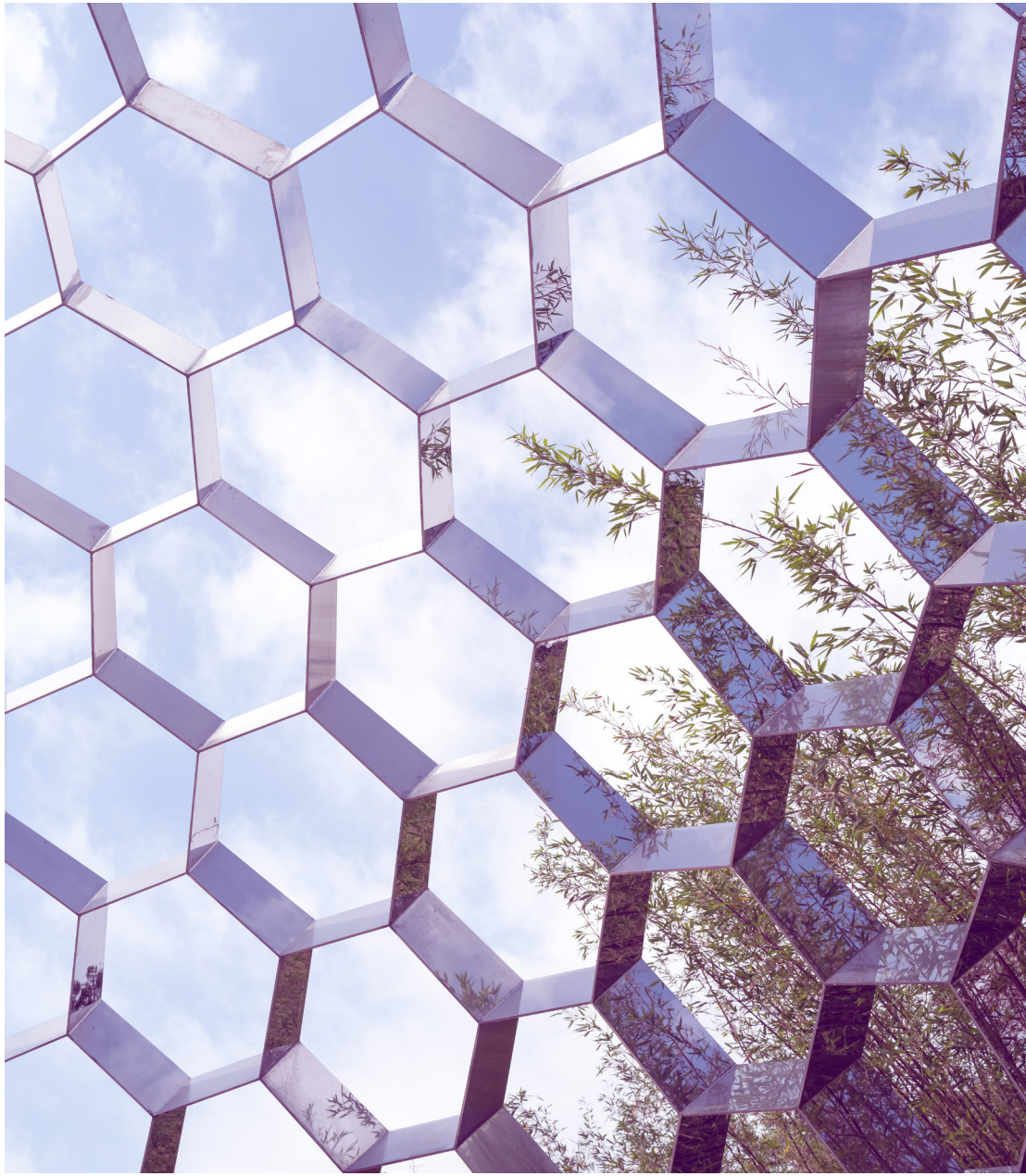
Training and development

On the job training

We continue to support our teams through a combination of structured training and on-the-job learning, recognising that responsible investment capability is built over time. This includes regular interaction between investment teams and subject matter specialists, alongside portfolio reviews and targeted discussions to help identify and respond to ESG risks and opportunities in a practical, investment-focused way.

Personal development

During 2025, training activity reflected a more embedded approach to sustainability across the business. This included continued development of internal responsible investment training, as well as participation in Royal London Group-wide sustainability programmes designed to build a consistent baseline understanding across functions.



Creating an inclusive place to work

We continue to progress our Diversity and Inclusion (D&I) strategy, with a focus on embedding accountability across the business. Senior leadership sponsors in each business area are responsible for delivering local D&I action plans, aligned to our central strategy and supported by Group-wide priorities. Ed Venner, Royal London Asset Management's Chief Client Officer, was our diversity sponsor in 2025.

Our colleague diversity disclosure rate remains high at 90%, providing a strong foundation for identifying priorities and tracking progress. We continue to support our commitments under the HM Treasury Women in Finance Charter and the Race at Work Charter, with a focus on improving representation — particularly at senior levels — and closing gender pay gaps over time. Our annual Gender Pay Gap Report sets out our progress and the actions we are taking.

Royal London also maintain our 'Level 2' Disability Confident status, supporting colleagues with disabilities, long-term health conditions and neurodiversity through workplace adjustments and inclusive practices. We continue to work with external organisations, including Inclusive Employers, Women in Banking and Finance and Neurodiversity in Business, to share best practice and support industry-wide progress.

During the year, we continued to build on our internal development programmes, including the Career Confidence initiative, with a focus on supporting diverse talent. We also expanded colleague support networks, including those for parents and carers, and continued to invest in wellbeing initiatives led by our Mental Health First Aiders, covering physical, mental and financial wellbeing.

Our People Commitment calendar of inclusion activities and events is shaped by colleague feedback designed in collaboration with our colleague-led inclusion networks:

Our four inclusion networks

WOMEN'S inclusion network

Our Women's Network helps support career development for all colleagues, with the intention to encourage everyone in Royal London to inspire women to aim higher, learn more and achieve more.

REACH inclusion network

The REACH (Race, Ethnicity and Cultural Heritage) network aims to provide a space for all ethnicities to connect, share experiences and take action in the promotion of race equality and diversity, with the explicit aim to educate, engage and empower.

PRIDE inclusion network

In celebration of all our LGBT+ people and allies, we created a community to help recognise and empower our LGBT+ people, both inside and outside the workplace.

DAWN inclusion network

DAWN (Disability Awareness Network, including neurodiversity) is our network which is focused on enabling disability confidence at Royal London.

Learn more about diversity and inclusion on our website.

Risk management

Our risk management framework

We operate within the Royal London Group risk management framework, which sets out how risks are identified, assessed, managed and reported across the business. This framework provides the structure for delivering our strategy while maintaining appropriate controls, and supports the protection of clients, colleagues and the business from adverse events. Sustainability-related risks are managed within this framework and are integrated into both day-to-day decision-making and strategic planning.

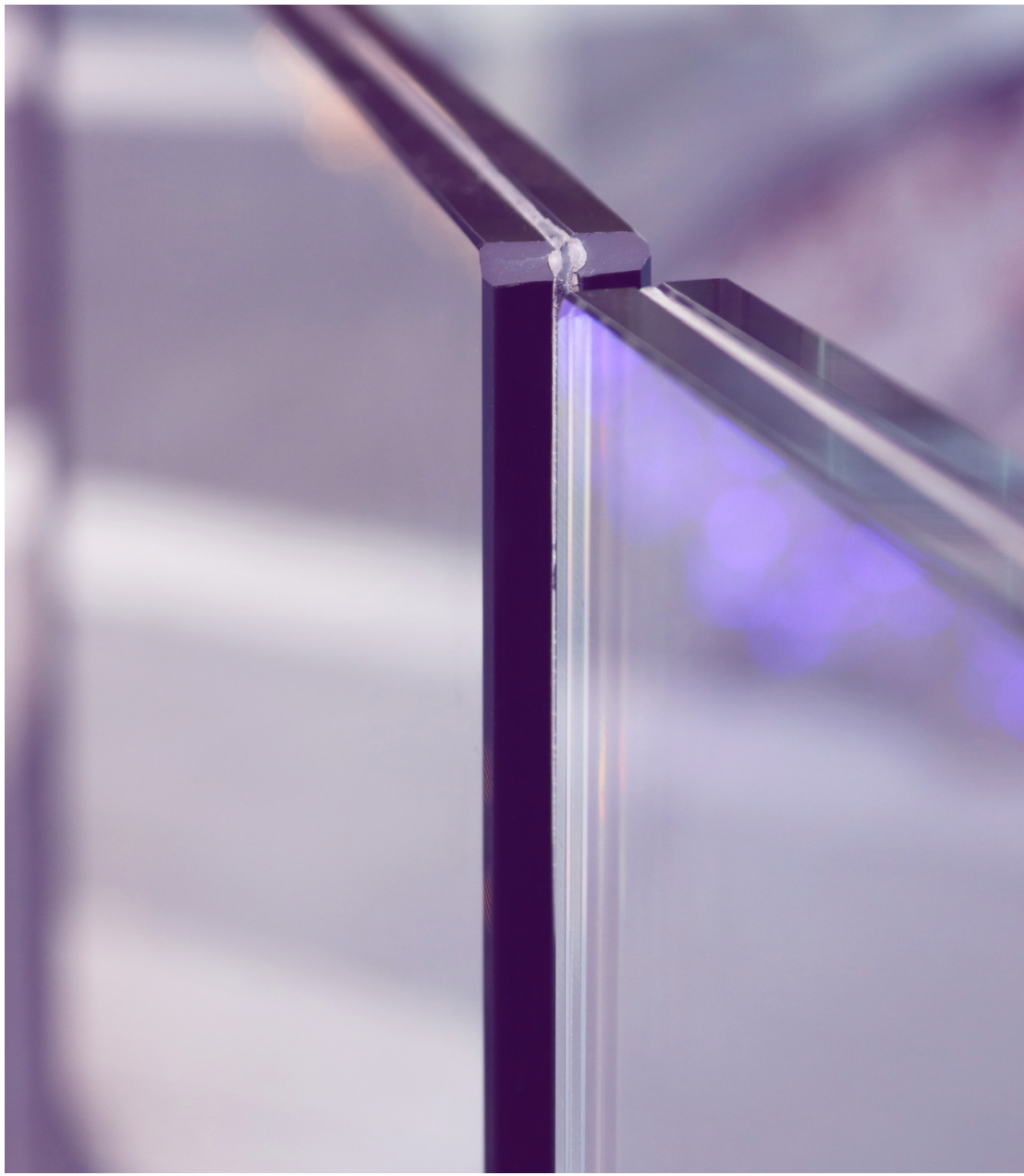
Risk ownership sits with business leaders, supported by the Risk function. This includes responsibility for identifying and managing risks within their areas, supported by appropriate controls and clear accountabilities. This approach ensures that sustainability considerations are embedded across the organisation rather than treated separately.

Key risk processes

Our approach is underpinned by a number of core processes, including the risk appetite framework, emerging and strategic risk assessments, and the Internal Capital Adequacy and Risk Assessment (ICARA).

- **Risk Appetite Framework**
  The Risk Appetite Framework defines the level of risk we are willing to accept in delivering our objectives. It is supported by risk strategy statements, risk preferences and defined metrics and tolerances, which provide early indicators where exposures are approaching agreed limits.
- **Emerging and strategic risks**
  Emerging and strategic risks are regularly reviewed by the Business Risk Committee and escalated through governance structures as appropriate. These reviews consider risks and risk drivers that could affect our ability to deliver our strategy or meet client needs, including those with sustainability implications. Risks are assessed based on impact, likelihood, timing and trajectory.
- **ICARA**
  The ICARA process brings together our assessment of risks to the firm, its clients and the wider market, including those arising under stress or wind-down scenarios. It is used to assess capital and liquidity adequacy, and informs other elements of the risk framework, including risk appetite and internal controls. It also supports wider business decision-making by identifying key exposures and required mitigations.

Further detail on the wider risk management framework is available in the Royal London Annual Report and Accounts.



Risks identified in 2025

- **Strategic risks**
  We actively monitor and assess sustainability-related risks and opportunities as part of our broader strategic risk process, with oversight from the Business Risk Committee and escalation through governance structures where appropriate. Key themes during 2025 included climate risk, regulatory change and divergence, shifting client expectations, and brand and reputational considerations.
- **Climate risk**
  Climate risk remains a focus, supported by our net zero commitment and Climate Transition Plan. We manage this through integration within our risk management framework, use of metrics and scenario analysis, and targeted stewardship activity, including our Net Zero Stewardship Programme and Climate Transition Assessment (CTA) framework, you can learn more on these in our annual Stewardship and Responsible Investment Report.
  We have also continued to evolve our approach to nature and natural capital.
- **Regulatory change**
  Regulatory complexity remains a key risk, particularly as sustainability requirements diverge across jurisdictions, and we maintain active engagement with policymakers and industry bodies.
- **Operational and business risks**
  In addition to strategic risks, a number of operational risks have a sustainability dimension and are managed within our risk management framework and, where relevant, considered as part of ICARA.
- **People and talent**
  We recognise that delivery of our strategy depends on attracting and retaining skilled colleagues. This is managed through investment in capability, development and retention of diverse teams. In 2025, 124 new colleagues were hired, with 67 promotions made to support career development and growth. Royal London Asset Management voluntary turnover rates are lower than 2024 at 4.9% and remain below the industry average.
- **Legal and regulatory risk**
  We monitor and respond to evolving UK sustainability-related regulation, including SDR and Consumer Duty, ensuring compliance and appropriate governance across products and disclosures. During 2025 we undertook significant work to prepare for upcoming EU regulation to update SFDR. This included groundwork to align minimum standards and expectations to allow for fund compliance across the UK and the EU.

  In June 2025 all eight UK-based funds in the £11billion sustainable fund range adopted a Sustainability Focus label under the SDR requirements. You can learn more about these funds on our fund centre.
- **Customer outcomes risk**
  We assess the risk of poor client outcomes, including in the context of sustainability, embedding Consumer Duty considerations into our governance and ICARA processes. Product design and appropriateness risks were included in our 2025 ICARA assessment, with scenarios considering product outcomes, value and distribution strategy.
- **Investment risk management**
  Climate and wider ESG risks are integrated into investment processes and risk frameworks. Stewardship, including voting and engagement, is used to manage risks and influence behaviour at issuer level. The Performance and Investment Risk Committee reviews sustainability and ESG risks that may impact performance at the fund or firm level.
- **Property investment risk management**
  Within real assets, we continue to assess and manage both physical and transition climate risks. This includes portfolio-level analysis of physical climate exposure, energy efficiency and alignment with net zero pathways, supported by ongoing asset-level assessments and decarbonisation planning.

  Sustainability due diligence is embedded in Property acquisitions to support informed investment decisions. It assesses assets against our Responsible Property Investment priorities, identifying relevant risks, opportunities and capital expenditure needs. The process aligns with the Better Buildings Partnership's Acquisitions Sustainability Toolkit and covers environmental regulation, physical climate risk and benchmarking against decarbonisation frameworks such as Carbon Risk Real Estate Monitor (CRREM).

  As an example, during 2025, we purchased 1 Newman Street, a 121,000 sq. ft. office asset in central London. Through sustainability due diligence, we identified further actions to improve the asset's performance after acquisition and manage potential risks. This helped inform our financial assessment and investment decision.

Additional information: Dalmore Capital acquisition

Dalmore Capital – Dalmore was acquired by Royal London Asset Management in November 2025 and operates as a standalone subsidiary with its own governance, risk management and responsible investment frameworks. Material sustainability and climate-related risks to Dalmore and its funds are identified through asset-level assessments under Dalmore's Climate Strategy and recorded in Dalmore's corporate risk register, overseen by its Risk Management Committee, with the Sustainability Committee (which reports quarterly to the Dalmore Board) monitoring compliance with Dalmore's sustainability policies and disclosure commitments. Further detail is set out in Dalmore's 2025 Climate-related Financial Disclosure.

Metrics and targets

Transparency is a core part of our approach to responsible investment. We seek to demonstrate this through our stewardship activities – including voting and engagement – and our climate disclosures, supported by our Stewardship and Responsible Investment Report and our contribution to the Royal London Climate (TCFD) Report.

We use metrics and targets to assess and manage material sustainability-related risks and to track our progress over time. These continue to evolve as our approach develops and as data quality improves, although limitations remain in certain areas.

Our metrics are grouped across four key areas

1. Stewardship
2. Climate
3. Sustainability, and
4. Talent and people

Provided for the following reporting entities

- Royal London Asset Management Limited
- RLUM Limited, and
- Royal London Unit Trust Managers Limited

Reference support documents

Royal London Group

Royal London Climate (TCFD) Entity Report

Royal London Annual Report and Accounts

Royal London Asset Management

Stewardship and Responsible Investment Report

Climate TCFD Product Reports

Our Approach: Climate

Responsible Investment and Stewardship Statement

Voting Guidelines

Exclusion Guidelines

Property reports are available for professional investors on request.



1. Stewardship metrics

Aligned to: Investment risk management

Stewardship is a key part of how we manage investment risk and deliver long-term value. We exercise our voting rights globally and engage with companies to influence outcomes and hold management to account on material issues. Our approach is pragmatic and aligned with local market practice, while maintaining a clear focus on long-term client interests. Alongside voting, our engagement, research and broader advocacy activity help inform investment decisions and support improved corporate behaviour over time.

Voting and engagement activity is applied at a portfolio level and may not be directly relevant to every individual fund or strategy, depending on its investment objectives.

Stewardship metric: Signatory to the FRC UK Stewardship Code (the Code)	2024	2025
Have we met the standard of reporting required by the Code and remain signatories?	**Yes**	**Yes**

Effective stewardship is a fundamental way in which we manage sustainability risks in our investments. We actively promote strong governance and forward-thinking practices across environmental, social and governance topics, including climate change. The FRC UK Stewardship Code[6] establishes principles for effective stewardship which we adhere to. You can see these principles reflected in our Stewardship and Responsible Investment Report and our voting and engagement statistics in this section.

We are proud to have retained our signatory status to the Code for 2025 and have been a committed signatory since 2012.

Stewardship metric: Proxy Voting	2024	2025
% of successful votes, that are not rejected	**94%**	**95%**

Exercising our voting rights is core to our stewardship activities, supporting how we manage investment risks. Voting on thousands of resolutions worldwide is an extension of our work to promote good governance and proactive, thoughtful stewardship and to express our views on sustainability risks. Our voting is pragmatic, informed by best practices, evolving insights and the long-term interests of our clients. In 2025 we voted on over 53,000 resolutions.

We voted on 984 shareholder proposals – 584 related to governance topics, 173 to social topics, and 141 to environmental topics. As part of our active approach, we analyse every single vote. On occasion some votes are rejected for reasons beyond our control. In 2025, 5% of all votes were rejected, meaning we successfully voted 95% of shares, up from 94% in 2024. Vote rejection reasons include late votes – where external factors such as late release of ballots or last-minute agenda changes prevent us from voting on time – or vote processing errors further down the complex voting chain. This is something we actively monitor and investigate occurrences of rejections. We work with our third-party proxy voting partners to ensure improvements are made to systems and any processing issues are rectified.

Our Stewardship and Responsible Investment Report contains more details on how we voted for specific companies and issues.

Stewardship metric: Company engagement	2024	2025
Number of companies engaged and number of unique topics	**464 companies engaged on 21 unique topics**	**356 companies engaged on 20 unique topics.**

As an active asset manager with a long-term view, we engage with companies to help identify, assess, and manage investment risks and opportunities. Our engagement priorities are informed by the issues that are most material to our clients and investments and are reflected in our engagement themes. We also engage on potentially material ESG issues where we believe constructive dialogue can support improved risk management, disclosure, governance, and long-term value creation.

Engagement with investee companies takes a variety of forms, including in-depth meetings with individual companies, collaborative engagement initiatives and written correspondence. Through these approaches, we conducted 658 engagements with 356 companies on 20 ESG topics in 2025 across our asset management business. Our engagement activity focused on issues we consider most relevant to long-term investment outcomes, with climate transition risk remaining a key area of engagement through our Net Zero Stewardship Programme, alongside governance, workforce and broader social issues.

6 https://media.frc.org.uk/documents/UK_Stewardship_Code_2026.pdf

2. Climate metrics

Aligned to: Climate risk management

Climate metric: Firm wide progress towards net zero 2030 50% reduction target	2024	2025
We commit to reducing the emissions from our investment portfolio by 50% by 2030 (tCO_2e/$m invested) from a 2020 baseline, as part of the transition to net zero by 2050[7].	**35% reduction against 2020 baseline**	**29% reduction against 2020 baseline**

Royal London Asset Management manages climate risk through our Royal London Climate Transition Plan.

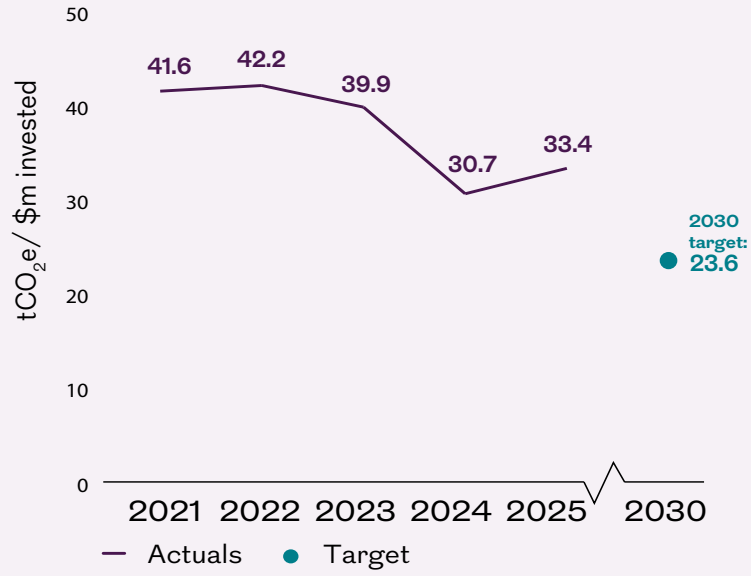
This is rooted in a deep commitment to stewardship and responsible investment. We are committed to supporting the goals of the Paris Agreement and playing our part in the transition to a net-zero economy, while managing climate-related risks on behalf of our clients.

We set a target to reduce our Scope 1 & 2 carbon footprint by 50% by 2030, against a 2020 baseline. We have achieved a 29% decrease against the 2020 baseline as of 2025, following a 9% increase on 2024. The year-on-year increase is the result of two main drivers:

1. changes in the weight of existing investee companies, and
2. changes that reflects updates to Royal London Asset Management's internal asset classification methodology as part of a business-wide strategic change to a new order management system. As part of this change, some low-carbon assets previously classified as corporate fixed income – such as term loans, certificates of deposit, commercial paper and term deposits – are now classified as 'other' and out of scope.

Our 2025 Climate Report includes more detail on our climate performance[8].

Royal London Asset Management carbon footprint and mid-term reduction target[8]



We know the global transition to net zero, and therefore our own journey to decarbonise our portfolios, will not be linear. Our emissions can vary from year to year because they depend on the activities of companies and issuers in our portfolio. Additional factors, such as changes in how emissions are reported or fluctuations in asset values, can also cause reported emissions to rise or fall.

7 Our commitments are based on the expectation that governments and policymakers will deliver on their commitments to achieve the goals of the Paris Agreement, and that the required actions do not go against our legal and regulatory obligations to our members and customers. Commitments are made at Group level and do not apply to all individual products and strategies because each has different investment objectives. For details of a specific product, see the product prospectus. Targets do not cover sovereign debt due to our limited ability to influence changes in countries' emissions.

8 Royal London Climate (TCFD) Report 2025

Climate metric: Climate TCFD metrics	2024	2025
Climate metrics for corporate fixed income and equity, sovereign debt, and property, submitted through FCA TCFD annual reporting.	Royal London Climate (TCFD) Report 2024	Royal London Climate (TCFD) Report 2025

Progress towards our net zero target can be tracked using our published climate metrics. These are detailed in the following pages – showing the split across our legal entities,

You can view climate metrics in this report through the below links:

1. Royal London Asset Management Limited
2. RLUM Limited (RLUM)
3. Royal London Unit Trust Managers Limited (RLUTM)
    a. RLUTM non-property climate metrics
    b. RLUTM property climate metrics

These show progress in reducing the emissions associated with our investments across all entities, and across the majority of indicators.



1. Royal London Asset Management climate metrics

We use a number of metrics to measure decarbonisation progress across our corporate fixed income and listed equity assets. See page 29 and the Appendix for an explanation of these metrics. As of 31 December 2025, changes in emissions associated with these asset classes included:

- Weighted Average Carbon Intensity (Scope 1 and 2) increased by 8% since 2024 but we observed an overall decrease of 36% since 2020.
- Financed emissions (Scope 1 and 2) increased by 16% since 2024 but decreased overall by 8% since 2020.
- Financed emissions (Scope 1, 2 and 3) increased by 22% from 2024, with an overall increase of 8% since 2020.
- Carbon footprint (Scope 1 and 2) increased by 9% since 2024 but has fallen 29% since 2020. We measure progress against our decarbonisation target using this metric

Independent assurance

We engaged KPMG LLP to perform independent limited assurance over selected climate metrics in the 2025 Royal London Climate Report, marked with a symbol.

◆ Selected metrics can be found in the table above.

The assurance engagement was performed in accordance with the International Standard on Assurance Engagements (UK) 3000 and the International Standard on Assurance Engagements 3410. To learn more, read the Royal London Asset Management's TCFD portfolio emissions independent limited assurance statement 2025.

TCFD fund-level product disclosures are available on the Royal London Asset Management Fund Centre website located here.

Royal London Asset Management portfolio emissions disclosure

Metrics		2025[8]	2024[9]	2020 (baseline)[9]	Year-on-year change[10]	Change against baseline[10]
Corporate fixed income and listed equity						
AUM (£bn)		**132**	**133**	**100**	**-1%**	**32%**
Scope 1 and 2						
Financed emissions ($MtCO_2e$)[11]	◆	**5.9**	5.1	6.5	**16%**	**-8%**
Carbon footprint (tCO_2e[11]/$m invested)	◆	**33**	31	47	**9%**	**-29%**
Data coverage (%)[12]	◆	**87%**	87%	66%	**0%**	**31%**
Weighted Average Carbon Intensity (tCO_2e[11]/$m revenue)	◆	**74**	68	116	**8%**	**-36%**
Data coverage (%)[12]	◆	**87%**	88%	78%	**-1%**	**11%**
Scope 3						
Financed emissions (estimated) ($MtCO_2e$)[11]		**54**	44	49	**23%**	**10%**
Data coverage (%)[12]		**87%**	87%	66%	**0%**	**32%**
Scope 1, 2 and 3						
Financed emissions (estimated) ($MtCO_2e$)[11]		**60**	49	55	**22%**	**8%**
Data coverage (%)[12]		**87%**	87%	66%	**0%**	**32%**
Sovereign debt						
AUM (£bn)		**26**	21	23	**23%**	**14%**
Financed emissions ($MtCO_2e$)[11]	◆	**6.9**	6.0	8.0	**16%**	**-16%**
Production emissions intensity (tCO_2e[11]/$m PPP-adjusted GDP)	◆	**126**	148	158	**-15%**	**-20%**
Consumption emissions intensity (tCO_2e[11]/capita)	◆	**11**	11	11	**-7%**	**-2%**
Data coverage (%)[12]	◆	**99%**	99%	98%	**-1%**	**1%**

9 Source: MSCI. Data for year ended 2025, 2024 and 2020, respectively.

10 Year-on-year change represents the percentage change in the values of the metrics in the year ended 2025 from the year ended 2024. Change from baseline represents the same calculation between the year ended 2025 metric from our baseline year, the year ended 2020. Percentage changes are derived from the underlying unrounded data and so may not match the calculation based on the rounded figures in the table.

11 tCO_2e represents the estimated amount of emissions, measured in metric tonnes of carbon dioxide equivalent. $MtCO_2e$ represents one million metric tonnes of carbon dioxide equivalent.

12 Proportion of assets with complete data. Complete data is defined as the available issuer-level data for all data points required for calculating a metric. For all metrics, this includes data on investment value and issuer emissions. Find more information on page 35. Beyond this, corporate fixed income and listed equity carbon footprint and financed emissions metrics also require data on issuer EVIC; Weighted Average Carbon Intensity requires issuer revenue; sovereign debt financed emissions and production intensity metrics require data on Purchasing Power Parity-adjusted Gross Domestic Product; and sovereign debt consumption intensity requires capita data. Data coverage – the majority of data for Scope 1, 2 and 3 is reported by the companies in which we invest, supplied by our third-party data provider, MSCI. The remaining emissions data is estimated by MSCI or unavailable. Estimated data for Scope 1, 2 and 3 is provided by MSCI.

2. RLUM climate metrics

We disclose a selected number of metrics across the RLUM portfolio, shown in the table below. This table details the total emissions from all RLUM fund holdings.

RLUM corporate listed equity and fixed income metrics[13]

Metric	Units	2025	2024	Year-on-year change
Scope 1 and 2 emissions				
Weighted Average carbon Intensity	tCO_2e/$m revenue	46	54	-16%
Data coverage	%	94%	93%	
Financed emissions	$MtCO_2e$	0.3	0.3	4%
Carbon footprint	tCO_2e/$m invested	16	17	-3%
Data coverage	%	94%	94%	
Scope 3 emissions				
Financed emissions	$MtCO_2e$	3.1	2.6	21%
Data coverage	%	94%	94%	
Scope 1, 2 and 3 emissions				
Financed emissions	$MtCO_2e$	3.4	2.9	19%
Data coverage	%	94%	94%	

TCFD disclosures for RLUM non-property funds are available on the Royal London Asset Management Fund Centre website located here.

3a. RLUTM non-property climate metrics

We disclose a selected number of metrics across the RLUTM portfolio, as shown in the table below. This table details the total emissions from all RLUTM non-property fund holdings. Refer to table below and the property metrics methodology.

RLUTM corporate listed equity and fixed income metrics[14]

Metric	Units	2025	2024	Year-on-year change
Scope 1 and 2 emissions				
Weighted Average carbon Intensity	tCO_2e/$m revenue	76	70	9%
Data coverage	%	94%	93%	1%
Financed emissions	$MtCO_2e$	3.3	2.6	25%
Carbon footprint	tCO_2e/$m invested	37	33	13%
Data coverage	%	94%	92%	2%
Scope 1, 2 and 3 emissions				
Financed emissions	$MtCO_2e$	34	27	26%
Data coverage	%	94%	92%	2%

TCFD disclosures for RLUTM non-property funds are available on the Royal London Asset Management Fund Centre website located here.

13 Source: All data sourced MSCI. As at 31 December 2025 and 31 December 2024. Data subject to rounding conventions
14 Source: MSCI. As at 31 December 2025 and 31 December 2024. Data subject to rounding conventions.

3.b RLUTM property funds energy and Greenhouse Gas (GHG) emissions

For RLUTM property funds, the impacts of climate change, the metrics used to measure climate change, and the management response required differ significantly from all other asset classes. These are, therefore, disclosed separately in the table below.

RLUTM property climate metrics[15]

	Royal London UK Real Estate Fund (RLUKREF)			Royal London Property Fund (RLPF)			Total		
	2025[16]	2024[17]	Year-on-year change	**2025[16]**	2024[17]	Year-on-year change	**2025[16]**	2024[17]	Year-on-year change
AUM (£m)[18]	**2,812**	2,654	6%	**370**	346	7%	**3,182**	2,999	6%
Absolute (MWh)									
Total electricity	**62,756**	58,826	7%	**9,171**	9,317	-2%	**71,927**	68,143	6%
Total fuel	**89,866**	83,669	7%	**8,882**	8,218	8%	**98,748**	91,887	7%
Energy intensity (kWh/m^2)									
Total like-for-like building energy intensity by floor area	**264**	246	7%	**139**	135	3%	**241**	226	7%
GHG emissions (tCO_2e)									
Scope 1	**1,162**	1,191	-2%	**115**	197	-42%	**1,276**	1,387	-8%
Scope 2 (location-based)	**1,238**	1,563	-21%	**219**	279	-22%	**1,457**	1,843	-21%
Scope 3	**33,918**	85,971	-61%	**5,463**	5,475	0%	**39,381**	91,446	-57%
Total GHG emissions	**36,318**	88,725	-59%	**5,797**	5,951	-3%	**42,115**	94,676	-56%
GHG intensity ($kgCO_2e/m^2$)									
Total GHG emissions intensity by floor area	**63**	123	-49%	**43**	45	-4%	**59**	111	-47%

RLUTM property funds disclosure for institutional investors is available here and the property metrics methodology can be found on page 26.

15 Source: Royal London Asset Management, as at 30 September 2025. Data subject to rounding conventions.
16 Investment property reporting period for 2025 data is Q4 2024 – Q3 2025.
17 Investment property reporting period for 2024 data is Q4 2023 – Q3 2024.
18 AuM data as at 30 September 2025 and 30 September 2024.

Climate metric: Net Zero Stewardship Programme	2024	2025
We commit to reducing the emissions from our investment portfolio by 50% by 2030 (tCO_2e/$m invested) from a 2020 baseline, as part of the transition to net zero by 2050[19].	**54% of financed emissions engaged in 2024**	**52% of financed emissions engaged in 2025**

We engage with companies to understand and influence how they manage physical and transition climate risks. Our firm-wide Net Zero Stewardship Programme targets the companies responsible for the highest financed emissions across our assets under management.

Our proprietary Climate Transition Assessment (CTA) framework evaluates a company's progress and informs our engagement strategies, with a target of engaging with companies responsible for 70% of our financed emissions (including Scope 1, 2 & 3 emissions) by 2030.

In 2025 we engaged with 65 companies, up from 40 in 2024. In aggregate, these companies were responsible for 52% of our financed emissions. The consequence of high emitting companies decarbonising is that more companies fall under the scope of this programme. So, although we engaged with more companies, the percentage of financed emissions engaged fell. Our Net Zero Stewardship Programme Supplement[19], which is available for professional investors, and our Royal London Stewardship and Responsible Investment Reports contain more information on how we identify companies, how we assess them, and results of our engagements.

Progress towards our net zero target can be tracked using our published climate metrics. These are detailed in the section Climate metric: – Firm wide progress towards net zero 2030 50% reduction target – showing the split across our legal entities. These show progress in reducing the emissions associated with our investments across all entities, and across the majority of indicators. There are several reasons for this progress including changes in the weight of investee companies within our portfolio, reductions in company emissions and increases in company values (Enterprise Value Including Cash, EVIC).

19 2025 Net Zero Stewardship Programme CTA supplement

3. Sustainability metrics

Aligned to: Investment risk management, climate risk management

Sustainability metric: Funds with ESG characteristics and sustainable objectives	2024			2025		
% of AuM in funds with ESG characteristics and sustainable objectives	**RLAM***	**RLUTM**	**RLUM**	**RLAM***	**RLUTM**	**RLUM**
	33%	43.7%	83.3%	32.2%	43.7%	81.8%

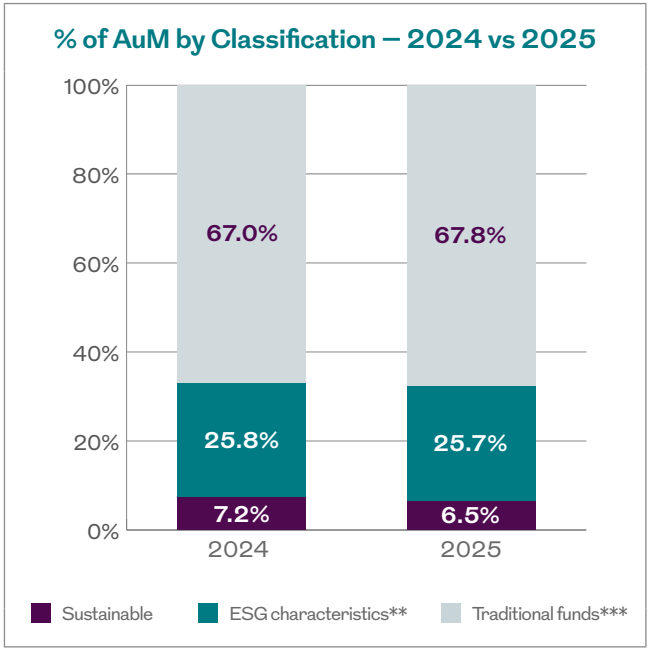
We offer funds with different approaches to sustainability. For this report, we group them according to whether they have a specific sustainability objective, apply binding environmental, social and governance (ESG) criteria, or fall within a traditional fund category. Binding criteria are requirements set out in a fund's prospectus or investment management agreement that form part of how the fund must be managed.

Different rules apply in the Financial Conduct Authority's (FCA) UK and the European Union (EU). The UK Sustainability Disclosure Requirements (SDR) provide sustainability labels and naming and marketing rules. The EU Sustainable Finance Disclosure Regulation (SFDR) sets disclosure requirements; its Article 8 and Article 9 categories are not product labels but framework for disclosure requirements.

How we classified our funds in 2025

- **Sustainable / sustainability:** funds with a specific sustainability objective. This includes UK funds using the SDR Sustainability Focus label and EU funds disclosing under SFDR Article 9.
  - UK SDR labelled funds: all eight UK-domiciled funds in our sustainable range adopted the Financial Conduct Authority's SDR Sustainability Focus label on 20 June 2025.
  - EU SFDR funds: Article 9 funds had a sustainable investment objective.
- **ESG characteristics**:** funds without a specific sustainability objective but with binding ESG or sustainability criteria. This includes UK FCA SDR non-labelled funds, EU funds disclosing under SFDR Article 8, and includes ESG tilt funds.
  - UK SDR non-labelled funds: eight RLUTM funds had binding ESG or sustainability characteristics, such as exclusions or ESG tilts, but did not have a specific sustainability objective
  - EU Article 8 funds promoted environmental and/or social characteristics but did not have a sustainable investment objective.
- **Traditional funds***:** funds that do not meet either of the two definitions above. This includes funds that may also apply fund-specific exclusions that are reported within this category to align with both UK FCA and EU regulatory classification approaches. In the EU these are known as Article 6 funds.

Note: RLUTM: 43.7% of AuM in funds with ESG characteristics or sustainable objectives: 0.9% Sustainable and 42.7% ESG Characteristics. RLUM: 81.8% of AuM was in funds with ESG characteristics or sustainable objectives, all within the Sustainable category.



* RLAM means Royal London Asset Management. ** Royal London Asset Management also manages four multi-asset funds that disclose under SFDR Article 8, with total AuM of £333.6 million at 31 December 2025. To avoid double counting, the figures above include only their underlying funds. *** 15.9% of Royal London Asset Management's AuM was invested in funds applying fund-specific exclusions. Although these exclusions are binding, we report these assets in the Traditional funds category to align with our regulatory classification approach.

Sustainability funds – RLUM and RLUTM

Non-labelled funds with ESG characteristics

Effective 2 December 2024, we took steps to classify nine of our funds as 'non-labelled funds with sustainability characteristics' under the SDR regime. These funds do not have an explicit sustainability objective, but they do have clear sustainability characteristics. For example, they use ESG and sustainability data to overweight or underweight our holdings, or they apply specific exclusions or screening criteria when selecting securities.

The funds that we have classified as non-labelled are listed below. We have included links to our Fund Centre where more information is available:

Capability	Fund Name	Structure	Fund management company
Equity	Royal London Asia Pacific Ex Japan Equity Tilt Fund	OEIC	RLUTM
Equity	Royal London Emerging Markets Equity Tilt Fund[20]	OEIC	RLUTM
Fixed Income	Royal London Ethical Bond Fund	OEIC	RLUTM
Equity	Royal London Europe Ex UK Equity Tilt Fund	OEIC	RLUTM
Equity	Royal London Japan Equity Tilt Fund	OEIC	RLUTM
Equity	Royal London UK Broad Equity Tilt Fund	OEIC	RLUTM
Equity	Royal London UK Core Equity Tilt Fund	OEIC	RLUTM
Equity	Royal London US Equity Tilt Fund	OEIC	RLUTM
Equity	Royal London UK Equity Tracker Trust[21]	Unit Trust	RLUM

20 Effective 9 December 2024 the Royal London Emerging Markets ESG Leaders Equity Tracker Fund was renamed Royal London Emerging Markets Equity Tilt Fund.
21 Effective 31 July 2025 the Royal London UK Equity Tracker Trust previously known as Royal London UK FTSE4GOOD Tracker Trust, was closed.

Sustainability focus labelled funds

In June 2025 we have applied the UK SDR Sustainability Focus label to our 8 UK domiciled sustainable funds, listed below, and can be viewed on our fund centre:

Capability	Fund Name	Structure	Fund management company
Equity	Royal London Sustainable Leaders Trust	Unit Trust	RLUM
Mixed Assets	Royal London Sustainable World Trust	Unit Trust	RLUM
Mixed Assets	Royal London Sustainable Diversified Trust	Unit Trust	RLUM
Mixed Assets	Royal London Sustainable Managed Growth Trust	Unit Trust	RLUM
Fixed Income	Royal London Sustainable Corporate Bond Trust	Unit Trust	RLUM
Equity	Royal London Global Sustainable Equity Fund	OEIC	RLUTM
Mixed Assets	Royal London Sustainable Growth Fund	OEIC	RLUTM
Fixed Income	Royal London Sustainable Short Duration Corporate Bond Fund	OEIC	RLUTM

In accordance with requirements of the label, 70% of each fund is invested in companies that meet our sustainability standard. These are companies that contribute positively to one or more sustainability themes (clean, healthy, safe, and inclusive) through what they do (products and services) and through how they do it (operations) to encourage good corporate behaviour. The sustainability standard is that at least 50% of a company's revenues must be derived from products or services aligned to one or more of the four sustainability themes.

The SDR Consumer-facing documents (CFD) for each of the above referenced labelled and non-labelled funds can be found on our website via the Fund Centre. Each fund's CFD describes the investment policy and strategy for that fund, including the sustainability goal, investment approach and metrics.

Full details of the resources, governance and organisational arrangements for our labelled funds and non-labelled funds can be found in the Prospectus and Key Investor Information Document. All these documents are available in the Fund Centre.

Sustainability metric: Property	2024			2025		
	RLAM*	RLUTM	RLUM	RLAM*	RLUTM	RLUM
% of units within property investments with EPC ratings B or above	35%	38%	N/A	51%	48%	N/A

We aim to improve EPC ratings in our property portfolio to help manage property investment and climate risks. This highlights our focus on driving energy efficiency across our properties, along with our efforts to minimise our transitional risk to proposed Minimum Energy Efficiency Standard (MEES) regulation, requiring an EPC rating of B or above by 2031 for commercial properties over 1,000 square metres, subject to the successful passage of secondary legislation.

Royal London Asset Management Limited is the appointed investment manager for three property funds: Royal London UK Real Estate Fund (RLUKREF), Royal London Property Fund (RLPF) and RLPPF. 50.8% of the units within the three funds have an EPC rating of A+ to B. As of 2025 RLPPF includes the RLAM Living Fund.

RLUTM is the management company for RLUKREF and RLPF where 47.9% of total units have an EPC rating of A+ to B, equating to 51.9% of the total combined floor area of these two funds.

These funds are not available to retail investors. There are no property funds managed in the RLUM umbrella.

Property metrics: methodology notes

1. Due to the nature of carbon, energy and water data for property, the data presented in this section is taken from 1 October 2023 (Q4) to 30 September 2024 (Q3), and 1 October 2024 (Q4) to 30 September 2025 (Q3). The need to report Q4 to Q3 data is common within the property management industry and is driven by delays in data availability.
2. Scope 1 is inclusive of emissions from landlord procured gas (excluding occupier spaces) and fugitive emissions from refrigerants. Scope 2 is inclusive of emissions from landlord-procured electricity (excluding occupier spaces). Scope 3 is inclusive of:

- purchased goods and services • capital goods (including development activities)
- energy transmission and distribution • landlord-procured water emissions
- landlord-managed waste emissions • end-of-life treatment of sold products
- indirect investments • emissions from energy consumption in occupier spaces.

3. Please see our Property Net Zero Carbon Pathway Progress Report (2025) for a full breakdown of Scope 1, 2 and 3 emissions by GHG source. Like-for-like intensity metrics are calculated only where whole building coverage is available, to align with the INREV reporting guidelines. It relates only to internal (gross internal area (GIA)) utilities. Assets sold or purchased during the reporting period and assets with incomplete data sets have been excluded from like-for-like analysis.
4. Energy intensity calculations are inclusive of data from assets which have whole building data and full coverage across the reporting period.
5. Where data has not been available, GHG emissions calculations have utilised benchmarks and averages. Therefore, total emissions and intensities cover the GIA of each fund.
6. See the Appendix for methodological and data assumptions, limitations and disclaimers.

* RLAM means Royal London Asset Management.

4. Talent and people metrics

Aligned to: People and talent risk management

Talent and people: Women in finance charter target	2024			2025		
% of females in senior roles vs the target	**RLAM***	**RLUTM**	**RLUM**	**RLAM***	**RLUTM**	**RLUM**
	30%	N/A	N/A	32.1%	N/A	N/A

- The gender distribution across senior roles in Royal London Asset Management as of December 2025 was 32.1% female and 67.9% male.
- Our overall Royal London (including Royal London Asset Management) senior leadership representation was 40.1% women in December 2025, up from 39% in 2024, against our HM Treasury Women in Finance Charter target of 42% female representation in senior positions by 31 December 2025. While we made further progress during the year, we did not meet our 42% target, with the pace of change slower than anticipated, and remain committed to increasing female representation in senior roles.
- 37% of all Royal London Asset Management employees were female as of December 2025 (up from 35% in 2024). The Royal London Asset Management Executive Committee was 38% female as at the end of December 2025 (up from 20% in 2024).
- Royal London has a robust central Diversity and Inclusion (D&I) Strategy, complemented by individual business area plans. We have a strong positive action plan, focused on our specific business area opportunities and challenges, sponsored by a member of our Senior Leadership team.
- Our D&I work is supported by four colleague-led Royal London inclusion networks: the Women's Network, Disability Awareness and Neurodiversity (DAWN) network, our Pride LGBTQ+ Network, and our Race, Ethnicity and Cultural Heritage (REACH) network.

We partner with a number of external organisations to ensure best practice and to support progress across our industry. This includes Women in Banking and Finance (WiBF), Inclusive Employers and Neurodiversity in Business.

Source: HM Treasury Women in Finance Charter – Annual Report for 2025, Royal London. View the Royal London 2025 report - https://www.royallondon.com/siteassets/site-docs/careers/2025-women-in-finance-charter-report.pdf

"Royal London has made steady and positive progress over the past five years towards our Women in Finance Charter target of reaching 42% women in senior roles by the end of 2025. As at December 2025, we have 40% of women in senior roles.

While this reflects a positive upward trend, the pace of change has been slower than anticipated due to a combination of factors."

It then explains these factors include low senior turnover, growth in areas where female representation is lower, including Asset Management and Technology, and the time required to build diverse succession pipelines.

* RLAM means Royal London Asset Management.

Appendix

In this section, we discuss:

- **Metrics description and methodology:** our methodology for climate scenario analysis and calculation of our metrics.
- **Data integrity/diligence:** key methodological and data assumptions, limitations and disclaimers.
- **Glossary:** the key terms used throughout this document.

Metrics description and methodology

The metrics and methodology described in this section apply across the Group including.

Portfolio climate metrics and methodology

Metric	Description and methodology
Carbon footprint tCO_2e/$m invested	The emissions intensity of an investment portfolio, expressed in tCO_2e/$m invested. Financed emissions (explained on the following page) is divided by the portfolio value. The resulting indicator measures absolute emissions generated for each dollar invested in the fund. For further details, see Royal London's 2025 Emissions Metrics Reporting Criteria.
Climate Value-at-Risk (C-VaR) %	Our C-VaR model aims to provide an assessment on how climate change may affect the investment return in portfolios based on conditions associated with global temperature trajectories. The underlying climate model we selected is the regionalised model of investment and development (REMIND). It is a global model that couples an economic growth model with a detailed energy system model and a simple climate model. It is hosted at the Potsdam Institute for Climate Impact Research (PIK). We use three scenarios developed by the NGFS: • National Determined Contributions: 'hot house' 3°C scenario • Below 2°C: an 'orderly transition' scenario • Delayed transition: a 2°C 'disorderly transition' scenario. Whether the transition is orderly or disorderly depends on global cooperation and adequate policies being in place, among other variables. The variables behind each scenario can be reviewed on the MSCI website.
Companies with Science Based Targets initiative (SBTi)-approved targets %	Companies with SBTi-approved targets (%) is the percentage of companies in our corporate fixed income and listed equity asset classes that have had their climate targets approved by the SBTi. It is the percentage of instruments (by value) held in the portfolio through equity stake or bonds that have validated science-based targets with near-term target trajectories below 1.5°C and 2°C, respectively.

Metric	Description and methodology
Exposure to fossil fuels %	The percentage of instruments (by value) held in the portfolio through equity stake or bonds that have any exposure to revenues from the following fossil fuel activities: • Oil and gas 'any tie': companies with an industry tie (or exposure) to oil and gas, in particular reserve ownership, oil- and gas-related revenues and power generation. • Oil and gas production: companies that provide evidence of revenues from extraction and production of oil and gas. • Arctic oil and gas production: companies that provide evidence of producing Arctic oil or gas. • Shale oil and gas: companies that provide evidence of producing oil or gas using the method of hydraulic fracking. • Oil sands: companies with an industry tie to oil sands, in particular reserve ownership and production activities. • Thermal coal: companies disclosing evidence of thermal coal production. • Metallurgical coal: companies disclosing evidence of metallurgical coal production. • Coal power: companies disclosing evidence of thermal coal power generation. This does not measure the total revenues derived from these activities.
Financed emissions tCO_2e or $MtCO_2e$	The absolute emissions associated with the investments in the portfolio, expressed in tCO_2e or $MtCO_2e$ (metric tonnes or million metric tonnes of carbon dioxide equivalent). Emissions are attributed to a portfolio based on the portion of the company's value that the portfolio holds, using EVIC for publicly listed corporates. For further details, see Royal London's 2025 Emissions Metrics Reporting Criteria. For Scope 3 emissions, RLMIS uses estimated emissions from MSCI. We distinguish between company reported data and estimated data from our data providers.

Metrics description and methodology continued

Metric	Description and methodology
Implied Temperature Rise (ITR) °C	ITR aims to measure the warming that the emissions from a company would drive by year 2100, if the whole economy had the same over- or under-shoot level of GHG emissions. It is based on the company's most recent Scope 1, 2 and 3 emissions, projecting these into the future and incorporating the company's targets. It is expressed in degrees Celsius. Further details of MSCI's ITR methodology can be found on their website. This year, we have provided detail on the percentage of our corporate fixed income and listed equity portfolio by value that has an ITR of below 1.5°C or 2°C. We believe this is a more useful metric than a portfolio-aggregated ITR figure, albeit with limitations and assumptions which are provided on page 39.
Property emissions intensity $kgCO_2e/m^2$	Total Scope 1, 2 and 3 carbon dioxide-equivalent emissions per metre squared. Calculated using the GHG Protocol methodology and by applying the UK government's GHG Conversion Factors for Company Reporting (2024, 2025).
Sovereign debt emissions $MtCO_2e$	Total financed emissions are calculated by multiplying the attribution factor by the sovereign emissions. The attribution factor is the value of our investment over the sovereign issuer PPP-adjusted GDP. Sovereign emissions scope includes emissions from sources located within the domestic territory (PCAF-defined Scope 1), emissions from energy imports (PCAF-defined Scope 2) and emissions from non-energy imports (PCAF-defined Scope 3). For further details, see Royal London's 2025 Emissions Metrics Reporting Criteria.
Sovereign debt consumption intensity tCO_2e/capita	Sovereign debt consumption intensity measures a portfolio's exposure to carbon-intensive economies, defined as the portfolio weighted average of sovereigns' GHG consumption intensity (consumption emissions/population for the country territory). Consumption emissions (PCAF defined Scope 1 + 2 + 3 – exported emissions) reflect the emissions attributable to consumption within the sovereign territory. Consumption emissions per capita provides a metric to compare demand-size of sovereign economies. For further details, see Royal London's 2025 Emissions Metrics Reporting Criteria.

Metric	Description and methodology
Sovereign debt production intensity tCO_2e/$m PPP-adjusted GDP	Sovereign debt production intensity measures a portfolio's exposure to emissions-intensive economies, defined as the portfolio weighted average of sovereigns' GHG production intensity (production emissions/PPP-adjusted GDP). Production emissions (PCAF defined Scope 1) reflect the emissions generated within the sovereign territory. Values exclude land use, land-use change and forestry (LULUCF). Production emissions normalised by Purchasing Power Parity-adjusted Gross Domestic Product (PPP-adjusted GDP) provides a metric to compare sovereign economies emissions relative to output and real economy size. For further details, see Royal London's 2025 Emissions Metrics Reporting Criteria.
Total building energy intensity by floor area kWh/m^2	Energy (electricity + fuel) per kilowatt hour per metre squared.
Total electricity consumption kWh	Electricity consumption per kilowatt hour (kWh) – based on metered building consumption data.
Total fuel consumption kWh	Fuel consumption per kilowatt hour (kWh). Fuel refers to natural gas consumption only within building types.
Weighted Average Carbon Intensity tCO_2e/$m revenue	The Weighted Average Carbon Intensity is a portfolio's exposure to carbon-intensive companies, expressed in tCO_2e/$m revenue. Carbon equivalent emissions are divided by companies' revenues, then multiplied based on portfolio weights (the current value of the investment relative to the current portfolio value). For further details, please see Royal London's 2025 Emissions Metrics Reporting Criteria.

Metrics description and methodology continued

Operational and value chain emissions methodology

For further details, including estimation methodologies applied, please see Royal London's 2025 Emissions Metrics Reporting Criteria.

Metric	Description and methodology
Scope 1 GHG emissions tCO_2e	Direct emissions from stationary combustion – Natural gas consumption is recorded monthly, utilising a hierarchy of data sources. Where verifiable data is not available, estimations are calculated from a range of methodologies. The relevant natural gas emission factors for the UK and Ireland are applied to the consumption data for the year to calculate emissions in tonnes of carbon dioxide equivalent (tCO_2e). Direct emissions from mobile combustion – Business travel from vehicles owned or controlled by Royal London utilising petrol or diesel fall under Scope 1. Consumption data is recorded yearly, utilising vehicle mileage or fuel spend. The relevant fuel emission factors from the UK and Ireland are applied based on vehicle size and fuel type to calculate emissions in tCO_2e. Direct fugitive emissions – This is limited to building cooling systems at operational sites where Royal London has access and is responsible for the maintenance and management of the system. Refrigerant gas consumption for all cooling systems is obtained from maintenance surveys or via confirmation from the cooling system provider. The relevant global warming potential (GWP) is applied based on refrigerant gas type to calculate emissions in tCO_2e.

Metric	Description and methodology
Scope 2 – GHG emissions tCO_2e	Indirect emissions from purchased electricity, location-based – Electricity consumption is recorded using a hierarchy of data sources. Where verifiable data is unavailable in line with the data source hierarchy, estimations are calculated from a range of methodologies. The relevant grid emission factors are applied to the consumption data for the year to calculate emissions in tCO_2e. Indirect emissions from purchased electricity, market-based – Electricity consumption that can be classified as renewable is recorded using either a Renewable Energy Guarantees of Origin (REGO) or Guarantee of Origin (GO) (depending on the regional requirements), or a certificate of supply or landlord confirmation of renewable energy supply. Energy sourced from certified renewable sources via the REGO/GO scheme is currently classified as carbon neutral and falls under Scope 2 market-based emissions. Where landlord confirmation of REGO/GO certificates has not been obtained for certain sites, Royal London has taken the approach to purchase a bulk REGO/GO from the National Grid to certify these sites as utilising renewable energy. Indirect emissions from electric charging, location- and market-based – Expensed travel from electric vehicles owned or controlled by Royal London falls under Scope 2. Where the emissions source of electric vehicle charging points cannot be verified, all related emissions are assigned as non-renewable. Consumption from electric vehicle charging is recorded yearly, utilising vehicle mileage and fuel spend. For the location-based calculation, the relevant grid emissions factors from the UK and Ireland are applied to the consumption data for the whole 12-month period to calculate emissions in tCO_2e. For the market-based calculation, the relevant residual mix emission factors from the UK and Ireland are applied to the consumption data for the year to calculate emissions in tCO_2e. Indirect emissions from heating, location- and market-based – Emissions from heating cover multi-tenant properties where Royal London consumes heat from a system that is not within operational control. Heat consumption is recorded through physical meter readings. For the location-based and market-based calculation, the relevant onsite heating emission factor for the UK is applied to the consumption data for the year to calculate emissions in tCO_2e.

Metrics description and methodology continued

Metric	Description and methodology
Scope 3 – GHG (value chain) emissions tCO_2e	Categories 9, 10, 11, 12, 13 and 14 of Scope 3 are currently not disclosed as these categories are not material to Royal London's business. Category 15 (Investments) emissions data is reported separately. **Category 1: Purchased goods and services and Category 2: Capital goods** – Covers emissions from the extraction, production and transportation of purchased goods and services (from cradle to gate). This data represents payments made to suppliers within the reporting period. A data-cleansing exercise is completed to exclude any supplier spend that would represent double-counting in another category. Emissions are calculated utilising either specific supplier emissions from Carbon Disclosure Project (CDP) data or utilising the relevant Environmentally Extended Input-Output (EEIO) industry emission factors from the Supply Chain Greenhouse Gas Emission Factors, released by the US Environmental Protection Agency. Royal London recognises the limitations of CDP data, as different suppliers may disclose different categories and utilise different calculation methods. This hybrid method allows for more in-depth, actual data to be utilised where it is available, while implementing estimations for the remaining dataset using the spend-based method. **Category 3: Fuel and energy-related activities** – Covers emissions from the extraction, refining and transportation of fuels and purchased energy prior to their use in the generation of energy, as well as due to the loss of energy during transmission and distribution. Consumption data collected for Scopes 1 and 2 is utilised for the calculation of this emissions category. The relevant transmission and distribution emission factors are applied to electricity and heat consumption for the year to calculate emissions from transmission and distribution losses in tCO2e. The relevant well-to-tank emission factor for the UK is applied to electricity, natural gas and other fuel consumption for the year to calculate well-to-tank (WTT) emissions in tCO_2e. The relevant UK emissions factor is applied to fuel, electricity and natural gas consumption from Royal London sites in Ireland as there is currently no available Irish emissions factor.

Metric	Description and methodology
Scope 3 – GHG (value chain) emissions continued tCO_2e	**Category 4: Upstream transportation and distribution** – Covers emissions from the transportation and distribution of water to Royal London offices. Water consumption is collected using a hierarchy of data sources. Where verifiable data is not available, estimations are calculated from a range of methodologies. The relevant water supply emission factor for the UK is applied to water consumption for the year to calculate emissions from transportation and distribution of water in tCO_2e. The relevant UK water supply factor is applied to water consumption data from all Royal London sites. This includes Ireland sites as there is currently no available Irish factor. **Category 5: Waste generated in operations** – Covers emissions from the disposal and treatment of waste generated from Royal London offices, using several waste disposal streams. Waste tonnage data from all sites and waste streams is collected using a hierarchy of data sources. Where verifiable data is not available, estimations are calculated from a range of methodologies. The relevant waste emission factors for each disposal stream and processing type for the UK and Ireland are applied to calculate emissions from waste generated in operations in tCO_2e. The relevant UK waste/wastewater supply factors are applied to water consumption data from all Royal London sites. This includes Ireland sites as there is currently no available Irish factors. **Category 6: Business travel** – Covers emissions generated from rail and air business travel, hotel stays, taxi travel and use of personal cars for business purposes. Business travel data is collected via a range of methods, depending on the travel type. The relevant emission factors by travel type for the UK and Ireland are applied to calculate emissions from business travel in tCO_2e.

Metrics description and methodology continued

Metric	Description and methodology
Scope 3 – GHG (value chain) emissions continued tCO_2e	**Category 7: Employee Commuting and Homeworking** – Covers emissions from the commuting of employees between their homes and Royal London offices, and emissions from employees working from home. Employee commuting and homeworking input data is made up of results from the Royal London colleague commuting and homeworking survey on a range of factors related to commuting and homeworking. For homeworking, the methodology in the Eco Act Homeworking Whitepaper is used for calculation, alongside several assumptions. Relevant emission factors for the UK are applied to the survey results, office occupancy and full-time equivalent data to calculate emissions from employee commuting and homeworking in tCO_2e. There are two shuttle buses between the train station and the office in Alderley Park. Shuttle bus mileage is used to calculate the carbon emissions in tCO_2e. **Category 8: Upstream leased assets** – Covers emissions from the operation of assets leased by Royal London (lessee) where Royal London does not have full operational control of the property. The relevant natural gas and electricity emission factors for the UK are applied to the consumption data for the year to calculate emissions in tCO_2e. **Category 13: Downstream leased assets** – Covers emissions from the operation of assets owned by Royal London (lessor) and leased to other entities, where Royal London does not have full operational control of the property. This category is included for 2019 baseline emissions; however, all downstream leased assets have since been sold and therefore there were no emissions from this category in 2024 or 2025. The relevant natural gas and electricity emission factors for the UK are applied to the consumption data for the year to calculate emissions in tCO_2e.

Metric	Description and methodology
Scope 3 – GHG (emissions intensity metrics) tCO_2e per FTE	**Total Scope 1 and 2 emissions per full-time equivalent (FTE)** – Consumption data collected for Scopes 1 and 2 is utilised for the calculation of this intensity metric. Please refer to the Scope 1 and Scope 2 market-based sections for information on the collection, estimation and calculation under each consumption type for how emissions are calculated in tCO_2e. Total Scope 1 and 2 market-based emissions for the year are then divided by the actual yearly average FTE to reach the intensity metric in tCO_2e per FTE. **Total Scope 3 emissions per FTE** – Consumption data across all relevant Scope 3 categories is utilised for the calculation of this intensity metric. Please refer to the Scope 3 section for information on the collection, estimation and how emissions for each Scope 3 category are calculated in tCO_2e. Total Scope 3 emissions for the year are then divided by the actual yearly average FTE to reach the intensity metric in tCO_2e per FTE.

Metrics description and methodology continued

Our approach to attribution analysis

Our attribution analysis examines the change in our Scope 1 and 2 carbon footprint for corporate fixed income and listed equity assets over the last year. It investigates changes in the company-level emissions and financial data used to inform our carbon footprint. For information on how our carbon footprint is calculated using this data, see Royal London's 2025 Emissions Metrics Reporting Criteria. Our approach aligns with the method set out by MSCI researchers in A Framework for Attributing Changes in Portfolio Carbon Footprint published in the Journal for Portfolio Management.

Our analysis sets out ten drivers of the change in our carbon footprint over the last year. Each driver sits within one of three layers of analysis, which are categorised according to the depth of detail they provide. The results of our analysis are shown on page 45 of the Royal London Climate (TCFD) report.

The first layer of detail includes four drivers that influence the overall change in our carbon footprint:

- **Existing positions:** changes in the carbon footprint of companies in our corporate fixed income and listed equity portfolio, relating to investments we held at the end of both 2024 and 2025.
- **Change in data coverage:** the impact of changes in the availability of complete data for companies in our portfolio.
- **Divested positions:** the impact of companies being removed from our portfolio over 2025.
- **New positions:** the impact of companies added to our portfolio over 2025.

The second layer breaks down the factors influencing our existing positions, as this is the driver from the first layer that offers the most comprehensive insights:

- **Change in carbon intensity:** the impact of the changing carbon footprint of individual companies in our portfolio.
- **Change in weight:** the impact of changes to the relative weighting of companies across our portfolio (the size of the investment as a proportion of the total portfolio).
- **Interaction between weight and intensity:** the effect of interactions between changes in companies' weight and carbon intensity.

The third layer represents the most detailed level of insight, breaking down the drivers that influence the change in carbon intensity:

- **Change in EVIC values:** the impact of changes in the total value of a company.
- **Change in issuer emissions:** the impact of changes in the emissions (Scope 1 and 2 tCO_2e) of the companies we invest in.
- **Interaction between EVIC and issuer emissions:** the effect of interactions between changes in companies' EVIC and emissions.

Our approach is subject to the data limitations outlined on page 34 of the Royal London Climate (TCFD) report and on 36 to 39. As set out on page 34 of Royal London's 2025 Emissions Metrics Reporting Criteria in the annual Royal London Climate (TCFD) report, we endeavour to use the most up-to-date data available to us at the time of calculation. MSCI makes ongoing updates to its database. This is particularly important as MSCI data drives the categorisation of the drivers included in the first layer of analysis. MSCI data changes could lead to changes in the year-on-year classification of some positions when matching across data sets.

Climate scenario analysis: methodology

To understand how investment portfolios might be impacted under a range of climate pathways, we analysed a number of scenarios and possible impacts on our business model.

This was done by:

- using three pathways from the NGFS Phase 4 framework to inform future policy and technology assumptions, which influence modelled levels of GHG emissions
- estimating the associated temperature increases and economic impacts of physical warming under each scenario
- using these assumptions to estimate the impact on GDP at a regional level
- assessing the likely impact of these GDP changes on returns across asset classes.

Reductions in rates of return across asset classes were modelled to reflect how they are expected to change over the rest of this century. Impacts on asset returns, relative to a base scenario excluding climate pathway overlays, increase when moving from a scenario assuming faster transition (i.e. Below 2°C) to scenarios with slower transitions (i.e. Delayed Transition and Current Policies).

There is significant subjectivity involved in converting climate pathways into tangible asset-modelled scenarios. There is also significant subjectivity and uncertainty around what the potential impacts of these pathways will be on mortality rates and life expectancy in the UK. As a result, mortality and life expectancy were not considered in the 2025 quantitative analysis.

Metrics description and methodology continued

Data sources and quality

Financial data

For The Royal London Mutual Insurance Society (RLMIS):

- portfolio data for corporate fixed income, listed equity and sovereign debt is from RLMIS internal financial data with values as at end of 2025.
- revenue and EVIC issuer data is provided by MSCI. Revenue figures are aligned to the emissions year and EVIC figures are the latest available.
- capita and PPP-adjusted GDP for sovereign issuers are provided by MSCI.

For Royal London Asset Management, Royal London Unit Trust Managers (RLUTM) and RLUM:

- portfolio data for equities and fixed income are from Royal London Asset Management financial data systems with values as at end of 2025.
- revenue and EVIC issuer data is provided by MSCI. Revenue figures are aligned to the emissions year and EVIC figures are the latest available.
- capita and PPP-adjusted GDP for sovereign issuers are provided by MSCI.

All of our emissions data across corporate fixed income, listed equity and sovereign debt assets is provided by MSCI. Data is obtained from MSCI on a 'point in time' basis within 10 working days of year-end, using the most recent figures available.

ITR, C-VaR and fossil fuel exposure are provided by MSCI. We take SBTi data directly from the public-access website.

Data quality

PCAF data quality scoring for issuer emissions data, as assessed by our data provider, is as follows:

PCAF Score	RLMIS (% corporate fixed income and listed equity)
1	64%
2	17%
3	0%
4	7%
5	0%
No coverage	12%

Sovereign debt emissions are based on a combined dataset and, as such, do not have a PCAF single quality score attached. The dataset relies on estimates for imported emissions which are rated as a PCAF Score 4. Therefore, the combined dataset might be considered to be rated as '4' as this is the lower score of the combined sources. We do not expect this to improve in the immediate future as sovereigns are not expected to report on imported emissions.

Details for the PCAF data quality scoring are described in The Global GHG Accounting and Reporting Standard Part A: Financed Emissions. Second Edition.



Metrics description and methodology continued

Methodological and data assumptions, limitations and disclaimers

We recognise there are limitations associated with calculating portfolio emissions, including availability of data, methodology gaps across different asset classes, lack of consistency across the industry, data quality and transparency. There are also limitations to the reliability and usefulness of climate data due to the emerging nature of climate data applications and methodologies in finance. All data is supplied for information purposes only and should not be relied upon for investment decisions.

We endeavour to improve climate data in finance through our engagement with companies and data providers. We also collaborate with industry bodies such as the IIGCC, to support the evolution of good practice in climate emissions disclosures.

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We have identified the following areas where limitations are most evident:

Aggregation and data coverage

The percentage data coverage for each metric is based on the portion of corporate fixed income and listed equity with available data and expressed in percentage value in the portfolio. For the portion of the portfolio where data (emissions or financial data, including holding value, revenue or EVIC) is not available, the holdings are removed and the portfolio is reweighted to 100%. We follow the aggregation process that our data provider, MSCI, uses. The portion of our portfolio that has no climate disclosures is assumed to mirror the behaviour of the holdings with available data.

Sovereign bonds follow the same aggregation and coverage logic explained above and are treated as a distinct portfolio.

For further details on our assumptions and data limitations, see Royal London's 2025 Emissions Metrics Reporting Criteria.

Property is reported separately as the metrics are specific to this asset class. We classify assets internally to perform aggregation calculations.

Asset class coverage

Due to how our assets are internally categorised, a small portion of our corporate fixed income and listed equity, and sovereign debt portfolios are invested in other types of holdings such as private equity or supranational bonds, for which we do not have issuer emissions data. There are some asset classes where emissions data or methodologies to calculate proxies are not readily available, such as derivatives and private markets, and therefore these are excluded from our analysis.

Accuracy and availability of financial data

The financial data standardised by ESG data providers used in this report may differ from data used in our internal financial analysis. For example, conversion rates and differences in tax system reporting make data less comparable.

Accuracy and availability of emissions data

Scope 1 and 2 emissions data

Not all companies disclose their emissions. The level and accuracy of disclosure vary across geographies and industry sectors, and where disclosures are made, they are typically subject to less rigorous auditing processes than financial data. Issuers disclose emissions with different levels of transparency, coverage and methodologies, making disclosures less comparable.

Reported emissions are supplemented by estimated emissions calculated by our data provider to allow for higher overall coverage, which can make emissions data less reliable.

Metrics description and methodology continued

For its property investments, since the 2019 reporting year Royal London Asset Management Property has used estimates where actual data is not available, improving data coverage up to 100%. For data from 2019 to 2023, this is done by applying the Global Real Estate Sustainability Benchmark carbon intensity benchmarks to an asset's gross internal area. This approach was applied primarily to emissions from occupier-procured data, but also for landlord-procured energy, where appropriate. For 2024 and 2025, these estimates have been calculated by applying our data platform provider's estimation methodology. This is computed based on data coverage levels ranging from data with 100% coverage to partial data using extrapolation, or indexing where no data is available. Extrapolation leverages known consumption within parts of the building to estimate missing values, while indexing compares the performance of similar assets within similar sectors and locations.

Scope 3 emissions data

Few companies are currently reporting their Scope 3 emissions resulting in only estimations being available for most of our holdings. Companies are selectively disclosing certain subcategories of Scope 3, often not the most material but the easiest to calculate, which can lead to underestimation of emissions if reported Scope 3 emissions are relied on for calculations.

There is a lack of consistency on the methodology being adopted across the industry to estimate these emissions. As a result, Scope 3 emissions can vary significantly across different data providers, and in the subsequent reporting across our peers. The Scope 3 estimation methodologies cannot follow entirely the GHG Protocol as it would require complete understanding of each company's entire value chain and market. Nonetheless, the methodologies are based on bottom-up company-specific data when available but can also use top-down sector intensities. Estimations allow for better like-for-like comparison of Scope 3.

We note that the Scope 3 emissions estimates are particularly weak for the financial services sector. This is mainly as methodologies for this sector are only recently being supplemented by PCAF, disclosures are more complex, and estimations involve using reference proxy portfolios and sub-industry average emissions, which are less accurate in nature than estimations for sectors where activities can be tracked by revenue split or assets.

Timeliness of emissions data reporting

The comparability and timeliness of companies' disclosures is limited. Timing of disclosure varies across jurisdictions and companies, with announcements on climate strategy or emissions targets not necessarily following the financial disclosure schedules.

The data reported may not always utilise the most recently reported emissions from our underlying holdings. Our external data provider makes regular updates to its databases following company disclosures but does not always report the most recent carbon emissions for all companies. This results in carbon data often being out of date by 12 to 24 months. We endeavour to use the most up-to-date data available to us at the time of calculation.

Forward-looking and portfolio alignment metrics

Forward-looking metrics are underpinned by many uncertainties and subjective choices. While we observed improvements, they may still:

- exclude widely accepted material climate risks that cannot be modelled, including the impacts from external policy decisions, market sentiment and climate tipping points
- rely on material subjective assumptions, including viability of investee net zero plans and assumed sector-level transition pathways.

Data providers' methodologies, using the latest available climate science, will inevitably need to evolve with changes in scientific understanding. This could make our year-on-year disclosures not comparable.

While quantitative information is useful, we do not rely on these forward-looking metrics for investment decisions or assessing climate risk exposure, due to the limitations described below. This allows us to consider more nuanced qualitative assessment and judgement when making decisions.

Despite ongoing enhancements by data providers such as MSCI, modelling limitations look set to persist in the short term. We will continue to encourage enhancements by MSCI through regular engagement. We will strive to use and report the most logical and decision-useful data available. This approach will be kept under review as the quality of climate data for financials improves and as decision makers become more familiar with the basis and limitations of climate metrics.

Metrics description and methodology continued

Climate Value-at-Risk (C-VaR)

C-VaR relies on necessary climate model and socio-economic assumptions as well as cost and valuation calculations that reduce confidence in the metric.

The metric consists of three models: policy C-VaR, physical C-VaR and technology C-VaR. For each, climate impact is calculated at asset level and translated into impact on cost or return for the next 15 years.

- **Policy C-VaR** calculations make necessary assumptions on how much a company may need to reduce its GHG emissions due to climate policy and how much this may cost.

  Assumptions include countries adequately disclosing their plans to the United Nations Framework Convention on Climate Change (UNFCCC) and implementing them. Carbon prices used to estimate costs are taken from IPCC-referenced integrated assessment models (IAM) and scenarios. IPCC and NGFS IAM scenarios assumptions are openly auditable and can be considered the latest science which informs policy. However, these models have assumptions around GDP growth, technology uptake and marginal abatement costs, which means that inherently each scenario for which a carbon price is taken will show only one possible alternative future.
- **Physical C-VaR** makes assumptions on the climate impact on a company's assets from climate change and how costly this could be in terms of increased business interruptions and/or asset damage.

  Climate impact models are used that include chronic hazards such as gradual temperature, precipitation and snowfall changes, as well as acute hazards such as coastal flooding and cyclones. The impact of emissions on warming has lower uncertainties than the planet's warming effects on weather and climate and its implications in specific locations. Beyond the difficulty of accurately estimating the increase in vulnerability of assets due to climate change, estimating how much this may cost the business has additional assumptions, for example, how costs are aggregated from asset to business balance sheets, assumptions of companies' lack of adaptive capacity, and insurance costs.
- **Technology C-VaR** has embedded various assumptions on green technology ownership and uptake to estimate how much a company may benefit from transitioning to a low-carbon economy.

  For this analysis, millions of low-carbon patents granted by various patent authorities are assessed. Using current green revenues and patent analysis to understand companies' low-carbon innovation, a model simulates which companies may benefit when policies from IPCC and NGFS IAM models that reach different warming goals are implemented globally. Assumptions are made on technology uptake, the returns these technologies will yield, and that patent ownership and citations are a good starting point to understand transition opportunity.

Further assumptions are embedded in the consolidation of each of the sub-model costs and its expression as a final aggregated financial metric. Yearly costs from the three models are added using different assumptions in line with IAM climate modelling, for example that climate policy cost peaks in the next decade and that climate physical risk costs grow steadily. Once all costs are added, a discount rate is applied to bring these to present value. Discount rates are controversial within climate models and economists have argued for different discount rates to be applied to climate cost, given that tail risk has very high impact. The final C-VaR expresses the present value costs of climate impacts over the current enterprise market value. An additional model splits this C-VaR into equity and debt following reasonable assumptions in line with market practice. There is no consideration as to whether the market has already priced in any of these risks.

Metrics description and methodology continued

Implied Temperature Rise (ITR)

The scientific inputs to the ITR model used by our data provider are carbon budgets based on IPCC-reviewed research. Carbon budgets link economic activity to levels of carbon emissions, and these emissions to a level of warming by the end of the century. The relationship between emissions and warming is well-established by science, but other assumptions remain subject to scientific debate.

IPCC assertions and models have inherent uncertainties, probabilistic claims and confidence ranges typically used in climate science. For instance, the remaining carbon budget may change with new findings, as well as the upper boundary or worst-case warming scenario. Some modelling assumptions are sociopolitical, such as the rates of population and economic growth, and the relative importance of carbon removal strategies to expand the carbon budget through negative emissions.

Further uncertainties arise when the global scientific carbon budget concept is applied to company emissions intensities and their trajectories over time. For ITR, the allocation of a carbon budget to a company is similarly based on the company's emissions intensity per dollar of revenue. This means that changes in the company's revenues, for factors unrelated to its emissions reductions such as mergers and acquisitions or sector cyclicality, affect the company's implied temperature scores.

Binary target metrics

As with ITR models, a key assumption in alignment metrics is that companies' emissions targets are met. These metrics, therefore, may not account for the dynamic nature of climate change and the need for ongoing adaptation and mitigation efforts. A company that is currently considered 'aligned' may not remain so in the future if it does not adapt to changing climate conditions or if the regulatory landscape shifts.

Other sources of uncertainty in the methodology include company emissions targets which are typically not standardised. These metrics provide limited detail regarding the climate targets that our investee companies have set, other than whether they have set these targets and if they are SBTi-approved.

SBTi provides a source of validation for corporate climate targets; however, the initiative does not provide full disclosure of the material provided by companies to obtain verification. SBTi approval is also not a necessary requirement of a credible net zero target – companies may have credible net zero targets while choosing not to align with SBTi. Conversely, MSCI's 'companies with targets across all scopes' metric is susceptible to including companies that have set weak or immaterial targets in its count.

The SBTi allows for different methods for corporates to establish and receive validation of targets, some of which are more likely to avoid a global overshoot of the 1.5°C carbon budget. Additional shortcomings include that the SBTi is solely focused on emissions reductions and not on full climate transition plans and does not provide a methodology for verification in key sectors where most global emissions are concentrated. Furthermore, the methodologies for target setting typically represent one possible path to net zero and there is a lack of acknowledgement of the multiple potential routes to net zero, or a broader systemic understanding of the role that different companies within a sector may have to deliver emissions reductions.

Exposure to fossil fuels

Issuers seldom disclose the percentages of revenues for business activities specific to fossil fuel activities. Therefore, this is estimated by ESG data providers. For our definition of fossil fuel revenues, we selected the percentage of issuers in our portfolio with any revenue related to the fossil fuel-related activity as the best proxy for our selected metric. While this approach is binary, it limits the data providers' assumptions needed to allocate a specific percentage of revenues to a business segment. It is important to note that this approach can lead us to overestimate our revenue exposures. It assumes 100% of the business activities are associated with fossil fuel revenues and, therefore, 100% of our position.

Data integrity/diligence

Royal London Asset Management has a data governance framework and operational risk framework that enables us to effectively manage and control data. These frameworks focus on ensuring effective data-related controls are in place that minimise exposure to data inaccuracies, inconsistencies, mismanagement, and misuse. Examples include the implementation of data quality measures, identification of owners and stewards, regular data assessments, data mapping and cataloguing, process and control documentation, and continuous monitoring and improvement of data governance processes.

Royal London Asset Management purchases data from a wide variety of external vendors, including MSCI, Bloomberg and London Stock Exchange Group (LSEG). We expect vendors to provide high quality data but where we identify data gaps and inconsistencies, we have built internal frameworks to quality assure critical data when it arrives in Royal London Asset Management. We ensure that potential financial impact of material error is assessed and provisioned during our capital adequacy assessment process and additionally through the robust governance of our market data team and the procurement and third-party management policy.

We have 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 have used data provided by third 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.

Although Royal London Asset Management Ltd's information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices.
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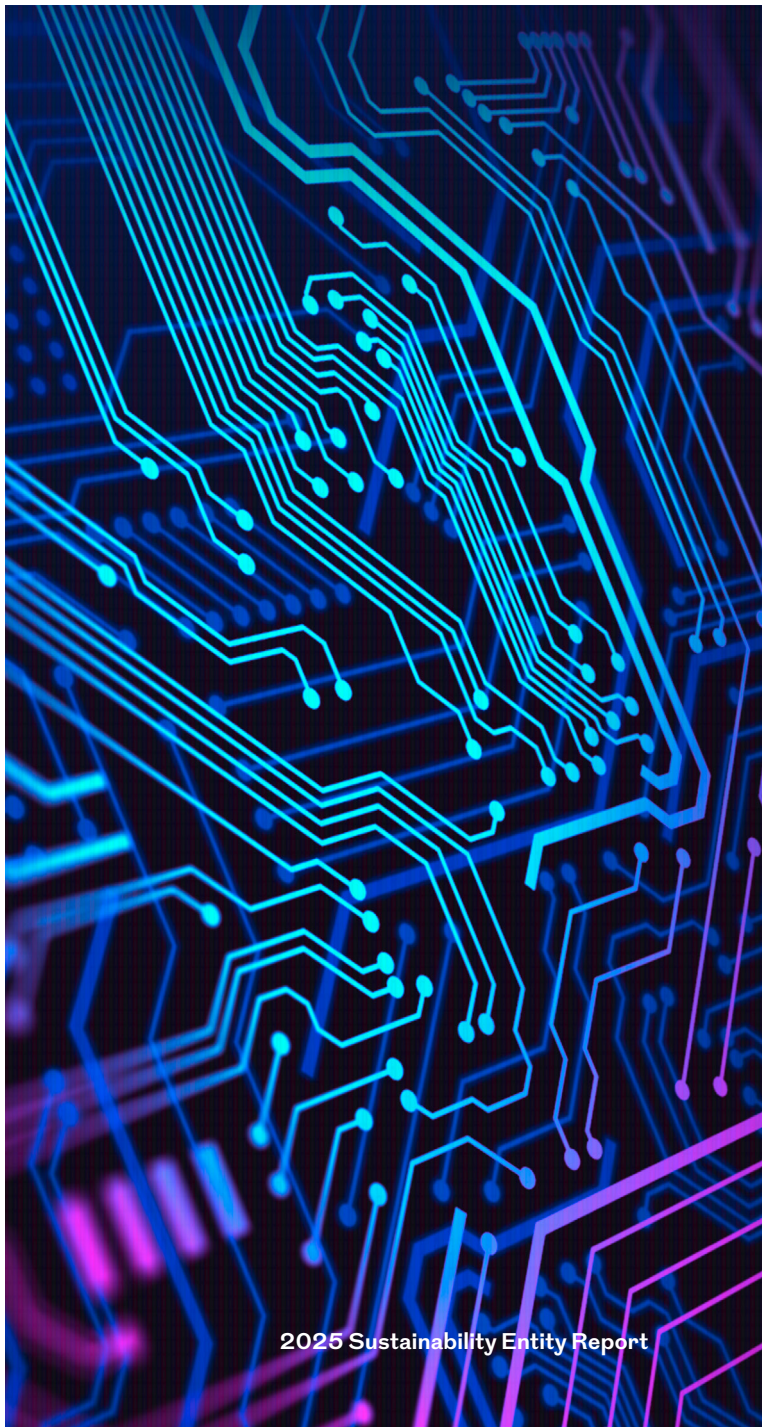
None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.



Glossary

Term	Definition
Asset manager	An investment firm that provides portfolio management services to investors, including an Alternative Investment Fund Manager and the operators of an Undertaking for Collective Investment in Transferable Securities.
Asset owner	An undertaking carrying out activities of life assurance within the meaning of points a), b) and c) of Article 2(3) of Directive 2009/138/EC of the European Parliament and of the Council, and of reinsurance as defined in point (7) of Article 13 of that Directive, provided that those activities cover life-insurance obligations, and which is not excluded pursuant to that Directive.
Association of British Insurers (ABI)	The ABI represents the collective interests of the UK's insurance industry.
Biodiversity	Biodiversity is a foundational characteristic of natural systems, and it is a proxy for functional, productive and resilient ecosystems that are able to provide the ecosystem services upon which life on Earth relies. (Source: IFRS)
Carbon equivalent emissions (CO_2e)	The release of GHGs into the atmosphere using the universal unit of measurement to indicate the global warming potential (GWP) of each of the seven greenhouse gases, expressed in terms of the GWP of one unit of carbon dioxide.
Climate change	Long-term shifts in temperatures and weather patterns.
Climate risk	Climate risks can arise from potential impacts of climate change as well as human responses to climate change. In the context of climate change impacts, risks result from dynamic interactions between climate-related hazards with the exposure and vulnerability of the affected human or ecological system to the hazards. In the context of climate change responses, risks result from the potential for such responses not achieving the intended objective(s), or from potential trade-offs with, or negative side-effects on, other societal objectives, such as the Sustainable Development Goals (see also risk trade-off). (Source: IPCC)
Climate scenario modelling	Models and techniques employed to estimate likely impacts on our portfolio value in a range of climate scenarios over various time horizons. Climate scenario modelling is underpinned by many uncertainties and subjective choices. Models commonly exclude widely accepted material climate risks (including the impacts from policymakers' decisions, impacts of market sentiment and climate tipping points) and rely on material subjective assumptions (including viability of investee net zero plans and assumed sector- level transition pathways).
Climate transition plan	A transition plan is integral to an entity's overall strategy, setting out its plan to contribute to and prepare for a rapid global transition towards a low greenhouse gas-emissions economy. (Source: TPT)
Climate transition risks	Transitioning to a lower-carbon economy may entail extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed and focus of these changes, transition risks may pose varying levels of financial and reputational risk to organisations.

Term	Definition
Decarbonisation	Decarbonisation refers to all measures through which a business sector, or an entity – a government, an organisation – can lower greenhouse gas emissions to reduce its impact on the climate.
Engagement	Engagement refers to structured, purposeful dialogue between investors and companies, policymakers, standard setters and other stakeholders with the intention of influencing (or identifying the need to influence) positive change and/or improving disclosure. Engagement can take two forms: engagement for information, which describes engagements which seek to uncover information or identify the need to change or influence; and engagement for change, which describes engagements that seek to influence change, with defined objectives and demonstrable outcomes.
Environmental, social and governance (ESG) risks (integration)	ESG integration is the systematic, explicit and transparent integration of material environmental, social and governance (ESG) considerations into processes for investment research, analysis and decision making. For funds, ESG integration refers to the consideration of ESG risks as part of the investment process. It does not mean the fund is trying to achieve a particular positive ESG outcome.
Financed emissions	The absolute emissions associated with the investments in a portfolio, expressed in tCO2e (metric tonnes of carbon dioxide equivalent).
Financial Conduct Authority (FCA)	An independent conduct of business regulator, which ensures that business is conducted in such a way that advances the interests of all users of, and participants in, the UK financial sector.
Global warming	Global warming is the long-term warming of the planet's overall temperature. While this warming trend has been going on for a long time, its pace has significantly increased in the last hundred years due to the burning of fossil fuels. Fossil fuels include coal, oil and natural gas, and burning them causes what is known as the 'greenhouse effect' in the Earth's atmosphere.
Greenhouse Gas (GHG) Protocol	The GHG Protocol establishes comprehensive global standardised frameworks to measure and manage GHG emissions from private and public sector operations, value chains and mitigation actions. Building on a 20-year partnership between the World Resources Institute and the World Business Council for Sustainable Development, the GHG Protocol works with governments, industry associations, NGOs, businesses and other organisations. (Source: GHG Protocol)
Institutional Investors Group on Climate Change (IIGCC)	The IIGCC is a European-focused investor membership organisation that works to bring the investor community together in making progress towards a net zero and climate resilient future. (Source: IIGCC)
Insurance Ireland	Insurance Ireland is the representative organisation for the insurance sector in Ireland. It advocates on behalf of its members with policymakers and regulators in Ireland, Europe and internationally to promote the value that its members create for individuals, the economy and society, and to help customers understand insurance products and services so that they can make informed choices.
Intergovernmental Panel on Climate Change (IPCC)	The IPCC is the United Nations' body for assessing the science related to climate change. The IPCC was created to provide policymakers with regular scientific assessments on climate change, its implications and potential future risks, as well as to put forward adaptation and mitigation options. (Source: IPCC)

Term	Definition
International Sustainability Standards Board (ISSB)	The ISSB is an independent, private-sector body that develops and approves International Financial Reporting Standards' Sustainability Disclosure Standards (IFRS SDS). The ISSB operates under the oversight of the IFRS Foundation. The ISSB is committed to delivering standards that are cost effective, useful and market informed.
Investment Association	The Investment Association is the trade body that represents UK investment managers.
Ireland/Irish business	The Ireland business comprises the Group's Irish subsidiary, Royal London Insurance Designated Authority Company (RLI DAC). It provides intermediated protection and unit linked pension products to individuals in the Republic of Ireland.
Just adaptation	Just adaptation minimises the negative social externalities from efforts to adapt to climate change while maximising the adaptation benefits for wider society.
Just transition	An inclusive approach which helps avoid exacerbating existing injustices or creating new ones, considering the social implications of moving fairly to a low-carbon economy.
Materiality	Materiality is a concept that defines why and how certain issues or information are important for a company or a business sector.
Mutual	A company owned by its member customers rather than shareholders. A member of a mutual company can vote at its Annual General Meeting.
Nature	Nature's four realms — land, ocean, freshwater and atmosphere — include different types of ecosystem or 'biome', such as tropical forests, and rivers and streams. Ecosystems are assets that provide 'ecosystem services' on which society and business depend, such as freshwater for drinking and irrigation, and pollination of crops by bees. Together, the concepts of realms, biomes, environmental assets and ecosystem services form key building blocks for business and finance to understand nature. (Source: Taskforce for Nature-related Financial Disclosures)
Net zero	The term 'net zero' means achieving a balance between the amount of greenhouse gases emitted into the atmosphere and the amount removed from it.
Net Zero Asset Managers initiative (NZAM)	NZAM is an international group of asset managers committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5°C; and to supporting investing aligned with net zero emissions by 2050 or sooner. (Source: NZAM)
Operational emissions	Direct Scope 1 and indirect Scope 2 operational greenhouse gas emissions.
Paris Agreement	A legally binding international treaty on climate change adopted by 196 parties at the UN Climate Change Conference (COP21) in December 2015. Its central aim is to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5°C.

Term	Definition
Paris Aligned Asset Owners (PAAO)	The Paris Aligned Asset Owners are an international group of asset owners who have made individual commitments to support the goal of reducing greenhouse gas emissions to net zero by 2050 or sooner, in line with global efforts to limit temperature warming to 1.5°C above pre-industrial levels, with low or no overshoot. (Source: PAAO)
Paris Aligned Investment Initiative (PAII)	The PAII is a collaborative investor-led global forum enabling investors to align their portfolios and activities with the goals of the Paris Agreement. (Source: PAII)
Pooled funds	Where assets are held on a collective basis on behalf of a number of investors and managed according to a single, defined investment objective.
Portfolio emissions	The emissions of investees represented within our asset portfolio. We share ownership and/or influence over investees through our investments (for example, equity and corporate debt instruments) and are, therefore, accountable for a portion of their total emissions.
Responsible investment	An approach that aims to deliver long-term investment returns consistent with the investment needs of our clients and customers, and does so in a way that reflects the responsibility we have, as stewards of the investments Royal London holds for the benefit of our members, customers and clients, and to wider society.
Royal London Asset Management (Royal London Asset Management)	Our Asset Management business, responsible for managing Royal London's financial assets as well as funds for external clients, including multi-managers, pension funds, local authorities, universities, charities and individuals. In this report, 'Royal London Asset Management' or 'our Asset Management business' encompasses one or more of the subsidiaries that operate within our Asset Management business.
Royal London Asset Management Limited	A regulated subsidiary within the Group's Asset Management business, Royal London Asset Management (Royal London Asset Management).
Royal London Insurance Designated Activity Company (RLI DAC)	Royal London's regulated Irish insurance subsidiary.
Royal London/the Group	The Royal London Mutual Insurance Society Limited (RLMIS) and its subsidiary undertakings.
Segregated mandates	Where assets are invested by an appointed Asset Manager on instruction from an investor on a discretionary or non-discretionary basis and held separately from other clients' assets.
Stewardship	Stewardship is the responsible allocation, management and oversight of customers', members' and clients' money to create long-term value, supporting more sustainable benefits for the economy, the environment and society. 'Steward' shall be interpreted accordingly.
Sustainability	Sustainability means meeting the needs of the present without compromising the ability of future generations to meet their own needs. This thereby contributes to the long-term wellbeing and prosperity of economies, environment and societies.

Term	Definition
Sustainability Disclosure Requirements (SDR)	The Financial Conduct Authority's SDR regulatory requirements introduced a package of measures aimed at clamping down on greenwashing. This includes sustainable investment labels, disclosure requirements and restrictions on the use of sustainability-related terms in product naming and marketing.
Sustainable Finance Disclosure Regulation (SFDR)	The European Commission's SFDR regulatory disclosure requirements introduced standardised disclosures requiring asset managers to provide information on how ESG factors are integrated at both an entity and product level. A significant portion of the SFDR applies to all asset managers, whether or not they have an express ESG or sustainability focus.
The Royal London Mutual Insurance Society Limited (RLMIS)	The Royal London Mutual Insurance Society Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The firm is on the Financial Services Register, registration number 117672. The company is registered in England and Wales as company number 99064.
Transition Plan Taskforce	The Transition Plan Taskforce aims to help organisations meet their climate goals and support the UK government's pledge to achieve net zero by 2050 by providing a set of good practice recommendations to help companies across the economy make high- quality, consistent and comparable transition plan disclosures.
UK business	The Group's UK business provides propositions to customers, employers and pension scheme trustees, primarily through intermediaries. Products offered include workplace and individual pensions, as well as protection products and later life offerings. From 2024, the UK business also provides a bulk purchase annuity product to pension schemes via the scheme trustees.
UK Stewardship Code 2020	The UK Stewardship Code 2020 is a voluntary set of principles that sets high standards for how investors, and those that support them, invest and manage money on behalf of UK savers and pensioners, and how this leads to sustainable benefits for the economy, the environment and society.
UK Sustainable Investment and Finance Association (UKSIF	The UKSIF exists to bring together the UK's sustainable investment and finance community and support its members to expand, enhance and promote this key sector. (Source: UKSIF)
United Nations-supported Principles for Responsible Investing (UN PRI)	The PRI, a UN-supported network of investors, works with its international network of signatories to put the six Principles for Responsible Investment into practice. Its goals are to understand the investment implications of environmental, social and governance issues, and to support signatories in integrating these issues into investment and ownership decisions. (Source: UN PRI)
Value chain	The value chain is the series of stages involved in producing a product or service that is sold to consumers, with each stage adding to the value of the product or service.
Value chain emissions	Royal London's non-investment-related Scope 3 value chain greenhouse gas emissions.
Voting	Using our rights as shareholders to vote at the Annual or Extraordinary General Meetings of the companies in which Royal London invests.

Important information

Past performance is not a guide to future performance. The value of investments and the income from them is not guaranteed and may go down as well as up and investors may not get back the amount originally invested.

All Royal London Asset Management funds and strategies will each have a different investment objective and make investment decisions according to this. Portfolio holdings and characteristics should not be considered a recommendation to buy or sell. Please check the prospectus for details on specific fund-level objectives.

RLUM: Royal London Sustainable Corporate Bond Trust, Royal London Sustainable Managed Growth Trust, Royal London Sustainable Diversified Trust, Royal London Sustainable World Trust and Royal London Sustainable Leaders Trust are held within RLUM Limited Unit Trusts, which is an authorised unit trust scheme. The Manager is RLUM Limited, authorised and regulated by the Financial Conduct Authority, with firm reference number 144032.

RLUTM: The Royal London Sustainable Short Duration Corporate Bond Fund, Royal London Ethical Bond Fundis 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 RL Sustainable Growth Fund and RL Global Sustainable Equity Fund, Royal London Emerging Markets Equity Tilt Fund, Royal London Europe Ex UK Equity Tilt Fund, Royal London Japan Equity Tilt Fund, Royal London UK Broad Equity Tilt Fund, Royal London UK Core Equity Tilt Fund, Royal London US Equity Tilt Fund, Royal London Asia Pacific ex Japan Equity Tilt Fund, Royal London Global Equity Tilt Fund 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.

For more information on the fund or the risks of investing, please refer to the Prospectus or Key Investor Information Document (KIID)

Issued in November 2026 in the UK 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.

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SDR2610001. 10/2026.

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