

The directors of the Company (the "Directors") accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to materially affect the validity of such information. The Directors accept responsibility accordingly.

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# **Royal London Asset Management Funds plc (the "Company")**

**(An umbrella fund constituted as an investment company with variable capital and segregated liability between sub-funds under the laws of Ireland authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended))**

## **EXTRACT PROSPECTUS FOR SWITZERLAND DATE: 26 March 2024**

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This extract prospectus for Switzerland (the "**Prospectus**") is an extract from the prospectus of the Company dated 25 March 2024 and the Additional Information for Investors in Switzerland dated 26 March 2024. It is solely intended for the offer and distribution of the Shares in the Company in or from Switzerland. It only contains information in relation to the Funds authorized in Switzerland and does not constitute a prospectus under Irish law. There are Funds of the Company that have been approved by the Central Bank of Ireland which are not meant for distribution in or from Switzerland.

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## IMPORTANT INFORMATION

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### THIS PROSPECTUS

This Prospectus describes Royal London Asset Management Funds plc (the “Company”), an investment company with variable capital and segregated liability between sub-funds in Ireland incorporated as a public limited company. The Company is a UCITS Scheme constituted as an umbrella fund insofar as the share capital of the Company will be divided into different series of Shares (Funds) with each series of Shares representing a separate investment portfolio of assets. In accordance with the requirements of the Central Bank shares of any Fund may be divided into different Classes to accommodate different subscription and/or redemption provisions and/or dividend and/or charges and/or fee arrangements, including different total expense ratios. Shares may also be divided into different Classes denominated in currencies other than the Base Currency of the relevant Fund.

The Funds have different investment objectives and invest in different types of transferable securities and/or in other liquid financial assets. Each Fund will be invested in accordance with the investment objectives and policies applicable to such Fund as specified in the Relevant Supplement. The Relevant Supplement should be read in conjunction with and construed as one document with this Prospectus.

Although each Fund will be treated as bearing its own liabilities, the Company as a whole will remain liable to third parties for all of the liabilities of the Company. As at the date of this Prospectus, the Directors are not aware of any such existing or contingent liability.

This Prospectus is based on information, law and practice at the above date. The delivery of this Prospectus (whether or not accompanied by any reports or other information) or the issue of Shares shall not, under any circumstances, create any implication that the affairs of the Company have not changed since the date of this Prospectus. Investors should check with the Company that this is the most recently published prospectus.

As required under the PRIIPs Regulation, the key information document (“KID”) will be available for each of the Funds which are marketed to retail investors in the EEA. The KID which provides important information in respect of the Funds, including the applicable risk indicator, charges and, where available, the performance associated with the Funds. The current version of the KIDs for each of the Funds is available on [www.rlam.com](http://www.rlam.com).

### INVESTOR RESPONSIBILITY

**Prospective investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters.**

**Prospective investors should review this Prospectus carefully and in its entirety and consult with legal, tax and financial advisers for independent advice in relation to: (a) the legal requirements within their own countries for the purchase, holding, exchanging, redeeming or disposing of Shares; (b) any foreign exchange restrictions to which they are subject in relation to the purchase, holding, exchanging, redeeming or disposing of Shares; (c) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, exchanging, redeeming or disposing of Shares; and (d) the provisions of this Prospectus and any Relevant Supplement.**

### AUTHORISATION - UCITS

The Company is authorised by the Central Bank as an Undertaking for Collective Investment in Transferable Securities under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended). The authorisation of the Company and/or of its Funds by the Central Bank shall not constitute a warranty as to the performance of the Company and/or of its Funds and the Central Bank shall not be liable for the performance or default of the Company and/or of its Funds. Authorisation of the Company and/or of its Funds by the Central Bank is

not an endorsement or guarantee of the Company and/or of its Funds by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus.

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## DISTRIBUTION AND SELLING RESTRICTIONS

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The distribution of this Prospectus and the offering or purchase of Shares may be restricted in certain jurisdictions. This Prospectus does not constitute and may not be treated as an offer or solicitation by or to anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this Prospectus and any persons wishing to apply for Shares pursuant to this Prospectus to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdiction.

The Shares have not been registered under the U.S. Securities Act of 1933, as amended (the “1933 Act”), or any U.S. state securities laws, and neither the Company nor the Funds have been registered under the U.S. Investment Company Act of 1940, as amended. Except as otherwise described herein and pursuant to an exemption from registration the Shares may not be offered, sold or delivered directly or indirectly, in the U.S. or its territories or possessions or to or for the benefit of any U.S. Person. The Shares may not be purchased or held directly or indirectly by or for the benefit of U.S. Persons, except with the prior permission of the Company in its discretion. For this purpose, a U.S. Person has the meaning set forth under the heading “Definitions” in the Prospectus. Shares will be offered and sold only to such persons as may be authorised by Management Company, in consultation with the Company. The Management Company, in consultation with the Company, reserves the right, subject to applicable regulation, to make a private placement of Shares to a limited number or category of U.S. Persons.

## RELIANCE ON THIS PROSPECTUS

Shares are offered only on the basis of the information contained in this Prospectus, the Relevant Supplement, the latest audited annual accounts and any subsequent half-yearly report of the Company. No person has been authorised to give any information or to make any representation in connection with the offering of Shares other than those contained in this Prospectus, the Relevant Supplement and in any subsequent half-yearly or annual report for the Company and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Management Company or the Investment Manager. Statements in this Prospectus are in accordance with the law and practice in force in Ireland at the date hereof and are subject to change. Neither the delivery of this Prospectus nor the issue of Shares shall, under any circumstances, create any implication or constitute any representation that the affairs of the Company have not changed since the date of this Prospectus.

This Prospectus may also be translated into other languages. Any such translation shall only contain the same information and have the same meaning as the English language Prospectus. To the extent that there is any inconsistency between the English language Prospectus and the Prospectus in another language, this English language Prospectus will prevail, except, to the extent (but only to the extent) required by law of any jurisdiction where the Shares are sold, that in an action based upon disclosure in a Prospectus in a language other than English, the language of the Prospectus on which such action is based shall prevail. All disputes as to the contents of this Prospectus shall be governed in accordance with the law of Ireland.

Although one or more of the Funds may be similar to one or more other funds or accounts advised by the Investment Manager, each Fund is a separate portfolio with its own investment objectives, policies and expenses. Other funds and accounts advised by the Investment Manager will have different investment results, and information about those funds and accounts should not be assumed to apply to any Fund.

## RISKS

Investment in the Funds, through the Company, carries with it a degree of risk. **The value of Shares and the income from them may go down as well as up, and investors may not get back the amount invested.** Investors should consider carefully their investment objectives and the “Investment Risks” section of this Prospectus, and the Relevant Supplement, before selecting any investment.

## **PORTFOLIO TRANSACTION CHARGES**

Sales, redemption or transaction charges may be payable in respect of any Fund if specified in the Relevant Supplement. In the short term, these charges will have the effect of reducing the values of an investment. Accordingly, an investor should view its investment in that Fund as medium to long term.

The Company shall be entitled to impose a redemption fee on Shares in issue in any Fund up to a maximum of 3%. The Company does not currently intend to make a redemption charge.

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## DIRECTORY

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**Directors:**

Bryan Tiernan  
Deirdre Gormley  
Ewan McAlpine  
Robert Williams  
Susan Spiller (alternate director)  
Rakesh Kumar (alternate director)

**Depository:**

State Street Custodial Services (Ireland)  
Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Registered Office:**

70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Auditors:**

PricewaterhouseCoopers  
One Spencer Dock  
North Wall Quay  
Dublin 1  
Ireland

**Management Company:**

FundRock Management Company S.A.  
Société anonyme  
Registered office: 33, rue de Gasperich, L-5826  
Hesperange  
R.C.S Luxembourg B 104.196

**Investment Manager:**

Royal London Asset Management Limited  
80 Fenchurch Street  
London EC3M 4BY  
United Kingdom

**Administrator:**

State Street Fund Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Secretary:**

Matsack Trust Limited  
70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Legal Advisers:**

Matheson LLP  
70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Distributor:**

Royal London Asset Management Limited  
80 Fenchurch Street  
London EC3M 4BY  
United Kingdom

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## DEFINITIONS

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<b>Administrator</b>	State Street Fund Services (Ireland) Limited or such other person as may from time to time be appointed as administrator of the Company, in accordance with the requirements of the Central Bank;
<b>Application Form</b>	the written subscription agreement seeking to subscribe for Shares in such form as is approved by the Company from time to time;
<b>Articles</b>	means the articles of association of the Company as same may be amended from time to time in accordance with the requirements of the Central Bank;
<b>Base Currency</b>	shall have such meaning as shall be specified in the Relevant Supplement;
<b>Business Day</b>	shall mean such day or days as defined in the Relevant Supplement or such other day or days as may be determined by the Company and agreed with the Administrator, provided there shall be at least two Business Days in each calendar month;
<b>Central Bank</b>	the Central Bank of Ireland or any successor thereof;
<b>Central Bank UCITS Regulations</b>	the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (as may be amended from time to time);
<b>Class</b>	any class of Share established by the Company in respect of any Fund;
<b>Data Protection Legislation</b>	(i) the Data Protection Acts 1988 and 2003 or any other legislation or regulations implementing Directive 95/46/EC, (ii) the European Communities (Electronic Communications Networks and Services) (Privacy and Electronic Communications) Regulations 2011, (iii) the General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and the Council of 27 April 2016) and any consequential national data protection legislation and (iv) any guidance and/or codes of practice issued by the Irish Data Protection Commissioner or other relevant supervisory authority, including without limitation the European Data Protection Board;
<b>Dealing Day</b>	shall mean such day or days as defined in the Relevant Supplement or such day or days as may be determined by the Company and notified to the Shareholders provided that, there shall be at least two dealing days in each calendar month;
<b>Dealing Deadline</b>	shall mean such deadline for dealing in Shares as is set out in the Relevant Supplement;
<b>Depository</b>	State Street Custodial Services (Ireland) Limited or such other person as may from time to time be appointed as depository of



	the Company, in accordance with the requirements of the Central Bank;
<b>Directors</b>	the directors of the Company for the time being and any duly constituted committee thereof;
<b>Distributor</b>	means such person(s) as specified in the Relevant Supplement as may be appointed from time to time as distributor of any Fund in accordance with the requirements of the Central Bank;
<b>ESG</b>	means environmental, social and governance;
<b>ESG Leader</b>	means a company that, when considered against relevant geographical, industry and company ESG issues and standards, shows above average performance;
<b>ESG Risk</b>	means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of a Fund's investment(s);
<b>ESMA</b>	European Securities and Markets Authority;
<b>“Euro” or “Eur” or “€”</b>	the single currency of those EU Member States participating in European Monetary Union;
<b>External Advisory Committee</b>	<p>is an external committee which assists the Investment Manager's Sustainable Fund portfolio managers in their implementation of the investment strategy relating to the Sustainable Funds. The committee's duties in relation to the Sustainable Funds are:</p> <ul style="list-style-type: none"> <li>(i) to review on request the application of the Sustainable Funds' published criteria (the “<b>Criteria</b>”) for determining whether stocks are investible for the Sustainable Funds in respect of ESG issues; and</li> <li>(ii) to assist / provide guidance to the Investment Manager on request as to whether individual securities meet the Criteria. This may include (a) the consideration of securities newly assessed, (b) the review of securities approved in the past, or (c) the consideration of individual securities on which the Investment Manager needs to reach an urgent decision between meetings;</li> </ul>
<b>FATCA</b>	means the United States Foreign Accounts Tax Compliance Act;
<b>FCA</b>	means the Financial Conduct Authority of the United Kingdom;
<b>Fund</b>	a portfolio of assets established by the Company (with the prior approval of the Central Bank) and constituting a separate fund (or sub-fund) represented by a separate series of Shares and invested in accordance with the investment objective and policies applicable to such Fund as specified in the Relevant Supplement;

<b>Investment Manager(s)</b>	means such person(s) as specified in the Relevant Supplement as may from time to time be appointed as investment manager of any Fund, in accordance with the requirements of the Central Bank;
<b>Management Company</b>	FundRock Management Company S.A., or such other person as may from time to time be appointed to provide management company services to the Company, in accordance with the requirements of the Central Bank;
<b>Management Agreement</b>	the agreement dated 30 November 2021 between the Company and the Management Company pursuant to which the latter provides management company services to the Company;
<b>Money Market Fund</b>	a Fund regulated as a money market fund pursuant to the MMF Regulations;
<b>MMF Regulations</b>	Regulation (EU) 2017/1131 of the European Parliament and of the Council as amended or supplemented from time to time, including any delegated acts adopted thereunder and any implementing rules or conditions that may from time to time be imposed thereunder by the Central Bank or ESMA;
<b>Net Asset Value</b>	the net asset value of a Fund calculated as described in the "Net Asset Value" section of this Prospectus;
<b>Net Asset Value per Share</b>	in relation to any Fund, the Net Asset Value divided by the number of Shares in the relevant Fund in issue or deemed to be in issue in respect of that Fund as of the relevant Valuation Point and, in relation to any class of Shares, subject to such adjustments, if any, as may be required in relation to such Class;
<b>OECD</b>	the Organisation for Economic Co-Operation and Development, the members of which comprise Australia, Austria, Belgium, Canada, Chile, Colombia, Costa Rica, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic), Latvia, Lithuania, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom, the United States of America and which includes any country or countries which become members of the OECD from time to time;
<b>PRIIPs Regulation</b>	Means Regulation (EU) No 1286/2014 on key information documents for packaged retail and insurance-based investment products;
<b>Privacy Statement</b>	the privacy statement adopted by the Company as amended from time to time. The current version is available on <a href="http://www.rlam.com">www.rlam.com</a> ;
<b>Prospectus</b>	this document and any Supplement designed to be read and construed together with and to form part of this document;
<b>Recognised Market</b>	any recognised exchange or market listed or referred to in Appendix 1 hereof and in the Articles in accordance with the

	requirements of the Central Bank which does not issue a list of approved markets;
<b>Relevant Institution</b>	(i) a credit institution authorised in the European Economic Area (EU member states, Norway, Iceland, Liechtenstein); (ii) a credit institution authorised in a signatory state, other than a member state of the EEA, to the Basle Capital Conveyance Agreement of July 1988; or (iii) a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand;
<b>Relevant Supplement</b>	in relation to a Fund, the document containing specific information on that Fund which is supplemental to this document;
<b>SFDR</b>	means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector;
<b>Shares</b>	a participating Share (or fraction thereof) in the capital of the Company, designated in one or more Funds or Classes, issued in accordance with the Articles;
<b>Shareholder</b>	a person registered as a holder of Shares;
<b>“STG” or “Sterling”</b>	Pounds Sterling, the lawful currency of the United Kingdom;
<b>Transferable Securities</b>	<p>-shares in companies and other securities equivalent to shares in company;</p> <p>-bonds and other forms of securitised debt;</p> <p>-any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange, excluding the instruments referred to in Regulation 48A of the UCITS Regulations;</p>
<b>UCITS</b>	an undertaking for collective investment in transferable securities within the meaning of the UCITS Regulations;
<b>UCITS Directive</b>	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 as regards depositary functions, remunerations policies and sanctions, including its mandatory implementing regulations;
<b>UCITS Regulations</b>	the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended by the European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016 (S.I. 143 of 2016), the European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2019 (S.I. 430 of 2019), and the European Union (Undertakings for Collective Investments in Transferable Securities) (Amendment) Regulations 2021 (S.I. 413 of 2021) (and as may be further amended or supplemented from time to time) and all applicable Central Bank regulations made or conditions imposed or

derogations granted thereunder whether by notice or otherwise;

**U.S. or United States**

the United States of America, including its States, the District of Columbia and its territories and possessions;

**United States Person or U.S. Person**

(a) any natural person resident in the United States; (b) any corporation organised under U.S. law; (c) any partnership organised or existing in any state, territory or possession of the United States; (d) any estate or trust the income of which is subject to U.S. income tax, regardless of source; and (e) any pension plan for the employees, officers or principals of an entity organised or having its principal place of business in the U.S. Notwithstanding the foregoing, any entity organised principally for the purpose of passive investment (such as a pool, investment company or similar entity) shall be deemed to be a U.S. Person unless less than 10% in the aggregate of the beneficial interest in the entity is held by or on behalf of U.S. Persons and the entity was not formed principally for the purpose of facilitating investment by U.S. Persons in a pool with respect to which the pool operator is exempt from certain requirements of Part 4 of the U.S. Commodity Futures Trading Commission's regulations by virtue of the pool's participants being non-U.S. Persons and/or such other persons as the Directors may from time to time deem to be U.S. Persons;

**"US\$" or "USD"**

U.S. Dollars, the lawful currency of the United States; and

**Valuation Point**

the time as of which the Net Asset Value of a Fund is determined which shall be specified in the Relevant Supplement.

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## THE COMPANY

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### THE COMPANY

The Company is a multi-series umbrella fund constituted as an investment company with variable capital incorporated in Ireland on 26 November 2002 under registration number 364259. The sole purpose of the Company is the collective investment of its assets in transferable securities and/or in other liquid financial assets referred to in the UCITS Regulations of capital raised from the public operating on the principle of risk spreading and giving Shareholders the benefit of the results of the management of its assets. The Company is authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations.

The Company is an umbrella fund in that the Company may from time to time, with the prior approval of the Central Bank, launch new sub funds (Funds) under the Company umbrella.

### The Funds

The current funds of the Company are as follows:

Royal London Global High Yield Bond Fund

Royal London Short Duration Global High Yield Bond Fund

Royal London Absolute Return Government Bond Fund

Royal London Global Bond Opportunities Fund

Royal London Global Sustainable Credit Fund

Royal London Global Equity Diversified Fund (IRL)

Royal London Global Sustainable Equity Fund (IRL)

Royal London European Sustainable Credit Fund

Royal London Global Equity Select Fund (IRL)

Royal London Global Equity Enhanced Fund

Royal London Global Equity Transitions Fund

Royal London Emerging Markets Corporate Bond Fund

Royal London Short Duration Emerging Markets Corporate Bond Fund

Royal London US Equity Fund

The assets of each Fund will be invested in accordance with the investment objective and policies applicable to such Fund as disclosed in the Relevant Supplement, which should be read in conjunction with and construed as supplemental to this Prospectus.

### Classes of Share

In accordance with the requirements of the Central Bank, Shares of any Fund may be divided into different Classes to accommodate different subscription and/or redemption provisions and/or dividend and/or charges and/or fee arrangements. Such Classes may also be denominated in currencies other than the Base Currency of the relevant Fund.

### Articles

All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles, copies of which are available from the Company (see “Documents for Inspection”). The provisions of the Articles are binding on the Depositary, the Company and the Shareholders and all persons claiming through them respectively as if all such Shareholders and persons had been party to the Articles. Shareholders shall not have any recourse to or claim against or right of action in respect of any of the assets of the Company or any Fund or any part thereof other than the assets of the Fund in which they hold Shares and in respect of which the claim arises (see “Segregation of Assets and Liabilities” below).

## **SEGREGATION OF ASSETS AND LIABILITIES**

Under the Articles, the assets and liabilities attributable to each Fund established by the Company, will be segregated by the Depositary.

The following provisions shall apply to each Fund established by the Company:

- (i) separate records and accounts shall be maintained for each Fund in the base currency of the relevant Fund as the Directors, shall from time to time determine;
- (ii) the proceeds from the issue of Shares in each Fund shall be recorded in the accounts of the Fund established for those Shares and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Articles;
- (iii) where any asset is derived from any other asset, such derivative asset shall be applied in the records and accounts of the Company to the same Fund as the asset from which it was derived and on each revaluation of an asset, the increase or diminution in value of that asset shall be applied to the relevant Fund;
- (iv) in the case of any asset of the Company (or amount treated as a notional asset) which the Depositary does not consider as attributable to a particular Fund or Funds, the Directors shall, with the consent of the Depositary, determine the basis upon which any such asset shall be allocated between Funds and the Directors shall be entitled at any time and from time to time, subject to the approval of the Depositary, to vary such basis provided that the approval of the Depositary shall not be required in any case where the asset is allocated between all Funds pro rata to their Net Asset Values at the time when the allocation is made;
- (v) subject to paragraph (vi) below, the Directors shall, with the consent of the Depositary, determine the basis upon which any liability shall be allocated between Funds (including conditions as to the subsequent re-allocation thereof if circumstances so permit) and shall be entitled at any time and from time to time to vary such basis, provided that the approval of the Depositary shall not be required in any case where a liability is allocated to the Fund or Funds to which in the opinion of the Directors it relates or if in the opinion of the Directors it does not relate to any particular Fund or Funds, between all the Funds pro rata to their Net Asset Values, provided that, when any costs or expenses or liabilities are incurred by the Company or the Depositary and are specifically attributable to a particular Fund they will be borne by that Fund; where they are not specifically attributable to a Fund, such costs, expenses or liabilities will be borne by each Fund, or as the case may be by the Funds in question, in the proportion in which the Net Asset Value of each such Fund bears to the aggregate Net Asset Value of the Company as at the date that such costs, expenses or liabilities are incurred, or in such other manner as is most equitable in the opinion of the Directors and approved by the Depositary; and
- (vi) subject to paragraph (iv) above, the assets of each Fund shall belong exclusively to that Fund, shall be segregated from other Funds and shall not be used or available to discharge directly or indirectly the liabilities of or claims against any other Funds.

## **Operation of the Subscription and Redemption Collection Account**

The Company has established a collection account at umbrella level in the name of the Company (the “Umbrella Cash Collection Account”), and has not established such accounts at Fund level. All subscriptions into and redemptions and distributions due from the Funds will be paid into the Umbrella

Cash Collection Account. Monies in the Umbrella Cash Collection Account, including early subscription monies received in respect of a Fund, do not qualify for the protections afforded by the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for fund service providers.

Pending issue of the Shares and / or payment of subscription proceeds to an account in the name of the relevant Fund, and pending payment of redemption proceeds or distributions, monies in the Umbrella Cash Collection Account are assets of the relevant Funds to which they are attributable, and the relevant investor will be an unsecured creditor of the relevant Fund in respect of amounts paid by or due to it.

All subscriptions (including subscriptions received in advance of the issue of Shares) attributable to, and all redemptions, dividends or cash distributions payable from, a Fund will be channelled and managed through the Umbrella Cash Collection Account. Subscriptions amounts paid into the Umbrella Cash Collection Account will be paid into an account in the name of the Depositary on behalf of the relevant Fund. Redemptions and distributions, including blocked redemptions or distributions, will be held in the Umbrella Cash Collection Account until the payment due date (or such later date as blocked payments are permitted to be paid), and will then be paid to the relevant redeeming Shareholder.

The Depositary will be responsible for safe-keeping and oversight of the monies in the Umbrella Cash Collection Account, and for ensuring that relevant amounts in the Umbrella Cash Collection Account are attributable to the appropriate Funds.

The Company, the Management Company and the Depositary have agreed an operating procedure in respect of the Umbrella Cash Collection Account, which identifies the participating Funds, the procedures and protocols to be followed in order to transfer monies from the Umbrella Cash Collection Accounts, the daily reconciliation processes, and the procedures to be followed where there are shortfalls in respect of a Fund due to late payment of subscriptions, and / or transfers to a Fund of moneys attributable to another Fund due to timing differences.

Where subscription monies are received in the Umbrella Cash Collection Account without sufficient documentation to identify the investor or the relevant Fund, such monies shall be returned to the relevant investor. Failure to provide the necessary complete and accurate documentation is at the investor's risk.

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## INVESTMENT RESTRICTIONS

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The assets of each Fund will be invested in accordance with the investment restrictions contained in the UCITS Regulations and such additional investment restrictions, if any, as may be adopted by the Directors for any Fund and specified in the Relevant Supplement.

References below to a Fund means the Company acting for the account of the relevant Fund.

### **1 Permitted Investments**

Investments of a UCITS are confined to:

- 1.1** Transferable securities and money market instruments, as prescribed in the Central Bank UCITS Regulations, which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.
- 1.2** Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
- 1.3** Money market instruments, as defined in paragraph 2 Schedule 3 of the UCITS Regulations, other than those dealt on a regulated market.
- 1.4** Units of UCITS.
- 1.5** Units of AIFs as set out in the Central Bank UCITS Regulations.
- 1.6** Deposits with credit institutions as prescribed in the Central Bank UCITS Regulations.
- 1.7** Financial derivative instruments as prescribed in the Central Bank UCITS Regulations.

### **2 Investment Restrictions**

- 2.1** A UCITS may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
- 2.2** A UCITS may invest no more than 10% of net assets in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by the UCITS in certain US securities known as Rule 144A securities which satisfy the requirements of paragraph 1.1 or provided that:
  - the securities are issued with an undertaking to register with the US Securities and Exchanges Commission within one year of issue; and
  - the securities are not illiquid securities i.e. they may be realised by the UCITS within seven days at the price, or approximately at the price, at which they are valued by the UCITS.
- 2.3** A UCITS may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
- 2.4** The limit of 10% (in 2.3) is raised to 25%, subject to the prior approval of the Central Bank, in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a UCITS invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the UCITS.



**2.5** The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.

**2.6** The transferable securities and money market instruments referred to in 2.4. and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.

**2.7** A UCITS shall not invest more than 20% of its assets in deposits made with the same body.

**2.8** The risk exposure of a UCITS to a counterparty to an OTC derivative may not exceed 5% of net assets.

This limit is raised to 10% in the case of a credit institution authorised in the EEA; a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

**2.9** Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:

- investments in transferable securities or money market instruments;
- deposits, and/or
- counterparty risk exposures arising from OTC derivatives transactions.

**2.10** The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.

**2.11** Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.

**2.12** A UCITS may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members.

The individual issuers must be listed in the prospectus and may be drawn from the following list: OECD Governments (provided the relevant issues are investment grade), Government of the People's Republic of China, Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Straight-A Funding LLC and Export-Import Bank.

The UCITS must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.

### **3 Investment in Collective Investment Schemes ("CIS")**

**3.1** A UCITS may not invest more than 20% of net assets in any one CIS.

**3.2** Investment in AIFs may not, in aggregate, exceed 30% of net assets.

**3.3** The CIS are prohibited from investing more than 10 per cent of net assets in other open-ended CIS.

**3.4** When a UCITS invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the UCITS management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the UCITS investment in the units of such other CIS.

**3.5** Where a commission (including a rebated commission) is received by the UCITS manager/investment manager/investment adviser by virtue of an investment in the units of another CIS, this commission must be paid into the property of the UCITS.

## **4 Index Tracking UCITS**

**4.1** A UCITS may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the UCITS is to replicate an index which satisfies the criteria set out in the Central Bank UCITS Regulations and is recognised by the Irish Central Bank.

**4.2** The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

## **5 General Provisions**

**5.1** An investment company, or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

**5.2** A UCITS may acquire no more than:

- (i) 10% of the non-voting shares of any single issuing body;
- (ii) 10% of the debt securities of any single issuing body;
- (iii) 25% of the units of any single CIS;
- (iv) 10% of the money market instruments of any single issuing body.

NOTE: The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.

**5.3** 5.1 and 5.2 shall not be applicable to:

- (i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
- (ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;
- (iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;
- (iv) shares held by a UCITS in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the UCITS can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed.
- (v) Shares held by an investment company or investment companies in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf.

**5.4** UCITS need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.

- 5.5** The Irish Central Bank may allow recently authorised UCITS to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.
- 5.6** If the limits laid down herein are exceeded for reasons beyond the control of a UCITS, or as a result of the exercise of subscription rights, the UCITS must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.
- 5.7** Neither an investment company, nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of:
- transferable securities;
  - money market instruments;
  - units of CIS; or
  - financial derivative instruments.
- 5.8** A UCITS may hold ancillary liquid assets.
- 6 Financial Derivative Instruments ('FDIs')**
- 6.1** The UCITS global exposure (as prescribed in the Central Bank UCITS Regulations) relating to FDI must not exceed its total net asset value.
- 6.2** Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations.)
- 6.3** UCITS may invest in FDIs dealt in over-the-counter (OTC) provided that
- The counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Irish Central Bank.
- 6.4** Investment in FDIs are subject to the conditions and limits laid down by the Irish Central Bank.

The restrictions on investments contained in this Prospectus in relation to a Fund shall apply at the time of the purchase of the investments. If these limits are exceeded for reasons beyond the control of the Company and / or the Management Company, the Management Company shall adopt as a priority objective for the sales transactions of the Fund the remedying of that situation, taking due account of the interests of its Shareholders.

The Directors may adopt additional investment restrictions with respect to any Fund to facilitate the distribution of Shares in the relevant Fund to the public in a particular jurisdiction. In addition, the investment restrictions set out above may be changed from time to time by the Management Company, in consultation with the Company, in accordance with a change in the applicable law and regulations in any jurisdiction in which Shares in the Funds are currently offered provided that the assets of each Fund will at all times be invested in accordance with the restrictions on investments set out in the UCITS Regulations and in accordance with the requirements of the Central Bank.

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## FUND INVESTMENT TECHNIQUES

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The Company may employ investment techniques and instruments for efficient portfolio management of the assets of any Fund including hedging against market movements, currency exchange or interest rate risks under the conditions and within the limits stipulated by the Central Bank pursuant to the UCITS Regulations and Central Bank UCITS Regulations and as described below.

### Efficient Portfolio Management

The Management Company, in consultation with the Company, may employ investment techniques and instruments for efficient portfolio management of the assets of the Company or of any Fund ("Portfolio Investment Techniques") under the conditions and within the limits stipulated by the Central Bank under the UCITS Regulations and Central Bank UCITS Regulations and described below. Techniques and instruments which relate to Transferable Securities or money market instruments and which are used for the purpose of efficient portfolio management, including FDIs which are not used for direct investment purposes, shall be understood as a reference to techniques and instruments which fulfil the following criteria:

- (i) they are economically appropriate in that they are realised in a cost effective way;
- (ii) they are entered into for one or more of the following specific aims:
  - (a) reduction of risk;
  - (b) reduction of cost;
  - (c) generation of additional capital or income for a Fund with an appropriate level of risk which is consistent with the risk profile of the Fund and the risk diversification rules stipulated under the UCITS Regulations;
- (iii) their risks are adequately captured by the risk management procedures implemented by the Management Company, and
- (iv) they cannot result in a change to a Fund's declared investment objective or add substantial supplementary risks in comparison to the general risk policy as described in its sales documents.

In this respect, the Management Company, in consultation with the Company, may:

- a) for the purposes of hedging (whether against currency exchange or interest rate risks or otherwise), enter into put and call options, spot and forward contracts, financial futures, stock and bond index futures contracts, interest rate swaps, total return swaps, exchange rate swaps and credit default swaps, repurchase and reverse repurchase agreements and securities lending agreements. In particular, a Fund may seek to hedge its investments against currency fluctuations which are adverse to its base currency by utilizing currency options, futures contracts and forward foreign exchange contracts.
- b) from time to time make use of exchange traded stock index and other futures contracts for the purpose of efficient portfolio management to enable it to maintain the appropriate exposure to stock and other markets in accordance with the Investment Manager's recommended overall asset allocation. The use of exchange traded stock index and other futures contracts by the Company will be subject to the conditions and limits laid down by the Central Bank under the UCITS Regulations.
- c) from time to time make use of exchange traded and non-exchange traded contracts for differences for the purpose of efficient portfolio management to enable it to reduce the cost of buying, selling and holding equity and other investments. A "contract for differences" is a contract intended to secure a profit or avoid a loss by reference to fluctuations in the value or price of property of any description or in an index or other factor designated for that purpose in the contract.

While the use of Portfolio Investment Techniques will be in line with the best interests of the Company, individual techniques may result in increased counterparty risk and potential conflicts of interest. Details

of the proposed Portfolio Investment Techniques and policies adopted by the Company and / or the Management Company in relation to their use by the Funds are set out below. Details of the relevant risks are set out in the section of the Prospectus headed “*Investment Risks*”.

All of the revenues arising from Portfolio Investment Techniques, net of direct and indirect operational costs, will be returned to the relevant Fund.

The Management Company will ensure, at all times, that the terms of the Portfolio Investment Techniques, including any investment of cash collateral, will not impact on the Company’s ability to meet with its redemption obligations.

The annual report of the Company will contain details of (i) the counterparty exposure obtained through Portfolio Investment Techniques; (ii) counterparties to the Portfolio Investment Techniques; (iii) the type and amount of collateral received by the Funds to reduce counterparty exposure; and (iv) revenues arising from Portfolio Investment Techniques for the reporting period, together with direct and indirect costs and fees incurred.

a Fund may not be leveraged or geared in any way through the use of derivative instruments unless otherwise stated in the relevant Supplement.

#### *Use of Repurchase/Reverse Repurchase Agreements and Lending of Fund Securities*

A Fund may enter into reverse repurchase agreements for efficient portfolio management purposes, under which it acquires securities from a seller (for example, a bank or securities dealer) who agrees, at the time of sale, to repurchase the security at a mutually agreed-upon date (usually not more than seven days from the date of purchase) and price, thereby determining the yield to the Fund during the term of the reverse repurchase agreement. The resale price reflects the purchase price plus an agreed upon market rate of interest which is unrelated to the coupon rate or maturity of the purchased security. The Fund may enter into repurchase agreements under which it sells a security and agrees to repurchase it at a mutually agreed upon date and price. The use by a Fund of repurchase agreements and reverse repurchase agreements (“Repo Contracts”) shall be subject to the conditions and limits set out in the UCITS Regulations. A Fund may, for efficient portfolio management purposes only, lend its securities to brokers, dealers and other financial organisations in accordance with normal market practice.

A credit assessment will be undertaken with respect to each counterparty to a repo contract. Such counterparties will be entities with legal personality typically located in OECD jurisdictions. A Fund may only enter into OTC derivatives, Repo Contracts and securities lending arrangements with counterparties in accordance with the requirements of the Central Bank UCITS Regulations where a credit assessment has been undertaken. Where the counterparty is subject to a credit rating by any agency registered and supervised by ESMA, that rating shall be taken into account in the credit assessment. Where a counterparty is downgraded to A2 or below (or comparable rating) by such a credit rating agency, a new credit assessment in respect of the counterparty will be undertaken without delay.

Subject to the UCITS Regulations, a Fund may enter into Repo Contracts only in accordance with normal market practice and provided that collateral obtained under the Repo Contract meets, at all times, the following criteria:

- (i) liquidity - collateral (other than cash) should be highly liquid and traded on a regulated market or multi-lateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation. Collateral should comply with the provisions of Regulation 74 of the UCITS Regulations.
- (ii) valuation - collateral should be valued on a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place. Collateral may be marked to market daily by the counterparty using its procedures, subject to any agreed haircuts, reflecting market values and liquidity risk and may be subject to variation margin requirements.
- (iii) issuer credit quality - collateral should be of high quality. Where the issuer was subject to a credit rating by an agency registered and supervised by ESMA, that rating shall be taken into account in the credit assessment process. Where an issuer is downgraded below the two

highest short-term credit ratings by the credit rating agency referred to above this shall result in a new credit assessment being conducted of the issuer without delay.

- (iv) correlation - collateral should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
- (v) diversification - collateral should be sufficiently diversified in terms of country, markets and issuers. Non-cash collateral will be considered to be sufficiently diversified if the relevant Fund receives from a counterparty a basket of collateral with a maximum exposure to any one issuer of 20% of the Fund's net asset value. When the relevant Fund is exposed to a variety of different counterparties, the various baskets of collateral are aggregated to ensure exposure to a single issuer does not exceed 20% of net asset value.

Notwithstanding the above, a Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a EU Member State, one or more of its local authorities, a third country, or a public international body to which one or more EU Member States belong, as disclosed in paragraph 2.12 in the "Investment Restrictions" section. Such a Fund will receive securities from at least six different issues and securities from any single issue will not account for more than 30% of the Fund's Net Asset Value.

All assets received in respect of a Fund in the context of efficient portfolio management techniques will be considered as collateral for the purposes of the Central Bank UCITS Regulations and will comply with the criteria above. Risks linked to the management of collateral, including operational and legal risks, are identified and mitigated by risk management procedures employed by the Management Company, in consultation with the Company.

Where there is a transfer of title involved in a transfer of collateral, the collateral received will be held by the Depositary, or a properly appointed sub-custodian. For other types of collateral arrangement the collateral may be held by a third party custodian which is subject to prudential supervision and which is unrelated to the provider of the collateral.

Collateral received will be capable of being fully enforced by a Fund at any time without reference to or approval from the counterparty. Accordingly collateral will be immediately available to the Fund without recourse to the counterparty in the event of default by that entity.

#### *Permitted types of Collateral*

In accordance with the above criteria, it is proposed that a Fund will accept the following types of collateral in respect of Repo Contracts and stock lending arrangements:

- (i) cash;
- (ii) government or other public securities;
- (iii) certificates of deposit issued by Relevant Institutions;
- (iv) bonds/commercial paper issued by Relevant Institutions or by non-bank issuers where the issue or the issuer are rated A1 or equivalent;
- (v) letters of credit with a residual maturity of three months or less, which are unconditional and irrevocable and which are issued by Relevant Institutions;
- (vi) equity securities traded on a stock exchange in the EEA, Switzerland, Canada, Japan, the United States, the United Kingdom, Jersey, Guernsey, the Isle of Man, Australia or New Zealand; and

- (vii) such further types of collateral as may be further set out in the Relevant Supplement or as the Investment Manager deems appropriate from time to time in accordance with the requirements of the Central Bank.

#### *Reinvestment of Collateral*

Cash received as collateral may not be invested or used other than as set out below:

- (i) placed on deposit with, or invested in certificates of deposit issued by Relevant Institutions;
- (ii) invested in high-quality government securities;
- (iii) used for the purpose of reverse repurchase agreements, provided that the transactions are with credit institutions subject to prudential supervision and the relevant Fund is able to recall at any time the full amount of cash on an accrued basis; or
- (iv) invested in a Short Term Money Market Fund as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds.

Re-invested cash collateral will be diversified in accordance with the diversification requirements applicable to non-cash collateral. Invested cash collateral may not be placed on deposit with, or invested in securities issued by, the counterparty or a related entity.

Non-cash collateral received cannot be sold, pledged or re-invested.

#### *Stress testing policy*

In the event that a Fund receives collateral for at least 30% of its net assets, the Management Company will implement a stress testing policy to ensure that regular stress tests are carried out under normal and exceptional liquidity conditions in order to allow it to assess the liquidity risk attached to such collateral.

#### *Haircut policy*

In the event that a Fund receives collateral, the Management Company will implement a haircut policy in respect of each relevant class of assets received as collateral. This policy will take account of the characteristics of the relevant asset class, including the credit standing of the issuer of the collateral, the price volatility of the collateral and the results of any stress tests which may be performed in accordance with the stress testing policy. The value of any such collateral received, adjusted in light of this haircut policy, must equal or exceed, in value, at all times, the relevant counterparty exposure.

#### *Other provisions in relation to Repo Contracts and stock lending*

The Company will have the right to terminate a stock lending arrangement at any time and demand the return of any or all of the securities loaned. The agreement must provide that, once such notice is given, the borrower is obligated to redeliver the securities within 5 business days or other period as normal market practice dictates.

In the case that a Fund enters into a reverse repurchase agreement, it will have the right to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued or a mark-to-market basis at any time. Where the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement shall be used for the purposes of the calculation of the Net Asset Value of the relevant Fund.

In the case that a Fund enters into repurchase agreements, the Fund will have the right to recall any securities subject to the agreement or to terminate the repurchase agreement at any time.

Fixed term Repo Contracts which do not exceed seven days shall be regarded as arrangements on terms which allow the assets to be recalled at any time by the relevant Fund.

Repo Contracts, stock borrowing or stock lending do not constitute borrowing or lending for the purposes of the UCITS Regulations.

Any interest or dividends paid on securities which are the subject of such stock lending arrangements shall accrue to the benefit of the relevant Fund.

#### *Collateralisation of OTC FDI*

In order to ensure that Funds do not breach the requirements of the UCITS Regulations regarding counterparty risk exposure, the Management Company will require that counterparties to any OTC FDI with a Fund collateralise their exposure to the Fund, so that the collateral held by the Depositary on behalf of the Fund mitigates the counterparty risk. In accordance with the requirements of the Central Bank, the counterparties will be required to transfer the collateral to the Fund and the collateral will be held in a segregated account by the Depositary or its delegate. The Collateral will be marked to market daily and, in the event of a default by a counterparty, the Fund will have access to the relevant collateral without recourse to such counterparty.

The collateral will be held at the risk of the counterparty. The Management Company will monitor the collateral to ensure that the collateral falls, at all times, within the categories permitted by the Central Bank and will be diversified in accordance with the requirements of the Central Bank, and otherwise meets the requirements as described above in respect of Repo Contracts and securities lending. Investors should note that there may be a cost attached to the collateralisation of a counterparty's exposure to a Fund which may vary according to market conditions and that this cost will be borne by the Fund.

#### *Contracts for Differences*

Where non-exchange traded contracts for differences are used by the relevant Fund, the Management Company will ensure that (i) the counterparty has shareholder funds in excess of €125 million or foreign currency equivalent; (ii) the name of the counterparty is disclosed in the subsequent half-yearly or annual report of the Company; (iii) the Depositary is satisfied that the counterparty has agreed to value the transaction at least weekly and to close out the transaction at the request of the Investment Manager at a fair value; and (iv) initial outlay in respect of any contracts for differences to any one counterparty does not exceed 5% of the Net Asset Value of the relevant Fund. Use of the aforesaid techniques and instruments involves certain risks and there can be no assurance that the objective sought to be obtained from the use of such instruments will be achieved.

#### *"Delayed Delivery" and "When Issued" Securities*

A Fund may purchase debt obligations on a "delayed delivery" or "when-issued" basis, that is, for delivery to the Fund later than the normal settlement date for such securities, at a stated price and yield. Such securities are termed "delayed delivery" when traded in the secondary market, or "when-issued" in the case of an initial issue of securities. The Fund generally would not pay for such securities or start earning interest on them until they are received. However, when the Fund undertakes a delayed delivery or when-issued purchase obligation, it immediately assumes the risk of ownership, including the risk of price fluctuation. Failure by the issuer to deliver the securities may result in a loss or missed opportunity for the Fund to make an alternative investment.

#### *Currency Transactions*

A Fund is permitted to invest in securities denominated in a currency other than the base currency of the Fund and may purchase currencies to meet settlement requirements. In addition, subject to the restrictions imposed by the UCITS Regulations (see "Use of Futures and Options" above), a Fund may enter into various currency transactions, i.e. forward foreign currency contracts, currency swaps, foreign currency or currency index futures contracts and put and call options on such contracts or on currencies, to protect against uncertainty in future exchange rates. Forward foreign currency contracts are agreements to exchange one currency for another - for example, to exchange a certain amount of Euro for a certain amount of US Dollars - at a future date. The date (which may be any agreed-upon fixed number of days in the future), the amount of currency to be exchanged and the price at which the exchange will take place are negotiated and fixed for the term of the contract at the time that the contract is entered into. Under the UCITS Regulations, uncovered positions in currency derivatives are not permitted.



Currency transactions undertaken by a Fund to alter the currency exposure characteristics of transferable securities held by that Fund through the purchase or sale of currencies other than the currency of denomination of that Fund or the relevant transferable securities must not be speculative in nature i.e. they must not constitute an investment in their own right. To the extent that such currency transactions alter the currency characteristics of transferable securities of a Fund, they must be fully covered by the cash flows of the transferable securities held by that Fund, including any income there from. A Fund may not be leveraged or geared in any way through the use of currency transactions.

Currency transactions which alter currency exposure characteristics of transferable securities held by a Fund may only be undertaken for the purposes of a reduction in risk, a reduction in costs and/or an increase in capital or income returns to that Fund. Any such currency transactions must be used in accordance with the investment objective of a Fund (i.e. the currencies to which the Fund is exposed must be currencies in which it can invest directly) and must be deemed by the Investment Manager to be economically appropriate. The performance of a Fund may be strongly influenced by movements in currency rates because currency positions held by the Fund may not correspond with the securities positions held. Details of transactions entered into during the reporting period and the resulting amounts of commitments must be disclosed in the periodic reports of the Fund.

A Fund may “cross-hedge” one foreign currency exposure by selling a related foreign currency into the base currency of the Fund. Also, in emerging or developing markets, local currencies are often expressed as a basket of major market currencies such as the U.S. Dollar, Euro or Japanese Yen; a Fund may hedge the exposure to currencies other than its base currency in the basket by selling a weighted average of those currencies forward into the base currency.

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## RESPONSIBLE INVESTMENT

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The Investment Manager has developed a methodology to embed ESG Risks and opportunities of ESG factors into the management of the Funds.

The Investment Manager has designed a number of distinct responsible investment policies for this purpose:

1. Ethical and Sustainable Investment Policy

Applicable to the 'Sustainable' Funds (as denominated through the use of the word "sustainable" in the fund name and hereafter referred to as "the Sustainable Funds") which have sustainable investment as their objective.

2. ESG Characteristics Policy

Applicable to Funds which consider ESG factors within their investment process and promote environmental or social characteristics.

Those Funds integrating ESG characteristics into their investment management process will specify in more detail within the Fund's Investment Policy section in the Relevant Supplement, please cross reference with individual Relevant Supplements for more detail.

3. Responsible Investment Policy ("**RI Policy**")

Applicable to all Funds.

### **Ethical and Sustainable Investment Policy**

The Sustainable Funds adhering to the Ethical and Sustainable Investment Policy only invest in securities classified as fit for 'inclusion'. If a holding does not meet this standard the internal advisory committee of the Investment Manager ("**Internal Advisory Committee**") will classify it as 'excluded'.

#### *Inclusion*

The holding is considered acceptable and therefore is permitted to be held by the Sustainable Funds.

#### *Exclusion*

The holding is considered unacceptable and therefore is not permitted to be held by the Sustainable Funds.

To be classified as fit for 'inclusion' individual securities must demonstrate that they provide a net benefit to society, either through being an ESG Leader and/or through their products and services.

This 'inclusion list' is reviewed on a regular basis, where various ESG factors are considered, for example but not limited to: company strategy, products and/or services and ESG performance. Such factors may have changed in such a way that the Investment Manager no longer deems the holding 'acceptable'. The Investment Manager will therefore aim to dispose of the holding within six months of the recommendation in a manner consistent with the best interests of the Sustainable Fund's Shareholders.

In the consideration of the factors and the determinants of the 'inclusion list' the Investment Manager always operates at parent issuer level and will exercise discretion on a case-by-case basis as to subsidiary issuers.

In respect of the 'exclusion list', exclusions are applied to the Sustainable Fund investable universe, to ensure that no holdings undertake activities which contribute to major detrimental environmental and/or

social impacts on society. Exclusions applied to the Sustainable Funds are detailed below and are set out in full in the Ethical and Sustainable Investment Policy available on the policies and regulatory section of the website (<https://www.rlam.com/>). These exclusions are subject to change as the Investment Manager deems appropriate for investors, to ensure they reflect evolving responses to critical or emerging issues and changes in regulation.

As mentioned above, when selecting investments to be held directly by the Sustainable Funds, the Investment Manager will, in addition to the investment criteria set out above, apply exclusionary screens on activities which the Investment Manager considers to be detrimental to society. The Investment Manager will seek to exclude direct investment in issuers which, in the opinion of the Investment Manager, have exposure to certain activities (some may be subject to specific revenue thresholds) including but not limited to:

- (i) issuers involved in the production of controversial weapons;
- (ii) issuers involved in the production or sale of torture equipment, landmines or nuclear weapons;
- (iii) issuers which produce tobacco products or engage in the sale of tobacco products; and
- (iv) issuers who cause harm to stakeholders through unacceptable corporate governance practices.

The Internal Advisory Committee has responsibility for approving the decision to include or exclude a security for investment. An External Advisory Committee has oversight of the decision to include or exclude a security for investment and may provide comments where relevant on this outcome, which may be taken into account by the Investment Manager who at all times retains investment discretion and authority in respect of the Funds. The External Advisory Committee adds an impartial layer of governance to the Ethical and Sustainable Investment Policy.

The Investment Manager then undertakes in-depth bottom-up analysis for each holding.

Particular attention is paid to corporate governance practices and governance indicators such as board independence, remuneration policies and structures, diversity and historic fraudulent activity are assessed.

Environmental and social practices, business quality and valuation, are reviewed for all securities, using a bespoke approach seeking to identify the most relevant factors for a particular holding in question. For example, waste and water management could be material for one holding and cyber security and supply chain management for another.

As part of the research, a qualitative assessment of the role and/or benefit products and/or services of a company play in broader society will be taken into account, ensuring compliance with the “do no significant harm” (“**DNSH**”) principle outlined in the SFDR.

The Investment Manager seeks to evaluate the net benefit of individual securities using an in-house assessment methodology requiring a minimum threshold for ESG factors, whereby a holding can only be considered as fit for ‘inclusion’ above a specific minimum standard.

This threshold is based on various points of relevance for each of the ESG factors, including but not limited to:

- (i) Governance – Board independence, remuneration policies and structures, diversity, audit and accounting practices, historic fraudulent activity;
- (ii) Environmental – Climate change strategy, waste management, water management and pollution; and
- (iii) Social – Human rights, social inclusion, staff benefits, and training, supply chain management.

In addition, a qualitative assessment of the role and/or benefit products and/or services of a company play in broader society will be taken into account.

The investment process applied to the Sustainable Funds seeks to serve and advance the sustainable investment objectives of the Sustainable Funds, namely to invest in holdings that provide a net benefit to society, and both the factors and process explained above are reviewed on a regular basis to ensure they reflect evolving responses to critical or emerging issues and changes in regulation.

## **ESG Characteristics Policy**

### *Integration of ESG Risks*

The Investment Manager requires that:

1. Each holding has acceptable corporate governance, including, but not limited to, the factors shown below. Factors will be dependent on security-specific characteristics such as the asset class or sector and the specific investment process of the relevant Fund. As a general rule, whilst they do vary, securities' fundamentals are subject to analyses based on governance indicators, including but not limited to:
  - (i) Board composition, structure and diversity
  - (ii) Remuneration policies and implementation
  - (iii) Stakeholder relations, including shareholders and bondholders
  - (iv) Audit and accounting practices
  - (v) Business ethics, including corruption and fraud
2. Environmental and/or social characteristics are promoted in a manner consistent with the investment objective of the Fund. This is undertaken by:
  - (i) Identifying environmental and/or social characteristics for promotion within the Fund using bottom-up analysis, quantitative methodologies and/or Fund-specific exclusions.
  - (ii) Identification of these characteristics is based on qualitative judgement and/or quantitative tools but will be driven by issues relevant to the sector and/or security-specific characteristics, which will vary from holding to holding. Absolute exclusions are consistently applied, as set out in the RI Policy.

## **RI Policy**

### *Integration of ESG Risks*

The Investment Manager utilises stewardship and ESG integration to embed responsible investment across all Funds. Stewardship activities seek to enhance the long-term value of clients' investments by identifying ESG Risks and integrating them into investment decision-making. The Investment Manager's commitment to act as steward of the Funds' assets is enacted through engagement, voting and exclusions.

### *Engagement Policy*

The Investment Manager uses engagement techniques to encourage companies to make continual improvements, reduce investment risk and create better outcomes for investors and for society.

Engagement for information seeks additional evidence to supplement existing research or findings that feed into the investment process while engagement for change seeks to influence issuer behaviour, policies or practices.

### *Voting Policy*

Voting rights are exercised with a view to promoting good corporate governance and high ESG standards in investee companies.

### *Principal Adverse Impacts*

For Funds which do not consider ESG factors within their investment process and promote environmental or social characteristics or which are not Sustainable Funds, the principal adverse impacts of investment decisions are not currently considered at Fund level as it may not be practicable or proportionate to do so depending on the investment strategy or due to the specific investment outcomes targeted by the strategy of the Fund. This position will be kept under review by the Investment Manager and may change over time.

### *Exclusions*

The Investment Manager applies a controversial weapons exclusion policy. The policy applies to companies involved in the manufacturing of cluster munitions, land mines, chemical and biological weapons.

### **Likely Impact on Returns of Responsible Investment Techniques**

All else equal, a positive assessment of ESG characteristics of a holding is expected to increase the long-term return expectations for that particular holding and therefore is expected to increase the long-term return expectations for each of the Funds. The Investment Manager believes that unmitigated ESG Risks reduce the investment value of a holding and that better long-term investment outcomes can be achieved through responsible investment practises, implemented through the Investment Manager's bespoke Ethical and Sustainable Investment Policy and ESG Characteristics Policy, in addition to the RI Policy.

However, there is no guarantee that responsible investing will ensure better returns in the longer term. Where any of the Funds can only invest in securities that demonstrate compliance with certain ESG considerations, the universe of securities to choose investments from may be smaller than that of other funds that do not apply the same considerations and therefore any of the Funds may underperform the market as a whole if the more limited universe of investments which meets the ESG considerations were to underperform those of the broader universe.

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## INVESTMENT RISKS

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Investment in any Fund entails a degree of risk. While there are some risks that may be common to a number or all of the Funds, there may also be specific risk considerations which apply to particular Funds in which case such risks are specified in the Relevant Supplement for that Fund.

Investment in the Funds may not be suitable for all investors and should not be considered a complete investment program. As you consider an investment in one or more of the Funds, you should take into account your investment objectives and personal risk tolerance. There can be no assurance that any Fund will achieve its investment objectives and the value of your investment may go down as well as up. You may not get back the amount invested or any return on your investment.

Potential investors should consider the following specific risks before investing in the Company:

### **ASSET-BACKED SECURITIES RISK**

Asset-backed investments tend to increase in value less than other debt securities when interest rates decline, but are subject to similar risk of decline in market value during periods of rising interest rates. In a period of declining interest rates, a Fund may be required to reinvest more frequent prepayments on asset-backed investments in lower-yielding investments. Asset-backed securities in which a Fund invests may have underlying assets that include motor vehicle instalment sales or instalment loan contracts, leases of various types of real and personal property, and receivables from credit card agreements. Automobile sales contracts or credit card receivables underlying asset-backed securities are subject to prepayment, which may reduce the overall return to asset-backed security holders. Shareholders may also experience delays in payment on the securities if the full amounts due on underlying sales contracts or receivables are not realized by a trust because of unanticipated legal or administrative costs of enforcing the contracts or because of depreciation or damage to the collateral (usually automobiles) securing certain contracts, or other factors. The values of asset-backed securities may be substantially dependent on the servicing of the underlying asset pools, and are therefore subject to risks associated with the negligence or malfeasance by their servicers and to the credit risk of their servicers. In certain circumstances, the mishandling of related documentation may also affect the rights of security holders in and to the underlying collateral. The insolvency of entities that generate receivables or that utilize the assets may result in added costs and delays in addition to losses associated with a decline in the value of underlying assets. It is possible that many or all asset-backed securities will fall out of favour at any time or over time with investors, affecting adversely the values and liquidity of the securities.

### **BASIS RISK**

Although the Investment Manager believes that taking exposure to underlying assets through the use of financial derivative instruments will benefit Shareholders in certain circumstances, due to reduced operational costs and other efficiencies which investment through financial derivative instruments can bring, there is a risk that the performance of the Fund will be imperfectly correlated with the performance which would be generated by investing directly in the underlying assets.

### **CHANGE IN ECONOMIC CLIMATE**

General economic conditions may impact on issuers abilities to service and repay debt. Higher yielding securities and instruments will be more vulnerable to deteriorating economic conditions.

### **CIS RISK**

The identification of CIS in which a Fund may invest and the ability of such CIS to find attractive investment opportunities is difficult and involves a high degree of uncertainty. A Fund may be subject to those risks common to CIS investing in publicly traded securities, including market volatility. Also, although intended to protect capital and enhance returns in varying market conditions, certain trading and hedging techniques which may be employed by CIS such as leverage, short selling and investments in options or commodity or financial futures could increase the adverse impact to which CISs may be subject.

There can be no assurance that the Investment Manager can successfully select suitable CIS or that the managers of the CIS selected will be successful in their investment strategies.

Identifying appropriate CIS for investment by a Fund may be difficult and involves a high degree of uncertainty. In addition, certain CIS may be, from time to time, oversubscribed, and it may not be possible to make investments that have been identified as attractive opportunities. Although the Investment Manager will receive detailed information from the manager of each CIS regarding its historical performance and investment strategy, in most cases the Investment Manager has little or no means of independently verifying this information. The manager of a CIS may use proprietary investment strategies that are not fully disclosed to the Investment Manager, which may involve risks under some market conditions that are not anticipated by the Investment Manager. For information about the net asset value and portfolio composition of an CIS, the Investment Manager will be dependent on information provided by the CISs, which, if inaccurate, could adversely affect the Investment Manager's ability to manage the assets of the relevant Fund in accordance with its investment objective, and to value accurately the Net Asset Value of that Fund. Shareholders have no individual rights to receive information about CIS or the managers of those CIS, will not be investors in the CIS and will have no rights with respect to or standing or recourse against, the CIS, the managers of the CIS, or any of their affiliates.

Shareholders will bear a proportionate share of the fees and expenses of a Fund, including operating costs and distribution expenses, and, indirectly, the fees and expenses of the CIS.

Investment decisions of the CIS are made by the managers of those CIS entirely independent of the Investment Manager, and of each other. As a result, at any particular time, one CIS may be purchasing securities of an issuer whose securities are being sold by another CIS. Consequently, a Fund could incur indirectly certain transaction costs without accomplishing any net investment result.

A CIS in which a Fund may invest may utilise leverage in their investment programs. Such leverage may take the form of loans for borrowed money, trading on margin, derivative instruments that are inherently leveraged, including among others forward contracts, futures contracts, swaps and repurchase agreements, and other forms of direct and indirect borrowings, increasing the volatility of the CIS' investments. The use of leverage by the CIS may substantially increase the adverse impact to which the investment portfolios of the CIS may be subject. The level of interest rates generally, and the rates at which the CISs can borrow in particular, can affect the operating results of the CIS.

Underlying CIS may pledge, charge, lend, hypothecate and/or re hypothecate their assets to obtain additional financing.

#### **COLLATERAL REINVESTMENT RISK**

Where cash collateral received from a counterparty is reinvested this could result in a reduction of the value of the collateral capital (in the event that the investment declines in value). This, in turn may cause losses to the relevant Fund because it is obliged to return collateral equivalent to the value of the collateral which it received. In order to manage this risk, the Company reinvests cash collateral in accordance with the guidelines set out in the section headed "Fund Investment Techniques" above.

#### **CONCENTRATION RISK**

A Fund may concentrate its investments in companies in a particular industry or market or economic sector. When a Fund concentrates its investments in a particular industry or sector, financial, economic, business, and other developments affecting issuers in that industry or sector will have a greater effect on the Fund than if it had not concentrated its assets in that industry or sector. In addition, investors may buy or sell substantial amounts of a Fund's shares in response to factors affecting or expected to affect an industry or sector in which the Fund concentrates its investments, resulting in extreme inflows or outflows of cash into and out of the Fund. Such inflows or outflows might affect management of the Fund adversely, to the extent they were to cause the Fund's cash position or cash requirements to exceed normal levels. A Fund may establish or terminate a concentration in an industry or sector at any time in the Investment Manager's discretion.

## **COUNTERPARTY RISK**

A Fund will have a credit risk on the parties with which it trades in relation to securities and financial derivative instruments which are not traded on a recognised exchange including for example, counterparties to Repo Contracts, securities lending agreements and OTC Contracts. Such securities and instruments are not afforded the same protections as may apply to participants trading futures on recognised exchanges, such as the performance guarantee of an exchange clearing house. A Fund may be subject to the possibility of the insolvency, bankruptcy or default of a counterparty with which a Fund trades such securities or instruments, which could result in substantial losses to a Fund. In the event of the insolvency, bankruptcy or default of the seller under a repurchase agreement, a Fund may experience both delays in liquidating the underlying securities and losses, including the possible decline in the value of securities during the period while it seeks to enforce its rights thereto, possible sub-normal level of income, lack of access to income during the period and expenses in enforcing its rights. The risks associated with lending portfolio securities include the possible loss of rights against the collateral for the securities should the borrower fail financially.

A Fund's foreign exchange, futures and other transactions also involve counterparty credit risk and may expose the Fund to unanticipated losses to the extent that counterparties are unable or unwilling to fulfil their contractual obligations. With respect to futures contracts and options on futures, the risk is more complex in that it involves the potential default of the clearing house or the clearing broker.

A Fund may have contractual remedies upon any default pursuant to the agreements related to particular transactions. Such remedies could be inadequate however, to the extent that the collateral or other assets available are insufficient to satisfy the obligations of the counterparty to the Fund.

## **CREDIT AND FIXED INTEREST SECURITY RISKS**

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital.

Unlike the income from a single fixed interest security, the level of income (yield) from any Fund is not fixed and may go up and down.

If the income yield is higher than the redemption yield, there is the possibility that the capital will be eroded.

The value of a fixed interest security will fall in the event of the default or reduced credit rating of the issuer. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer.

Unlike income from an individual bond, the level of income from the Funds is not fixed and may fluctuate.

## **CREDIT RISK**

A Fund may be exposed to credit risk on the issuer of securities and / or instruments in which it invests which will vary depending on the issuer's credit rating and its ability to make principal and interest payments on its obligation.

## **CURRENCY RISK**

The Net Asset Value per Share of a Fund will be computed in the base currency of the relevant Fund whereas the investments held for the account of that Fund may be acquired in other currencies. The base currency value of the investments of a Fund designated in another currency may rise and fall due to exchange rate fluctuations in respect of the relevant currencies. Adverse movements in currency exchange rates can result in a decrease in return and a loss of capital. The investments of each Fund may (but are not required to) be fully hedged into its base currency. In addition, currency hedging transactions, while potentially reducing the currency risks to which a Fund would otherwise be exposed, involve certain other risks, including the risk of a default by a counterparty.



Where a Fund enters into “cross hedging” transactions (e.g., utilising currency different than the currency in which the security being hedged is denominated), the Fund will be exposed to the risk that changes in the value of the currency used to hedge may not correlate with changes in the value of the currency in which the securities are denominated, which could result in loss on both the hedging transaction and the Fund securities.

## **CYBER SECURITY RISK**

The Company and its service providers are susceptible to operational and information security and related risks of cyber security incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber security attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g. through “hacking” or malicious software coding) for the purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites (i.e. efforts to make services unavailable to intended users). Cyber security incidents affecting the Company, the Directors, the Investment Manager, Administrator or Depositary or other service providers such as financial intermediaries have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including by interference with a company's ability to calculate its Net Asset Value; impediments to trading; the inability of Shareholders to transact business with the Company; violations of applicable privacy, data security or other laws; regulatory fines and penalties; reputational damage; reimbursement or other compensation or remediation costs; legal fees; or additional compliance costs. Similar adverse consequences could result from cyber security incidents affecting issuers of securities in which the Company or any Fund invests, counterparties with which the Company or any Fund engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and other parties. While information risk management systems and business continuity plans have been developed which are designed to reduce the risks associated with cyber security, there are inherent limitations in any cyber security risk management systems or business continuity plans, including the possibility that certain risks have not been identified.

## **DIVERSIFICATION RISK**

The ability of a Fund to effectively diversify its investments in accordance with the investment policy described above may be constrained by the Fund's asset size. Should the assets of a Fund fall below 50 million in the relevant Fund's Base Currency, then the Company may at its discretion elect to wind-up the Fund.

## **EFFECT OF CHARGES FROM INCOME**

The effect of taking charges from income will reduce the amount of income (which may be taxable) available for distribution to Shareholders in the Fund concerned. However, it may increase the growth potential of the capital value of the investment, when compared to funds that take charges from capital.

## **EMERGING MARKETS RISK**

Emerging markets' securities bear most of the foreign exposure risks discussed below. In addition, there are greater risks involved in investing in emerging markets than in developed foreign markets. Specifically, the economic structures in emerging markets are less diverse and mature than those in developed countries, and their political systems are less stable. Investments in emerging markets may be affected by national policies that restrict foreign investment. Information about emerging market issuers may not be readily available and reporting and disclosure requirements may be less sophisticated than in developed markets. Emerging markets may have less developed structures, and the small size of their securities markets and low trading volumes can make investments illiquid and more volatile than investments in developed countries. As a result, a Fund when investing in emerging markets, may be required to establish special custody or other arrangements before investing.

Stock markets in many emerging countries are relatively small and risky. Investors are often limited in their investment and divestment activities. Additional restrictions may be imposed under emergency conditions. Emerging market securities may decline or fluctuate because of economic and political

actions of emerging market governments and less regulated or liquid securities markets. Investors holding the securities are also exposed to emerging market currency risk (the possibility that that emerging market currency will fluctuate against the Base Currency of a Fund).

The legal infrastructure and accounting, auditing and reporting standards in emerging markets in which a Fund may invest may not provide the same degree of information to investors as would generally apply internationally. In particular, valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities and consolidation may be treated differently from international accounting standards.

Shareholders should also note that settlement mechanisms in emerging market countries are generally less developed and reliable than those in more developed countries and that this therefore increases the risk of settlement default, which could result in substantial losses for a Fund in respect of investments in emerging market countries. Shareholders should also note that the securities of companies domiciled in emerging market countries are less liquid and more volatile than those domiciled in more developed stock markets and this may result in fluctuations in the price of the Shares.

Where a Fund invests in emerging markets, the value of its assets may be affected by uncertainties such as international political developments, changes in government policies, taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in applicable laws and regulations.

## **EMIR AND OTC DERIVATIVES CONTRACT RISK**

As a result of the European regulation commonly referred to as the European Market Infrastructure Regulation or “EMIR”, OTC derivatives markets have been and will be subject to significant regulation, potentially including, without limitation, increased margin requirements, mandatory reporting, centralised clearing and execution of transactions. These regulations may result in increased costs, reduced profit margins and reduced investment opportunities, all of which may negatively impact the performance of the Funds.

In particular, as of 1 March 2017, EMIR imposed variation margin rules in respect of non-deliverable forwards, which include a requirement to have in place procedures for the timely, accurate and appropriately segregated exchange of collateral with respect to OTC derivative contracts. This may necessitate the amendment of the Company’s existing OTC derivative contracts which would result in additional costs. The variation margin rules will also require certain haircuts to be applied to collateral received for OTC derivative contracts, which will vary depending on the issuer, credit rating, currency and residual maturity of the collateral. As the variation margin rules are likely to result in an increase in the level of its assets which a Fund will be required to retain in cash or very liquid assets in order to have available for use as collateral, this could result in a reduced proportion of the Fund’s assets being available for allocation to the Fund’s investment policy and, consequently, may impact the performance of the Fund. While some of the obligations under EMIR have come into force, a number of the requirements are subject to phase-in periods. As a consequence, it is as yet unclear how the derivatives markets will adapt to the new regulatory regime. Accordingly, it is difficult to predict the full impact of EMIR on the Company, although this may include an increase in the overall costs of entering into and maintaining OTC derivative contracts.

## **EQUITY MARKET RISK**

The value of Shares and the income from them is not guaranteed and can fall as well as rise due to stock market and currency movements. Past performance is not a guide to future performance and when you sell your investment you may get back less than you originally invested, regardless of how well a Fund performs.

The entire market of a particular asset class or geographical sector may fall, having a more pronounced effect on funds heavily or solely invested in that asset class or region.

## **EXCHANGE TRADED FUNDS RISK**

Where specified in the relevant Supplement, a Fund may invest in ETFs. These funds represent a basket of securities that are traded on an exchange and therefore, unlike collective investment schemes, they do not necessarily trade at the net asset value of their underlying holdings. As a result they may trade at a price which is above or below the value of the underlying portfolio.

## **FUND CURRENCY RISK**

As a result of its investments in securities denominated in various currencies, the value of the assets of a Fund as measured in its Base Currency will be affected by changes in currency exchange rates, which may affect a Fund's performance independent of the performance of its securities investments. A Fund may or may not seek to hedge all or any portion of its foreign currency exposure. However, even if a Fund attempts such hedging techniques, it is not possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in a non-Base Currency because the value of those securities is likely to fluctuate as a result of independent factors not related to currency fluctuations.

Currency exchange rates may fluctuate significantly over short periods of time causing, along with other factors, a Fund's Net Asset Value to fluctuate as well. Currency exchange rates generally are determined by the forces of supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or anticipated changes in interest rates and other complex factors, as seen from an international perspective. Currency exchange rates can also be affected unpredictably by intervention or failure to intervene by governments or central banks or by currency controls or political developments throughout the world. To the extent that a substantial portion of a Fund's total assets, adjusted to reflect a Fund's net position after giving effect to currency transactions, is denominated in the currencies of particular countries, that Fund will be more susceptible to the risk of adverse economic and political developments within those countries.

## **FUND PORTFOLIO CONCENTRATION RISK**

Funds which invest in a smaller number of stocks can carry more risk than funds spread across a larger number of companies. To the extent that a Fund or a CIS has exposure to an issuer, geographical area or type of security that is heavily affected by an event, either positive or negative, its value may rise or fall. Investors should also refer to the "Concentration Risk" risk disclosure.

## **FUNDS OF FUNDS – MULTIPLE LEVELS OF FEES AND EXPENSES**

To the extent that any of the CIS (in which a Fund with a fund-of-funds strategy may) invest in other CIS, investors will be subject to higher fees arising from the layered investment structure as fees may arise at three levels; the relevant Fund, the CIS and the funds in which the CIS invests. This investment structure may also result in a lack of transparency with respect to investments in which a Fund has an indirect interest.

## **FUTURES AND OPTIONS CONTRACTS, FORWARD COMMITMENTS, SWAPS AND WHEN-ISSUED SECURITIES**

Each Fund may use futures and options, forward commitments, swaps and when-issued securities for portfolio management purposes and/or for hedging against market movements, currency exchange or interest rate risks or otherwise. A Fund's ability to use these strategies may be limited by market conditions, regulatory limits and tax considerations. Use of these strategies involves certain special risks, including: (a) dependence on the Investment Manager's ability to predict movements in the price of securities being hedged and movements in interest rates; (b) imperfect correlation between movements in the securities or currency on which a futures or options contract is based and movements in the securities or currencies in the relevant Fund; (c) the absence of a liquid market or of accurate pricing information for any particular instrument at any particular time; (d) while a Fund may not be leveraged or geared in any way through the use of derivatives the degree of leverage inherent in futures trading (i.e. the low margin deposits normally required in futures trading) means that a relatively small price movement in a futures contract may result in an immediate and substantial loss to the Fund; and (e) possible impediments to effective portfolio management or the ability to meet redemption requests

or other short-term obligations because of the percentage of a Fund's assets segregated to cover its obligations.

Positions in futures contracts may be closed out only on an exchange which provides a secondary market for such futures. However, there can be no assurance that a liquid secondary market will exist for any particular futures contract at any specific time. Thus, it may not be possible to close a futures position. In the event of adverse price movements, a Fund would continue to be required to make daily cash payments to maintain its required margin. In such situations, if a Fund has insufficient cash, it may have to sell portfolio securities to meet daily margin requirements at a time when it may be disadvantageous to do so. In addition, a Fund may be required to make delivery of the instruments underlying futures contracts it holds. The inability to close options and futures positions also could have an adverse impact on the ability to effectively hedge the Fund.

The risk of loss in trading futures contracts in some strategies can be substantial, due both to the low margin deposits required, and the extremely high degree of leverage involved in futures pricing. As a result, a relatively small price movement in a futures contract may result in immediate and substantial loss (as well as gain) to the investor. For example, if at the time of purchase, 10% of the value of the futures contract is deposited as margin, a subsequent 10% decrease in the value of the futures contract would result in a total loss of the margin deposit, before any deduction for the transaction costs, if the account were then closed out. A 15% decrease would result in a loss equal to 150% of the original margin deposit if the contract were closed out. Thus, a purchase or sale of a futures contract may result in losses in excess of the amount of investment in the contract. The relevant Fund also assumes the risk that the Investment Manager will incorrectly predict future market trends. However, because the futures strategies of each Fund are engaged in only to track an index in the interest of efficient portfolio management or for hedging purposes, the Company does not believe that the Funds are subject to the risks of loss frequently associated with futures transactions. A Fund would generally have sustained comparable losses if, instead of the futures contract, it had invested in the underlying financial instrument and sold it after the decline.

Utilisation of futures transactions by a Fund does involve the risk of imperfect or no correlation where the securities underlying the futures contracts have different maturities than the portfolio securities being hedged. It is also possible that a Fund could both lose money on futures contracts and also experience a decline in value of its portfolio securities. There is also a risk of loss by a Fund of margin deposits in the event of bankruptcy of a broker with whom a Fund has an open position in a futures contract or related option.

Most futures exchanges limit the amount of fluctuation permitted in futures contract prices during a single trading day. The daily limit establishes the maximum amount that the price of a futures contract may vary either up or down from the previous day's settlement price at the end of a trading session. Once the daily limit has been reached in a particular type of contract, no trades may be made on that day at a price beyond that limit. The daily limit governs only price movement during a particular trading day and therefore does not limit potential losses, because the limit may prevent the liquidation of unfavourable positions. Futures contract prices have occasionally moved to the daily limit for several consecutive trading days with little or no trading, thereby preventing prompt liquidation of futures positions and subjecting some futures traders to substantial losses.

## **INFLATION RISK**

Inflation will, over time, reduce the value of your investments in real terms.

## **INVESTING IN RUSSIA**

In addition to the more general risks of investing in emerging markets, individual emerging market countries may, from time to time, present specific risks. Where a Fund invests in investments which are constituents of a benchmark which the Fund uses, the Fund may invest a portion of its assets in Russia. There are specific risks linked to investing in Russia, including the following:

- Investments in Russia are currently subject to certain heightened risks with regard to the ownership and custody of securities. In Russia, this is evidenced by entries in the books of a company or its registrar (which is neither an agent nor responsible to the Depositary). No

certificates representing ownership of Russian companies will be held by the Depositary or any correspondent or in an effective central depositary system. As a result of this system and the lack of state regulation and enforcement, a Fund could lose its registration and ownership of Russian securities through fraud, negligence or even mere oversight.

- After 24 February 2022, in response to Russia's military aggression against Ukraine, the European Union further expanded sanctions in place against Russia. It added a significant number of persons and entities to the sanctions list and adopted unprecedented measures with the aim of significantly weakening Russia's economic base, depriving it of critical technologies and markets, and significantly curtailing its ability to wage war. There is a risk that these measures may adversely affect the Russian economy and result in a decline in the value and liquidity of Russian securities, a devaluation of the Russian currency and/or a downgrade in Russia's credit rating. These sanctions could also lead to Russia taking counter measures more broadly against Western and other countries. Depending on the form of action which may be taken by Russia and other countries, it could become increasingly more difficult for a Fund to continue investing in Russia and/or to liquidate Russian investments and expatriate funds out of Russia. Measures taken by the Russian government could include freezing or seizure of Russian assets of European residents which would reduce the value and liquidity of any Russian assets held by a Fund. If any of these events were to occur, the Directors may (at their discretion) take such action as they consider to be in the interests of investors in the relevant Fund.

Some, or all, of the risks attributed to investing in Russia may also apply in other emerging markets.

## **INVESTMENT GRADE SECURITIES AND INSTRUMENTS**

S&P, Moody's and Fitch ratings and ratings of other recognised rating agencies are relative and subjective and are not absolute standards of quality. Investment ratings are subject to change and changes may affect both the volatility and liquidity of an issue. The downgrading of a security or an instrument may cause the value to fall.

Generally, medium or lower rated investment grade securities offer a higher current yield than is offered by higher rated securities, but also are likely have some quality and protective characteristics that, in the judgement of the rating organisations, are outweighed by large uncertainties or major risk exposures to adverse conditions.

The market value of securities in lower rated investment grade categories is more volatile than that of higher quality securities, and the markets in which these securities are traded are less liquid than those in which higher rated securities are traded.

In the event of rising interest rates the value of the securities held by a Fund may decline proportionately more than higher rated securities. If a Fund experiences unexpected net withdrawals, higher rated securities or instruments may have to be sold, resulting in a decline in the overall credit quality of the securities held by a Fund and increasing the exposure of the Fund to the risks of lower rated securities.

Subsequent to purchase, an issue of securities may cease to be rated or its rating may be reduced. Neither event requires sale of these securities by a Fund, but the Investment Manager may consider the event in the determination of whether the securities should continue to be held.

## **INVESTMENT TECHNIQUES**

There are certain investment risks which apply in relation to techniques and instruments which the Investment Manager may employ for efficient portfolio management purposes including, but not limited to, the techniques listed below. To the extent that the Investment Manager's expectations in employing such techniques and instruments are incorrect, a Fund may suffer a substantial loss having an adverse effect on the Net Asset Value of the Shares.

## **INVESTOR CURRENCY RISK**

The returns of an investor in a Fund are influenced not only by the returns on the investments themselves, but also by the returns on the investor's own currency relative to the Base Currency of the relevant Fund.

## **LIQUIDITY FEE AND REDEMPTION GATE RISK**

The Directors may, in circumstances specified in the relevant Supplement, impose a liquidity fee upon sale of Shares or may temporarily suspend dealing in Shares in certain circumstances, including if a Money Market Fund's liquidity falls below required minimums because of market conditions or other factors. Accordingly, Shareholders may not be able to sell Shares or redemptions may be subject to a liquidity fee at certain times.

## **LOAN PARTICIPATIONS**

Participations typically will result in a Fund having a contractual relationship only with the lender, not with the borrower. The relevant Fund will have the right to receive payments of principal, interest and any fees to which it is entitled only from the lender selling the participation and only upon receipt by the lender of the payments from the borrower. In connection with purchasing participations, a Fund generally will have no right to enforce compliance by the borrower with the terms of the loan agreement relating to the loan, nor any rights of set-off against the borrower, and a Fund may not directly benefit from any collateral supporting the loan in which it has purchased the participation. As a result, a Fund will assume the credit risk of both the borrower and the lender that is selling the participation. In the event of the insolvency of the lender selling a participation, a Fund may be treated as a general creditor of the lender and may not benefit from any set-off between the lender and the borrower.

A Fund may have difficulty disposing of participations. The liquidity of such instruments is limited, and they may be sold only to a limited number of institutional investors. The lack of a liquid secondary market could have an adverse impact on the value of such securities and on the relevant Fund's ability to dispose of particular participations when necessary to meet its liquidity needs or in response to a specific economic event, such as a deterioration in the creditworthiness of the borrower. The lack of a liquid secondary market for participations also may make it more difficult for the Investment Manager to assign a value to those securities for the purposes of valuing the relevant Fund's portfolio and calculating its Net Asset Value.

## **LONDON INTERBANK OFFERED RATE (LIBOR) REFORM**

On 27 July 2017, the Financial Conduct Authority announced that LIBOR will be phased out by 2021. Until then, Funds may continue to invest in instruments that reference LIBOR due to favourable liquidity or pricing. In advance of 2021, it is anticipated that a transition mechanism will be determined by the industry that will allow existing instruments and contracts that make reference to LIBOR to reference a new rate. Nonetheless, the termination of LIBOR presents risks to the Fund(s). It is not possible to identify exhaustively what those risks are at this point, but they include the risk that a suitable transition mechanism may not be found or may not be suitable for the Fund(s). In addition, any reference rate to replace LIBOR and any pricing adjustments imposed unilaterally, by a regulator or by counterparties, may not be suitable for the Fund(s), which could result in additional costs being incurred to close out positions and place replacement trades.

## **MARKET RISK**

The investments of a Fund are subject to normal market fluctuations and the risks inherent in investment in international securities markets and there can be no assurances that appreciation will occur. Stock markets can be volatile and stock prices can change substantially. Debt securities are interest rate sensitive and may be subject to price volatility due to various factors including, but not limited to, changes in interest rates, market perception of the creditworthiness of the issuer and general market liquidity. The magnitude of these price fluctuations will be greater when the maturity of the outstanding securities is longer. An increase in interest rates will generally reduce the value of securities, while a decline in interest rates will generally increase the value of securities. When interest rates are falling the net inflows to that Fund from the additional sale of Shares in the Fund may be invested in instruments producing

lower yields than the balance of the obligations held by the Fund, thereby reducing the Fund's current yield. In periods of rising interest rates the opposite may occur. The performance of a Fund will therefore depend in part on the ability of the Investment Manager to anticipate and respond to such fluctuations in market interest rates and to utilise appropriate strategies to maximise returns, while attempting to reduce the associated risks to investment capital. Debt securities, and the Net Asset Value of a Fund invested in debt securities, may decrease in value.

## **MiFID II RISK DISCLOSURES**

### **MiFID II**

The MiFID II Directive together with the delegated and implementing European Union ("EU") regulations made thereunder, laws and regulations introduced by Member States of the EU to implement it (together referred to as "**MiFID II**") impose new regulatory obligations on certain regulated investment firms in the EU.

These regulatory obligations may impact on, and constrain the implementation of, the investment strategy of a Fund and lead to increased compliance obligations upon and accrued expenses for any impacted Investment Manager and/or the Company.

#### *Extension of pre- and post-trade transparency*

MiFID II introduces wider transparency regimes in respect of trading on EU trading venues and with EU counterparties. MiFID II extends the pre and post-trade transparency regimes from equities traded on a regulated market to cover equity-like instruments, such as depositary receipts, exchange-traded funds and certificates that are traded on regulated trading venues, as well as to cover non-equities, such as bonds, structured finance products, emission allowances and derivatives.

The increased transparency regime under MiFID II, together with the restrictions on the use of "dark pools" and other non-regulated trading venues, may lead to enhanced price discovery across a wider range of asset classes and instruments which could disadvantage the Company, particularly in the fixed income markets. Such increased transparency and price discovery may have macro effects on trading globally, which may have an adverse effect on the Net Asset Value of a Fund.

#### *Equities – mandatory on-exchange trading*

MiFID II introduces a new rule that an EU regulated firm may execute an equity trade only on an EU trading venue (or with a firm which is a systematic internaliser or an equivalent venue in a third country). The instruments in scope for this requirement are any equities admitted to trading on any EU trading venue, including those with only a secondary listing in the EU. The effect of this rule is to introduce a substantial limit on the possibility of trading off-exchange or OTC in EU listed equities with EU counterparties. The overall impact of this rule on the Investment Manager's ability to implement a Fund's investment objective and investment strategy is uncertain.

#### *Access to research*

MiFID II prohibits an EU authorised investment firm from receiving investment research unless it is paid for directly by the firm out of its own resources or from a separate research payment account. EU research providers that are MiFID firms will be obliged to price their research services separately from their execution services.

#### *Changes to use of direct market access*

MiFID II introduces new requirements on EU banks and brokers which offer direct market access ("**DMA**") services to allow their clients to trade on EU trading venues via their trading systems. EU DMA providers will be required to impose trading and credit thresholds on their clients, and to have the benefit of monitoring rights. It will also be necessary for the EU DMA provider to enter into a binding written agreement with its clients, which deals with compliance with MiFID II and the trading venue rules. These changes may affect the implementation of the Company's or a Fund's investment strategy.

### *Changes to conduct rules for EU brokers*

Historically, certain EU sell-side firms have used initial public offering (“IPO”) and secondary allocations as a way of rewarding their most valued buy-side clients (in terms of trading volumes or commissions) for the business that they have given to the firm previously or to incentivise future business. MiFID II requirements effectively prohibit such behaviour, as MiFID II precludes a sell-side firm from allocating issuances to clients either (a) to incentivise the payment of a large amount of fees for unrelated services provided by the EU firm or (b) which is conditional on the receipt of future orders or the purchase of any other service from the EU firm by a client. As a result, the manner in which the Investment Manager is allocated IPOs and secondary issuances by its sell-side service providers is likely to change significantly, which may have an adverse effect on the Investment Manager’s ability to implement the Company’s or a Fund’s investment strategy.

### *Changes to policies and procedures and costs of compliance*

MiFID II may require significant changes to the Investment Manager’s policies and procedures, including with respect to best execution, payment for and access to research, algorithmic trading, high frequency trading and conflicts of interest. There is no guarantee that these changes will not adversely impact the Company’s or a Fund’s investment strategy. Compliance with these requirements is likely to have a significant cost implication and it is possible that the Company may bear, directly or indirectly, a certain proportion of the Investment Manager’s costs of compliance with MiFID II.

## **NO INVESTMENT GUARANTEE EQUIVALENT TO DEPOSIT PROTECTION**

An investment in a Money Market Fund is not in the nature of a deposit in a bank account and is not protected by any government, government agency or other guarantee scheme which may be available to protect the holder of a bank deposit account and any capital invested in a Money Market Fund is capable of fluctuation.

## **POLITICAL AND/OR REGULATORY RISKS**

The value of the assets of a Fund may be affected by uncertainties such as international political developments, changes in government policies, taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in applicable laws and regulations.

## **PORTFOLIO RISK**

All securities and instruments may suffer periods of illiquidity which may impact the Investment Manager’s ability to achieve market value of the asset on disposal and on investment.

## **POTENTIAL IMPLICATIONS OF AN EPIDEMIC AND/OR A PANDEMIC**

Events such as health pandemics or outbreaks of disease may lead to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally. For example, beginning in late 2019, an outbreak of a highly contagious form of coronavirus disease, COVID-19 or 2019-nCoV spread to numerous countries, prompting precautionary government-imposed closures and restrictions of certain travel and businesses in many countries.

Epidemics and pandemics can seriously disrupt the global economy and markets. The outbreak of pandemics such as COVID-19, together with any resulting restrictions on travel or quarantines imposed, could have a negative impact on the economy and business activity in the countries in which a Fund may invest and global commercial activity and thereby adversely affect the performance of a Fund’s investments. Health pandemics or outbreaks could result in a general economic decline in a given region, or globally, particularly if the outbreak persists for an extended period of time or spreads globally. This could have an adverse impact on a Fund’s investments, or a Fund’s ability to source new investments or to realise its investments. Pandemics and similar events could also have an acute effect on individual issuers or related groups of issuers and could adversely affect securities markets, interest rates, auctions, secondary trading, ratings, credit risk, inflation, deflation and other factors relating to a Fund’s investments or the Investment Manager’s operations and the operations of the Investment Manager’s and the Company’s service providers.



Any outbreak of disease epidemics may result in the closure of the Investment Manager's and/or an investment's offices or other businesses, including office buildings, retail stores and other commercial venues and could also result in (a) the lack of availability or price volatility of raw materials or component parts necessary to an investment's business, (b) disruption of regional or global trade markets and/or the availability of capital or economic decline. Such outbreaks of disease may have an adverse impact on a Fund's value and/or a Fund's investments.

## **POTENTIAL IMPLICATIONS OF THE UK'S DECISION TO LEAVE THE EU**

The United Kingdom left the European Union at midnight on 31 January 2019. Brexit has led to volatility in the financial markets of the United Kingdom and more broadly across Europe.

Leaving the European Union may also result in significant changes to law and regulation in the United Kingdom. It is not currently possible to assess the effect of these changes on the Company or the position of the Shareholders. Investors should be aware that these and other similar consequences following from the United Kingdom's departure from the European Union may adversely affect the value of the Shares and the Company's performance.

The longer term process to implement the political, economic and legal framework between the UK and the EU is likely to lead to continuing uncertainty and periods of exacerbated volatility in both the UK and in wider European markets. In particular, the decision made in the British referendum may lead to a call for similar referendums in other European jurisdictions which may also cause increased economic volatility in wider European and global markets.

Currency volatility resulting from this uncertainty may mean that the returns of the Company, the Funds and their investments are adversely affected by market movements, potential decline in the value of the British Pound and/or Euro, and any downgrading of UK sovereign credit rating. This may also make it more difficult, or more expensive, for the Company or the Funds to execute prudent currency hedging policies.

This mid to long term uncertainty may have an adverse effect on the economy generally and on the ability of the Company, the Funds and their investments to execute their respective strategies and to receive attractive returns, and may also result in increased costs to the Company and the Funds.

## **REPO CONTRACTS**

If the seller of a repurchase agreement fails to fulfil its commitment to repurchase the security in accordance with the terms of the agreement, the relevant Fund may incur a loss to the extent that the proceeds realised on the sale of the securities are less than the repurchase price. If the seller becomes insolvent, a bankruptcy court may determine that the securities do not belong to the Fund and order that the securities be sold to pay off the seller's debts. The relevant Fund may experience both delays in liquidating the underlying securities and losses including a possible decline in the value of the underlying security during the period while it seeks to enforce its rights thereto, possible sub-normal level of income and lack of access to income during the period and expenses in enforcing its rights.

Repo Contracts create the risk that the market value of the securities sold by the Fund may decline below the price at which the Fund is obliged to repurchase such securities under the agreement. In the event that the buyer of securities under a reverse repurchase agreement files for bankruptcy or proves insolvent, the Fund's use of proceeds from the agreement may be restricted pending the determination by the other party or its trustee or receiver whether to enforce the obligation to repurchase the securities.

If the counterparty to a Repo Contract is located in a jurisdiction where the local law is not familiar with or does not recognise the mechanism of set-off as incorporated in the market standard Repo Contract, there is a risk that upon the insolvency of such counterparty, any rights of set-off would not be permitted to be enforced.

If the assets received in a Repo Contract are not denominated in the Base Currency of the relevant Fund, there is a potential exposure to changes in currency exchange rates in the event of default by the counterparty and enforcement by sale of the relevant assets.

## **RETURNS RELATED TO RESPONSIBLE INVESTING**

There is no guarantee that responsible investing will ensure better returns in the longer term. Where any of the Funds can only invest in securities that demonstrate compliance with certain ESG considerations, the universe of securities to choose investments from may be smaller than that of other funds that do not apply the same considerations and therefore any of the Funds may underperform the market as a whole if the more limited universe of investments which meets the ESG considerations were to underperform those of the broader universe.

## **RESPONSIBLE INVESTMENT STYLE RISK**

Where any of the Funds can only invest in holdings that demonstrate compliance with certain ESG factors as detailed in the “RESPONSIBLE INVESTMENT” section of the Prospectus, the universe of securities to choose investments from may be smaller than that of other funds and therefore any of the Funds may underperform the market as a whole if such investments underperform the market. The Funds may forgo opportunities to gain exposure to certain companies, industries, sectors or countries and may choose to sell a holding where it might otherwise be disadvantageous to do so.

## **RISKS ASSOCIATED WITH FORWARD CURRENCY CONTRACTS**

Forward currency contracts involve the possibility that the market for them may be limited with respect to certain currencies and, upon a contract's maturity, the possible inability to negotiate with the dealer to enter into an offsetting transaction. There is no assurance that an active forward currency contract market will always exist. These factors restrict the ability to hedge against the risk of devaluation of currencies in which a substantial quantity of securities are being held for a Fund and are unrelated to the qualitative rating that may be assigned to any particular security.

## **RISKS OF EMERGING MARKETS INVESTING**

As specified in the relevant Supplement, a Fund, through its investments in emerging markets securities, may invest in emerging markets throughout the world. As a result, that Fund is subject to risks relating to (i) currency exchange matters, including fluctuations in the rate of exchange between the Base Currency and the various foreign currencies in which the Fund's investments will be denominated, and costs associated with conversion of investment principal and income from one currency into another and (ii) the possible imposition of withholding taxes on income received from or gains with respect to such securities. In addition, certain of these capital markets involve certain factors not typically associated with investing in established securities markets, including risks relating to (i) differences between markets, including potential price volatility in and relative illiquidity of some foreign securities markets, (ii) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and less government supervision and regulation and (iii) certain economic and political risks, including potential exchange control regulations and potential restrictions on foreign investment and repatriation of capital.

## **RISKS OF INVESTING IN SUB-INVESTMENT GRADE CORPORATE DEBT INSTRUMENTS**

As specified in the relevant Supplement, a Fund's investments may be predominantly in sub-investment grade corporate debt instruments which carry greater credit and liquidity risk than investment grade instruments. These instruments are often also referred to as high yield instruments. Sub-investment grade corporate debt instruments are considered predominantly speculative by traditional investment standards. In some cases, these obligations may be highly speculative and have poor prospects for reaching investment grade standing. Sub-investment grade corporate instruments are subject to the increased risk of an issuer's inability to meet principal and interest obligations. These instruments may be subject to greater price volatility due to such factors as specific corporate developments, interest rate sensitivity, negative perceptions of the financial markets generally and less secondary market liquidity. The Investment Manager will consider both credit risk and market risk in making investment decisions for the relevant Fund.

Sub-investment grade corporate debt instruments are often issued in connection with a corporate reorganisation or restructuring or as part of a merger, acquisition, takeover or similar event. They are also issued by less established companies seeking to expand. Such issuers are often highly leveraged

and generally less able than more established or less leveraged entities to make scheduled payments of principal and interest in the event of adverse developments or business conditions.

The market value of sub-investment grade corporate debt instruments tends to reflect individual corporate developments to a greater extent than that of higher rated instruments which react primarily to fluctuations in the general level of interest rates. As a result, where a Fund invests in such high yield instruments its ability to achieve its investment objective may depend to a greater extent on the Investment Manager's judgement concerning the creditworthiness of issuers than funds which invest in higher-rated instruments. Issuers of sub-investment grade corporate debt instruments may not be able to make use of more traditional methods of financing and their ability to service debt obligations may be more adversely affected than issuers of higher-rated instruments by economic downturns, specific corporate developments or the issuer's inability to meet specific projected business forecasts. Negative publicity about the high yield markets and investor perceptions regarding lower rated instruments, whether or not based on fundamental analysis, may depress the prices for such instruments.

To the extent that a default occurs with respect to any sub-investment grade corporate debt instruments and a Fund sells or otherwise disposes of its exposure of such an instrument, it is likely that the proceeds will be less than the unpaid principal and interest. Even if such instruments are held to maturity, recovery by a Fund of its initial investment and any anticipated income or appreciation is uncertain.

The secondary market for sub-investment grade corporate debt instruments may be concentrated in relatively few market makers and is dominated by institutional investors, including mutual funds, insurance companies and other financial institutions. Accordingly, the secondary market for such instruments is not as liquid as, and is more volatile than, the secondary market for higher-rated instruments. In addition, market trading volume for high yield instruments is generally lower and the secondary market for such instruments could contract under adverse market or economic conditions, independent of any specific adverse changes in the condition of a particular issuer.

Credit ratings issued by credit rating agencies are designed to evaluate the safety of principal and interest payments of rated instruments. They do not, however, evaluate the market value risk of sub-investment grade corporate debt instruments and, therefore, may not fully reflect the true risks of an investment. In addition, credit rating agencies may or may not make timely changes in a rating to reflect changes in the economy or in the conditions of the issuer that affect the market value of the instruments. Consequently, credit ratings are used only as a preliminary indicator of investment quality. Investments in sub-investment grade and comparable un-rated obligations will be more dependent on the Investment Manager's credit analysis than would be the case with investments in investment-grade instruments. The Investment Manager employs its own credit research and analysis, which includes a study of existing debt, capital structure, ability to service debt and to pay dividends, the issuer's sensitivity to economic conditions, its operating history and the current trend of earnings.

## **SECURITIES LENDING ARRANGEMENTS**

A Fund will have a credit risk on a counterparty to any securities lending contract. The risks associated with lending portfolio securities include the possible loss of rights against the collateral for the securities should the borrower fail financially. Also, voting rights with respect to the loaned securities may pass with the lending of the securities and efforts to call such securities promptly may be unsuccessful, especially for foreign securities or thinly traded securities such as small-cap stocks.

## **SETTLEMENT MECHANISMS / CUSTODIAL RISK**

The stock markets in emerging markets generally have settlement mechanisms that are less developed and reliable than those in more developed countries. In certain markets there have been times when settlements have been unable to keep pace with the volume of transactions, thereby making it difficult to conduct such transactions. Delays in settlement could result in temporary periods when assets of a Fund are uninvested and no return is earned thereon. The inability of a Fund to make intended purchases due to settlement problems could cause it to miss attractive investment opportunities. Inability to dispose of securities due to settlement problems could result either in losses to a Fund due to subsequent declines in value of the security or, if it has entered into a contract to sell the security it could result in a possible liability of it to the purchaser. While a Fund will endeavour to ensure that it will not invest in a market, fund, or sub-fund unless adequate custodial arrangements are available, there is no

assurance that settlement delays or difficulties will not occur. Delays in settlement may affect the ability of a Fund to invest its assets or to liquidate positions in a timely manner.

## **SHARE CURRENCY DESIGNATION RISK**

A class of Shares may be designated in a currency other than the Base Currency of a Fund. Changes in the exchange rate between the Base Currency and such designated currency may lead to a depreciation of the value of such Shares as expressed in the designated currency. The Relevant Supplement will disclose whether the Investment Manager will try to mitigate this risk by using any of the efficient portfolio management techniques and instruments, including currency options and forward currency exchange contracts set out in the Prospectus and within the conditions and limits imposed by the Central Bank. While it is not the intention, over-hedged or under-hedged positions may arise due to factors outside of the control of a Fund. The hedging of currency exposure will not be permitted to exceed 105% of the Net Asset Value of each relevant Class and shall not be below 95% of the portion of the Net Asset Value attributable to the relevant Class. Hedging will be monitored in order to ensure that such hedging is close to 100% and such hedging will be reviewed with a view to ensuring that positions materially in excess of 100% of the Net Asset Value of the relevant Class are not carried over from month to month. Investors should be aware that this strategy may substantially limit Shareholders of the relevant Class from benefiting if the designated currency falls against the Base Currency and/or the currency/currencies in which the assets of the Company are denominated. In such circumstances, Shareholders of the Class may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/loss on and the costs of the relevant financial instruments.

In the case of an unhedged Class, a currency conversion will take place on subscriptions, redemptions, exchanges and distributions at prevailing exchange rates. The Company reserves the right to mitigate the effect of significant non-Base Currency subscriptions, redemptions, exchanges and distributions on the Class Net Asset Value by requiring the applicant or relevant Shareholder, rather than the Company, to pay an anti-dilution levy on relevant subscriptions, redemptions, exchanges and distributions – in effect the applicant or relevant Shareholder being required to bear the costs of foreign exchange into or out of a Fund. The Company does not currently intend to charge an anti-dilution levy. The Company will give 30 days' notice to Shareholders where it intends to change existing practice and will act in accordance with the requirements of the Central Bank.

Although hedging strategies may not necessarily be used in relation to each Class within a Fund, the financial instruments used to implement such strategies shall be assets/liabilities of a Fund as a whole. However, the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class. Any currency exposure of this Class may not be combined with or offset with that of any other Class of a Fund. The currency exposures of the assets of a Fund will not be allocated to separate Classes.

## **SMALLER COMPANIES RISK**

Securities of smaller capitalisation companies may, from time to time, and especially in falling markets, become illiquid and experience short-term price volatility and wide spreads between bid and offer prices. Investment in smaller capitalisation companies may involve higher risk than investment in larger companies. The securities of smaller companies trade less frequently and in smaller volume, and may be subject to more abrupt or erratic market movements than larger, more established companies or the market average in general. These companies may have limited product lines, markets or financial resources, or they may be dependent on a limited management group. Full development of these companies takes time. The securities of small companies may also be more sensitive to market changes than the securities of large companies. These factors may result in above-average fluctuations in the price of a Fund's Shares.

## **SPECIAL RISK OF FUND OF FUNDS**

Since a Fund may make investments in or effect withdrawals from a CIS only at certain times pursuant to limitations set forth in the governing documents of the CIS, a Fund from time to time may have to invest a greater portion of its assets temporarily in money market securities than the Investment Manager otherwise might wish to invest, a Fund may not be able to withdraw its investment in a CIS

promptly after it has made a decision to do so, and a Fund may have to borrow money to pay redemption proceeds. This may adversely affect the Fund's investment return.

### **STABLE NET ASSET VALUE RISK**

A Money Market Fund may be designed such that it will seek, for any distributing Classes, to maintain the Net Asset Value per Share at a fixed value by distributing income from the relevant Money Market Fund as it arises. However, please be aware that where a Money Market Fund invests in securities and instruments reasonably believed by the Investment Manager at the time of investment to be of high quality, there is always a risk that an underlying issuer could default or otherwise be subject to an impairment of the value ascribed to it. In these circumstances or due to international political developments, changes in government policies, taxation, and other developments in applicable laws and regulations, the relevant Fund may be unable to maintain the Net Asset Value per Share at a fixed value and it is likely in that event, that a loss of capital will occur. A Money Market Fund will not rely on external support for guaranteeing its liquidity or stabilising the Net Asset Value per Share for any distributing Class. The risk of loss of the principal is to be borne by the investor. There is no representation or warranty that the relevant Money Market Fund will be able to maintain a stable Net Asset Value per Share.

### **SUB-INVESTMENT GRADE SECURITIES**

Sub-investment grade bonds are speculative to both interest payments and repayments of capital. Such bonds are particularly sensitive to prevailing economic conditions. In particular, adverse changes in economic or other conditions are likely to impair the ability of the obligor to make interest and principal payments. For sub-investment grade debt obligations the risk to income and capital is high.

Sub-investment grade securities are particularly vulnerable to the other risks highlighted.

### **SWING PRICING**

As described in the "Fees and Expenses" section of the applicable Supplement, the Management Company, in consultation with the Company, may, where it so determines, "swing" the Net Asset Value of the Fund in order to attempt to mitigate the potentially dilutive effects of dealing on the Net Asset Value on any Dealing Day on which there are net subscriptions or redemptions in the Fund. In such cases, investors should be aware that swing pricing may not always prevent the dilution of the Net Asset Value of the Fund. The dealing charges, commission and transaction charges and the dealing spread and the adjustments made to the Net Asset Value may also benefit certain investors while not benefitting the Fund as a whole. For example, a Shareholder who subscribed into the Fund on a day on which the Net Asset Value is swung downwards as a result of net redemptions from the Fund may benefit from paying a lower Net Asset Value per Share in respect of their subscription than they would otherwise have been charged. In addition, the Fund's Net Asset Value and short-term performance may experience greater volatility as a result of this valuation methodology.

### **TAX**

The value of current tax relief depends on individual circumstances. The rates of and relief from taxation may change over time. Additional tax information is set out elsewhere in this Prospectus. If you have any doubts about your tax position, you should seek professional advice.

The Company will require Shareholders to certify information relating to their status for FATCA purposes and to provide other forms, documentation and information in relation to their FATCA status. The Company may be unable to comply with its FATCA obligations if Shareholders do not provide the required certifications or information. In such circumstances, the Company could become subject to US FATCA withholding tax in respect of its US source income if the US Internal Revenue Service specifically identified the Company as being a 'non-participating financial institution' for FATCA purposes. Any such US FATCA withholding tax would negatively impact the financial performance of the Company and all Shareholders may be adversely affected in such circumstances.

### **UMBRELLA COLLECTION ACCOUNTS**

Subscription monies received in respect of a Fund in advance of the issue of Shares will be held in the Umbrella Cash Collection Account in the name of the Company. Investors will be unsecured creditors of such a Fund with respect to the amount subscribed until such Shares are issued, and will not benefit from any appreciation in the Net Asset Value of the Fund or any other Shareholder rights (including dividend entitlement) until such time as Shares are issued. In the event of an insolvency of the Fund or the Company there is no guarantee that the Fund or the Company will have sufficient funds to pay unsecured creditors in full.

Payment by the Fund of redemption proceeds and dividends is subject to receipt by the Administrator of original subscription documents and compliance with all anti-money laundering procedures. Notwithstanding this, redeeming Shareholders will cease to be Shareholders, with regard to the redeemed Shares, from the relevant redemption date. Redeeming Shareholders and Shareholders entitled to distributions will, from the redemption or distribution date, as appropriate, be unsecured creditors of the relevant Fund and will not benefit from any appreciation in the Net Asset Value of the Fund or any other Shareholder rights (including further dividend entitlement), with respect to the redemption or distribution amount. In the event of an insolvency of the Fund or the Company during this period, there is no guarantee that the Fund or the Company will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to distributions should therefore ensure that any outstanding documentation and information is provided to the Administrator promptly. Failure to do so is at such Shareholder's own risk.

In the event of the insolvency of another Fund of the Company, recovery of any amounts to which a Fund is entitled, but which may have transferred to such other Fund as a result of the operation of the Umbrella Cash Collection Account, will be subject to the principles of Irish trust law and the terms of the operational procedures for the Umbrella Cash Collection Account. There may be delays in effecting and / or disputes as to the recovery of such amounts, and the insolvent Fund may have insufficient funds to repay amounts due to the relevant Fund. Accordingly, there is no guarantee that such Fund or the Company will recover such amounts. Furthermore, there is no guarantee that in such circumstances the Fund or the Company would have sufficient funds to repay any unsecured creditors.

#### **UNRATED SECURITIES AND INSTRUMENTS**

Issuers of securities and instruments may select not to have an issue rated by an external agency. Non-rated bonds may have the characteristics of either investment or sub-investment grade bonds. Market activity in unrated securities and instruments may be low for a considerable period of time and this may impact on liquidity. A lack of rating tends to adversely affect marketability. Unrated securities and instruments may be secured on assets of the issuer.

#### **VALUATION OF CIS**

Although the Investment Manager expects to receive detailed information from the investment manager of each CIS regarding its investment performance on a regular basis, the Investment Manager (or its delegate) may have limited access to the specific underlying holdings of the CIS and little ability to independently verify the information that is provided by the investment managers of the CIS. In the event of an error in the determination of the value of an investment in an CIS, the Net Asset Value of a Fund may be inaccurate.

Further, from time to time, when valuing the assets of a Fund, units or shares in CIS may be valued at their latest available net asset value as published by the CIS as at the Valuation Point, or, if unavailable at the probable realisation value, as estimated with care and in good faith and as may be recommended by a competent professional appointed by the Company, the Investment Manager and approved for the purpose by the Depositary. Therefore, it is possible that from time to time the value of the units or shares in CIS used in the valuation of the Fund as at the Valuation Point may not accurately reflect the actual net asset value of such CIS as at the Valuation Point and may result in "stale pricing" of CIS.

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## **BORROWING POLICY**

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The Management Company (or its duly appointed delegate) is entitled to exercise all of the borrowing powers of the Company, subject to any limitations under the UCITS Regulations, and the Depositary is entitled to grant security over the assets of the Company to secure any such borrowings.

The Management Company on behalf of the Company may not borrow money, grant loans or act as guarantor on behalf of third parties, except:

- (i) where a Fund has foreign currency borrowings which exceed the value of a back-to-back deposit, the Management Company shall ensure that excess is treated as borrowing for the purpose of the UCITS Regulations; and
- (ii) a Fund may incur temporary borrowings in an amount not exceeding 10% of its net assets and may charge its assets as security for such borrowings. Reverse repurchase agreements and securities lending agreements are not treated as borrowings for these purposes.

The borrowing policy of each Fund is specified in the Relevant Supplement.

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## **DISTRIBUTION POLICY**

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The Directors may declare dividends in respect of any Shares out of net income (including dividend and interest income) and the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Company.

XD dates: 1 Jan, 1 April, 1 July, 1 October

Accounting dates: 30 June (Full Year), 31 December

The Articles provide that any dividend unclaimed after a period of six years from the date when it first became payable shall be forfeited and shall revert to the relevant Fund.

The distribution policy (including accounting and payment dates) of each Fund, and if different, each class of Shares within a Fund as may be created from time to time, is specified in the Relevant Supplement.



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## BUYING SHARES

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The terms, conditions and procedures for buying Shares in respect of a Fund are specified in the Relevant Supplement.

Investors must complete an Application Form. Application Forms must be received by the Administrator by the Dealing Deadline, or such other time as the Management Company, in consultation with the Company, may from time to time determine, in exceptional circumstances and prior to the Valuation Point, in order to be issued as of the next Net Asset Value per Share. Telephone instructions may be accepted with the prior agreement of the Administrator pending receipt of the Application Form and election to avail of this facility by the investor. A faxed Application Form will be accepted, with the original Application Form to follow. Application Forms may be accepted via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank).

The Management Company, in consultation with the Company, may issue Shares of any series or Class within a series, and create new series or Classes within a series of Shares, in accordance with the requirements of the Central Bank and on such terms as it may, in consultation with the Company, from time to time determine in relation to any Fund. Shares of any particular series may be divided into different Classes to accommodate different subscription, redemption, dividend provisions, charges or fee arrangements. Shares may also be denominated into different Classes denominated in currencies other than the Base Currency of the relevant Fund. The price at which Shares in any Fund are initially issued is specified in the Relevant Supplement and thereafter Shares will be issued at the Net Asset Value per Share for the relevant Fund, together with such sum as the Management Company, in consultation with the Company, may from time to time determine as an appropriate provision for duties and charges in respect of the allotment and issue of such Shares and subject to any adjustment as set out under “*Swing Pricing*” below. A Fund may assess a sales charge or transaction fee on Share subscriptions in such amounts as are specified in the Relevant Supplement.

All Shares issued will be in registered form and no Share certificates will be issued. This enables the Company to deal with redemption requests without delay. Written confirmation of ownership and entry on the register of Shareholders will be sent to Shareholders after receipt of a completed Application Form within one Business Day. Fractional Shares of up to two decimal places shall be issued in respect of any part of subscription monies insufficient to purchase whole Shares.

The Management Company, in consultation with the Company, may from time to time make arrangements for the issue of Shares to any person by way of exchange for investments held by him upon such terms as the Management Company, in consultation with the Company, may think fit but subject to and in accordance with the following provisions:

- (i) Shares shall not be issued until the investments have been vested in the Depositary or its nominee or sub-custodian to the Depositary’s satisfaction;
- (ii) Subject to the foregoing any such exchange shall be effected on terms that the number of Shares to be issued shall be the number which would have been issued for cash at the current price against payment of a sum equal to the value of the investments transferred less such sum as the Management Company, in consultation with the Company, may consider represents an appropriate provision for any fiscal brokerage, registration or other expenses as aforesaid to be paid out of the assets of the relevant Fund in connection with the vesting of the investments;
- (iii) the investments to be transferred to the Company for the account of the relevant Fund shall be valued on such basis as the Management Company, in consultation with the Company, may decide so long as such value does not exceed the highest amount that would be obtained on the day of the exchange by applying the method of calculating the value of investments as set out under the heading “Determination of Net Asset Value”;
- (iv) the nature of the investments to be transferred for the account of the relevant Fund would qualify as investments of such Fund in accordance with its investment objectives, policies and restrictions; and

- (v) The Depositary shall be satisfied that the terms of such exchange should not be such as are likely to result in any prejudice to the existing Shareholders.

Measures aimed towards the prevention of money laundering may require a detailed verification of the applicant's identity. Each of the Company, the Management Company and the Administrator reserves the right to request such information as is necessary to verify the identity of an applicant and as may otherwise be required by law. By way of example an individual may be required to produce a copy of a passport or identification card duly certified by a notary public, together with evidence of his/her address such as a utility bill or bank statement and date of birth. In the case of corporate applicants, this may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), the names, occupations, dates of birth and residential and business addresses of all directors. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Company, the Management Company or the Administrator may refuse to process the subscription request, delay the processing of any redemption, transfer or exchange request or, in the case of any Shareholder who has not provided such verification, compulsorily redeem the Shares.

Prospective investors and Shareholders should note that by completing the Application Form they are providing the Company personal information, which may constitute personal data within the meaning of the Data Protection Legislation. The personal data of prospective investors and registered Shareholders shall be processed in accordance with the Privacy Statement.

Investors should note that they may be unable to purchase or redeem Shares through an agent, broker or distributor on days that such parties are not open for business. Investors should be aware that because foreign markets are often open on weekends and other days when the Company is closed, the value of the Company may change on days when it is not possible to buy or sell Shares.

The Company and the Management Company reserve the right to reject an application in whole or in part for Shares for any reason, in which event the application monies or any balance thereof will be returned to the applicant by transfer to the applicant's account or by post at the applicant's risk. The Company may limit the issue of any new Shares if that would take the NAV of the relevant Fund above a level which the Directors may at any time determine.

The Directors may, in their sole discretion, waive the minimum initial application and / or minimum additional application amounts for a class of Shares in respect of a Fund as may be specified in a Relevant Supplement from time to time.

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## DETERMINATION OF NET ASSET VALUE

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The value of the scheme property of the Company or of a Fund (as the case may be) shall be the value of its assets less the value of its liabilities including any provisions considered by the Management Company to be necessary or prudent) this is the “net asset value”. The Net Asset Value of each Fund will be expressed in the Base Currency of the relevant Fund.

The price per Share in respect of a Fund will be calculated daily as at the Valuation Point on each Business Day by dividing the Net Asset Value of the relevant Fund by the number of Shares of the relevant Fund in issue. In the event that a Fund is further sub-divided into different classes of Shares, the Net Asset Value per Share in respect of a Class will be calculated by dividing the Net Asset Value of the relevant Class by the number of Shares of the relevant Class in issue. There will only be a single price for Shares.

The most recent price of Shares will be published daily on the Investment Manager's website at [www.rlam.com](http://www.rlam.com). Prices may also be made available through such other media as the Management Company, in consultation with the Company, may from time to time determine and notify to Shareholders.

Shares of each Fund are expected to perform differently and each Fund (and Class if appropriate) will bear its own fees and expenses (to the extent specifically attributable to the Fund (or Class)). Consequently, the Net Asset Value per Share of each Fund and of different Classes of a single Fund, if appropriate, are expected to differ.

Assets shall be deemed to comprise:

- (i) all securities, cash on hand, on loan or on deposit, including any interest accrued thereon;
- (ii) all bills, demand notes, promissory notes and accounts receivable;
- (iii) all interest accrued on any interest-bearing instrument (except interest which is included in the quoted price); and
- (iv) all other property of every kind and nature, including prepaid expenses as defined from time to time by the Company;

and unless the Management Company in any particular case or generally, determines otherwise, when the current price of a security is quoted 'ex' dividend, interest or other payment but such dividend, interest or other payment is payable to the Company and has not been received, the amount of such dividend, interest or other payment shall be taken into account in determining assets.

In calculating the Net Asset Value of each Fund:

- where assets have been agreed to be purchased or sold but such purchase or sale has not been completed, such assets shall be included or excluded and the gross purchase or net sale consideration excluded or included as the case may require as if such purchase or sale had been duly completed;
- every Share agreed to be issued or allotted but not issued by the Fund at the Valuation Point shall be deemed to be in issue and the assets of the Fund shall be deemed to include any cash or other property to be received in respect of such Share;
- where notice of a reduction of the number of Shares by the cancellation of the number of Shares has been given by the Management Company to the Depositary but such cancellation has not been completed, the assets of the Fund shall be reduced by the amount payable to the Shareholders upon such cancellation;

- there shall be added to the Fund's assets any actual or estimated amount of any taxation of a capital nature which may be recoverable by the Fund;
- there shall be added to the Fund's assets a sum representing any interest or dividends or other income accrued but not received;
- there shall be added to the Fund's assets the total amount (whether actual or estimated to be recoverable) of any claims for repayment of any taxation levied on income and for double taxation relief;
- there shall be added to the Fund's assets, the total amount (whether actual or estimated by the Management Company) of any realised and/or unrealised gains of the Fund; and
- there shall be added to the Fund's liabilities the total amount (whether actual or estimated by the Management Company) of any realised and/or unrealised losses of the Fund.

In calculating the number of Shares in issue:

- every Share agreed to be issued or allotted but not issued by the relevant Fund at the Valuation Point shall be deemed to be in issue; and
- where notice of a reduction of the number of Shares by cancellation of Shares has been given by the Management Company to the Depositary but such cancellation has not been completed prior to or at the Valuation Point, the Shares to be cancelled shall be deemed not to be in issue.

#### *Valuation of Assets*

The following valuation methods will be applied:

- (a) Each asset which is quoted, listed or traded on or under the rules of any Recognised Market shall be valued at the latest available closing price or, if unavailable or if bid and offer quotations are made, the latest available middle market quotation (i.e. the mean of the bid and offer price quoted) on the relevant Recognised Market at the Valuation Point provided that if the investment is normally quoted, listed or traded on or under the rules of more than one Recognised Market, the relevant Recognised Market shall be that which the Management Company or the Administrator as their delegate determine provides the fairest criterion of value for the investment.
- (b) If prices for an investment quoted, listed or traded on the relevant Recognised Market are not available at the relevant time, or are unrepresentative in the opinion of the Management Company or the Administrator as their delegate, such investment shall be valued at such value as shall estimate with care and in good faith as the probable realisation value of the investment by a competent professional person, firm or corporation appointed for such purpose by the Management Company and approved for the purpose by the Depositary. None of the Company, the Management Company, the Investment Manager, the Administrator, or the Depositary shall be under any liability if a price reasonably believed by them to be the latest available closing price or, as the case may be, middle market quotation for the time being, may be found not to be such.
- (c) The value of any investment which is not normally quoted, listed or traded on or under the rules of a Recognised Market, will be valued at its probable realisation value estimated with care and in good faith by the Management Company (which shall be approved for the purpose by the Depositary) in consultation with the Administrator or by a competent person, firm or corporation appointed for such purpose by the Management Company and approved for such purpose by the Depositary.
- (d) Cash deposits and similar investments shall be valued at their face value together with accrued interest unless in the opinion of the Management Company (in consultation with the

Administrator and the Depositary) any adjustment should be made to reflect the fair value thereof.

- (e) Certificates of deposit and other liquid transferable securities having a maturity of six months or less shall be valued by using the amortised cost method of valuation (which shall be approved by the Depositary) whereby the relevant security is valued at its cost of acquisition adjusted for amortisation of premium or accretions of discount on the security. The Management Company, or the Administrator as its delegate, will review the valuation of such securities at such intervals as the Management Company in consultation with the Company deems appropriate and agrees with the Administrator (and at least weekly) to determine whether the value of the securities calculated pursuant to the amortised cost method of valuation deviates from the value of such securities if valued using available market quotations or other reputable sources and, if so, whether such deviation may result in a material dilution or other unfair results to the Shareholders in the relevant Fund. If in any such review the value of the securities calculated pursuant to the amortised cost method of valuation deviates from the value of such securities valued on a mark-to-market basis by 0.3% - 0.5%, the Management Company will conduct, or procure the conduct of, such reviews daily until such time as the deviation falls below 0.3% and if at any time such deviation exceeds 0.5% the pricing of securities will be reviewed and the Management Company will consider what action, if any must be taken to reduce such dilution.
- (f) Derivative instruments including swaps, interest rate futures contracts and other financial futures contracts which are traded on a Recognised Market shall be valued at the settlement price at the Valuation Point as determined by the relevant Recognised Market, provided that where it is not the practice of the relevant Recognised Market to quote a settlement price, or if a settlement price is not available for any reason, such instruments shall be valued at their probable realisation value estimated with care and in good faith by the Management Company (who shall be approved for the purpose by the Depositary) in consultation with the Administrator. The value of forward foreign exchange contracts which are dealt in on a Recognised Market shall be calculated by reference to the price appearing to the Management Company to be the price at which a new forward contract of the same size, currency and maturity as determined by the relevant Recognised Market could be effected as at the Valuation Point, provided that if such market price is not available for any reason, such value shall be calculated in accordance with the provisions of the following paragraph.
- (g) Derivative instruments not traded on a Recognised Market shall be valued by the counterparty at least daily provided that the valuation is approved by the Management Company (who shall be approved for such purpose by the Depositary and independent of the counterparty) or by a competent professional person appointed by the Management Company, and approved by the Depositary, for such purpose and who is independent of the counterparty at least weekly.

Notwithstanding the above provisions the Management Company may, in consultation with the Company and with prior notification to the Depositary (a) adjust the valuation of any listed investment; or (b) permit some other method of valuation approved by the Depositary to be used with regard to a particular asset if, having regard to currency, applicable rate of interest, maturity, marketability and/or such other considerations as they deem relevant, they consider that such adjustment or alternative method of valuation is required to reflect more fairly the value of that asset.

In determining a Fund's Net Asset Value per Share, all assets and liabilities initially expressed in foreign currencies will be converted into the Base Currency of the relevant Fund using the officially quoted daily exchange rates used by the Depositary. This officially quoted exchange rate may be determined prior to or after the close of a particular securities market. If such quotations are not available, the rate of exchange will be determined in accordance with policies established in good faith by the Management Company.

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## SWITCHING

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Except where dealings in Shares have been temporarily suspended in the circumstances described in this Prospectus, or as may otherwise be specified in a Relevant Supplement, Shareholders will be entitled to exchange or switch any or all of their Shares of any series in a Fund (original series) for corresponding Shares of another series representing another Fund (new series).

Exchange shall be effected by notice in writing to the Company or any delegate thereof in such form as the Company may approve. Unless specified otherwise in any Relevant Supplement, the general provisions and procedures relating to redemptions of Shares of the original series and subscriptions for Shares of the new series will apply to any conversion of Shares. Accordingly, for these purposes, an exchange notice will be treated as a redemption request in respect of the original series and as a subscription request in respect of Shares of the new series. The number of new Shares issued is therefore determined accordingly.

No additional charge will be imposed by a Fund for switching.

In the event that Funds are further divided into classes of Shares, Shareholders may only exchange Shares in a particular Class in the original series for Shares of the same Class in the new series unless the Company otherwise determines.

When requesting the exchange of Shares as an initial investment in a Fund, Shareholders should ensure that the Net Asset Value of the Shares converted is equal to or exceeds any minimum holding for the relevant Fund specified in the Relevant Supplement. In the case of an exchange of a partial holding only, the value of the remaining holding must also be at least equal to any minimum holding for the relevant Fund as specified in the Relevant Supplement. If the number of Shares of the new series to be issued on conversion is not an integral number of Shares, the Company may issue fractional new Shares to two decimal places.

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## SELLING SHARES

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The terms, conditions and procedures for selling Shares in respect of a Fund are specified in the Relevant Supplement.

Shareholders may request the Company to sell or “redeem” their Shares on any Dealing Day at their Net Asset Value per Share on such Dealing Day, less such sum as the Management Company in consultation with the Company may from time to time determine as an appropriate provision for duties and charges in respect of the realisation or cancellation of such Shares and subject to any adjustment as set out under “*Swing Pricing*” below, in accordance with the redemption procedures specified in the Relevant Supplement.

Shares may be redeemed on any Dealing Day by way of facsimile, other written communication, via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank) to the Administrator provided that the relevant redemption request is received by the Administrator no later than the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine, in exceptional circumstances on the relevant Dealing Day provided it is before the Valuation Point. Redemption requests received after the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine on the relevant Dealing Day, will be treated as being received on the following Dealing Day. Redemption proceeds will be paid to the account outlined in the Application Form used on original subscription. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

If a redemption request reduces the Shareholding to below any minimum holding required in respect of a Fund and specified in the Relevant Supplement, such request may be treated as a request to redeem the entire Shareholding. A Fund may assess a redemption or transaction fee on Share redemptions in such amount as shall be specified in the Relevant Supplement. No redemption shall be permitted until the Administrator is in receipt of the original Application Form submitted at the time of initial subscription. Any outstanding documentation including documentation relating to a Shareholders identification may result in a delay in carrying out a redemption request.

### **Deferred redemption**

If any Shareholder requests the redemption of Shares equal to 5% or more of the number of Shares of a particular Fund in issue on any Dealing Day, the Company may at its absolute discretion, hold over or defer the redemption of such numbers of Shares as exceeds 5%. If the Company refuses to redeem Shares for this reason, the redemption request shall be reduced accordingly and the Shares to which such request relates which are not redeemed shall be redeemed rateably on each subsequent Dealing Day, subject to the same 5% limit, until all of the Shares to which the original redemption request related have been redeemed.

If outstanding redemption requests from all holders of Shares of a particular Fund on any Dealing Day total an aggregate of more than 10% of the Net Asset Value of all the Shares of such Fund in issue on such Dealing Day, the Company shall be entitled at its discretion to refuse to redeem such number of Shares in issue in that series on that Dealing Day in excess of 10% in respect of which redemption requests have been received as the Management Company in consultation with the Company shall determine. If the Company refuses to redeem Shares for this reason, the requests for redemption on such date shall be reduced rateably and the Shares to which each request relates which are not redeemed shall be redeemed on each subsequent Dealing Day, provided that the Company shall not be obliged to redeem Shares representing more than 10% of the Net Asset Value of a particular Fund outstanding on any Dealing Day, until all the Shares of the Fund to which the original request related have been redeemed.

### **Proceeds of redemption**

Redemption proceeds will be paid to an account in the name of the Shareholder as specified in the Relevant Supplement or unless payment has been suspended in the circumstances described under

“Temporary Suspension of Dealings” below. Redemption proceeds will be sent within three days of the Dealing Day on which redemptions are effected.

For a repurchase order the Company may, in its absolute discretion, following reasonable notice to the Shareholder, distribute underlying investments equivalent to the Shareholder's Shares in the relevant Fund(s), rather than cash, in satisfaction of the repurchase. In such circumstances, Shareholders have the right to instruct the Company to sell such underlying investments on their behalf (in either case the amount that the Shareholder receives after such a sale will be net of all usual sale charges).

The Management Company in consultation with the Company may waive the minimum holding amount for a class of Shares in respect of a Fund as may be specified in a Relevant Supplement from time to time.

### **Liquidity Risk Management**

The Management Company has established a liquidity risk management policy which enables it to identify, monitor and manage the liquidity risks of the Company and to ensure the liquidity profile of the investments of each Fund will facilitate compliance with the Fund's underlying obligations. The Management Company's liquidity risk management policy takes into account the investment strategy, the liquidity profile, redemption policy and other underlying obligations of the Funds. The liquidity management systems and procedures include appropriate escalation measures to address anticipated or actual liquidity shortages or other distressed situations of the Company.

In summary, the liquidity risk management policy monitors the profile of investments held by the Company and each Fund and ensures that such investments are appropriate to the redemption policy as set out above, and will facilitate compliance with each Fund's underlying obligations. Further, the liquidity risk management policy includes details on periodic stress testing carried out by the Investment Manager to manage the liquidity risk of each Fund in exceptional and extraordinary circumstances.

The Management Company and the Company seek to ensure that the investment strategy, the liquidity profile and the redemption policy of each Fund are consistent. The investment strategy, liquidity profile and redemption policy of the Company will be considered to be aligned when investors have the ability to redeem their investments in a manner consistent with the fair treatment of all investors and in accordance with the Company's redemption policy and its obligations. In assessing the alignment of the investment strategy, liquidity profile and redemption policy, the Management Company and the Company shall have regard to the impact that redemptions may have on the underlying prices or spreads of the individual assets of each Fund.

Details of the redemption rights of Shareholders, including redemption rights of Shareholders in normal and exceptional circumstances and existing redemption arrangements are set out above in this section.



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## TEMPORARY SUSPENSION OF DEALINGS

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The Company may at any time, on notice to the Depositary, temporarily suspend the issue, valuation, sale, purchase, redemption or conversion of Shares during:

- (i) any period when any Recognised Market on which a substantial portion of the investments for the time being comprised in the relevant Fund are quoted, listed or dealt in is closed otherwise than for ordinary holidays, or during which dealings on any such Recognised Market are restricted or suspended;
- (ii) any period when, as a result of political, military, economic or monetary events or other circumstances beyond the control, responsibility and power of the Company, the disposal or valuation of investments for the time being comprised in the relevant Fund cannot, in the opinion of the Directors, be effected or completed normally or without prejudicing the interests of Shareholders;
- (iii) any breakdown in the means of communication (or computing) normally employed in determining the value of any investments for the time being comprised in the relevant Fund or during any period when for any other reason the value of investments for the time being comprised in the relevant Fund cannot, in the opinion of the Directors, be promptly or accurately ascertained;
- (iv) any period when the Company is unable to repatriate funds for the purposes of making redemption payments or during which the realisation of investments for the time being comprised in the relevant Fund, or the transfer or payment of funds involved in connection therewith cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange;
- (v) any period when, as a result of adverse market conditions, the payment of redemption proceeds may, in the opinion of the Directors, have an adverse impact on the relevant Fund or the remaining Shareholders in such Fund; or
- (vi) any period when the Directors may determine it is in the best interests of Shareholders to do so.

Notice of any such suspension shall be transmitted immediately and in any event, within the same Business Day, to the Central Bank. In the event that such suspension is likely to exceed fourteen days that fact shall be published by the Management Company in such newspapers and through such other media as the Management Company may determine. Notice of any such suspension shall terminate when the Management Company declares that the suspension is at an end and in any event on the first working day on which the condition giving rise to the suspension shall cease to exist and no other condition under which suspension is authorised shall exist.

Shareholders who have requested the issue or redemption of Shares of any Fund or Class, as may be created from time to time, will have their subscription or redemption request dealt with on the Dealing Day on which the suspension is lifted unless subscription or redemption requests have been withdrawn prior to the lifting of the suspension.

Where possible, reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

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## TRANSFER OF SHARES

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Transfers of Shares must be effected by transfer in writing to the Administrator at 78 Sir John Rogerson's Quay, Dublin 2, Ireland, in any usual or common form or in any other form approved by the Company or its delegate, from time to time. Please consult the Relevant Supplement for further information regarding the transfer of Shares.

Transfers will only be permitted where the Administrator has received the Application Form from the transferor. Every form of transfer must state the full name and address of each of the transferor and the transferee and must be signed by or on behalf of the transferor. The Company, the Management Company, or the Administrator may decline to register any transfer of Shares unless the transfer form is deposited at the registered office of the Company or its delegate, the Administrator, or such other place as the Company may reasonably require, accompanied by such other evidence as the Company or its delegate, the Administrator may reasonably require to show the right of the transferor to make the transfer and to determine the identity of the transferee.

The transferor shall be deemed to remain the holder of the Shares until the name of the transferee is entered in the register of Shareholders. A transfer of Shares will not be registered unless the transferee, if not an existing Shareholder, has completed a subscription request with respect to the relevant Shares to the satisfaction of the Company or its delegate and the Administrator.

Shares are freely transferable except that the Company, the Management Company, or the Administrator may decline to register a transfer of Shares:

- (a) in the absence of satisfactory evidence that the proposed transferee is not, or will not be holding Shares on behalf of, directly or indirectly, U.S. Person;
- (b) if in the opinion of the Company, the Management Company, or the Administrator the transfer would be unlawful or result or be likely to result in any adverse regulatory, tax or fiscal consequences or material administrative disadvantage to the Company or the Shareholders;
- (c) in the absence of satisfactory evidence of the transferee's identity; or
- (d) where the Company is required to redeem appropriate or cancel such number of Shares as are required to meet the appropriate tax of the Shareholder on such transfer.

A proposed transferee may be required to provide such representations, warranties or documentation as the Company or its delegate, the Administrator may require in relation to the above matters. In the event that the Company or its delegate, the Administrator do not receive a valid declaration in respect of the transferee, the Company or its delegate, the Administrator will be required to deduct appropriate tax in respect of any payment to the transferee or any sale, transfer, cancellation, redemption, repurchase, cancellation or other payment in respect of the Shares as described in the section headed "Taxation" below.

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## RESTRICTIONS ON AND MANDATORY REPURCHASE OF SHARES

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Neither the Company nor the Funds have been registered under the U.S. Investment Company Act of 1940, as amended and the Shares have not been registered under the 1933 Act or any U.S. state securities laws. Investors will be required to complete a subscription request or other documentation which represents that the purchaser is not, and is not acquiring Shares on behalf of directly or indirectly, a U.S. Person. The Company reserves the right to enforce compulsory redemption of Shares held by such persons at any time.

Shareholders are required to notify the Company immediately in the event that they become U.S. Persons or resident (or ordinarily resident) in Ireland for Irish tax purposes or cease to be Exempt Irish Shareholders and in respect of which the declaration made on their behalf is no longer valid. Shareholders are also required to notify the Company immediately in the event that they hold Shares for the account or benefit of U.S. Persons or Irish residents (or ordinarily residents) for Irish tax purposes or Irish residents who cease to be Exempt Irish Shareholders and in respect of which the declaration made on their behalf is no longer valid or where they hold Shares in the Company in breach of any law or regulation or otherwise in circumstances having or which may have adverse regulatory, tax or fiscal consequences for the Company or its Shareholders.

Where the Company becomes aware that a Shareholder is: (a) is a U.S. Person or is holding Shares for the account of a U.S. Person; or (b) holds Shares in breach of any law or regulation or otherwise in circumstances having or which may have adverse regulatory, tax or fiscal consequences for the Company or the Shareholders, the Company may: (i) direct the Shareholders to dispose of those Shares to a person who is entitled to own the Shares within such time period as the Company stipulates; or (ii) redeem the Shares at their Net Asset Value per Share as at the next Dealing Day after the date of notification to the Shareholders or following the end of the period specified for disposal pursuant to clause (i) above. The Company may allow U.S. Persons to acquire and hold Shares subject to the Company's prior permission in its discretion. The Company does not presently intend to permit U.S. Persons to acquire or hold Shares.

Under the Articles, any person who becomes aware that he is holding Shares in contravention of any of the above provisions and who fails to transfer, or deliver for redemption, his Shares if so directed by the Company pursuant to the above provisions or who fails to make the appropriate notification to the Company is obliged to indemnify and hold harmless each of the Company, the Investment Manager, the Administrator, the Depositary and the Shareholders (each an "Indemnified Party") from any claims, demands, proceedings, liabilities, damages, losses, costs and expenses directly or indirectly suffered or incurred by such Indemnified Party arising out of or in connection with the failure of such person to comply with his obligations pursuant to any of the above provisions.

The Articles permit the Company, on behalf of the relevant Fund to redeem the Shares where during a period of six years no acknowledgement has been received in respect of any cheque, contract note or other confirmation of ownership of the Shares sent to the Shareholder. After the expiry of such six year period the Company must notify the Shareholder of its intention to redeem the Shares. The Shares may be redeemed if no response is received within three months. The Company is required to hold the redemption monies in a separate interest bearing account for a further period of one year after which time they shall form part of the assets of the relevant Fund.

The Company shall be entitled to redeem Shares in respect of any Fund or such Class as may be created from time to time in the circumstances described below under "Termination" or in such other circumstances as may be specified in the Relevant Supplement.

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## TERMINATION

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The Company, in consultation with the Management Company, may terminate any Fund or Class, and redeem all of the Shares of such Fund or Class, if:

- (a) the Shareholders of the Fund pass a special resolution to approve the redemption of all the Shares in the Fund; or
- (b) after the first anniversary of the Closing Date for the relevant Fund or Class (as appropriate) if the Net Asset Value of the relevant Fund or Class (as appropriate) falls below the figure specified in the Relevant Supplement;
- (c) if the Management Company in consultation with the Company deems it appropriate because of adverse, political, economic, fiscal or regulatory changes affecting the Fund or Class; and
- (d) the Depositary has served notice of its intention to retire under the terms of the Depositary Agreement (and has not revoked such notice) and no new depositary has been appointed by the Management Company with the approval of Central Bank within 90 days of the date of service of such notice.

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## MANAGEMENT AND ADMINISTRATION

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### THE DIRECTORS AND SECRETARY

#### Directors

The Directors are responsible for managing the business affairs of the Company. The Directors have delegated the management of the assets and investments of each Fund and the day-to-day administration of the Company's affairs, shareholder registration and transfer agency duties including the calculation of the Net Asset Value and the Net Asset Value per Share to the Management Company.

The Directors are listed below with their principal occupations. None of the Directors have entered into an employment or service contract with the Company nor is any such contract proposed. Consequently, the Directors are all non-executive Directors.

The address of the Directors is the registered office of the Company.

**Mr Bryan Tiernan (Irish)** currently serves as a full time specialist independent director to a number of Irish domiciled investment funds. He has worked as an independent director and also as a senior consultant with KB Associates from July 2014 to December 2015. Mr. Tiernan has been active in the funds industry since 2001. Prior to joining KB Associates, Mr. Tiernan was Managing Director of Lyxor Asset Management (Ireland) Limited since October 2009. Mr. Tiernan has held numerous management roles and directorships within several Société Générale Asset Management and Russell Investments Companies and Funds in Ireland. Mr. Tiernan began his career with Société Générale Asset Management in 2001 as company accountant of SG/Russell Asset Management Limited and Lyxor Asset Management (Ireland) Limited (formerly SGAM (Ireland) Limited). In 2004, Mr. Tiernan became financial controller of both entities. Mr. Tiernan is a Chartered Alternative Investment Analyst (CAIA) Charter holder. He also holds a degree of Bachelor of Business Studies (Hons) from Dublin City University and is a fellow of the Association of Chartered Certified Accountants.

**Ms Deirdre Gormley (Irish)** is an independent investment fund director with over 30 years' experience in the asset management and investment funds industry, having held senior executive and board positions in large international organizations. In her previous executive roles Ms Gormley was responsible for a wide range of investment management, business development, governance and regulatory activities. She was involved in product management for Irish, Luxembourg and Dutch domiciled investment products. Ms Gormley is the former CEO/Head of Management Company for Northern Trust Asset Management in Dublin Ireland. In this role she was responsible for the management of UCITS and IPM business which included Money Market, Equity, Fixed Income and ETF products. She was responsible for the Northern Trust Fund Managers Ireland branches in Europe and the oversight of delegated service providers. Prior to this role Deirdre spent 12 years with Pioneer Investment Limited (now Amundi Ireland Limited) as Head of Product and Marketing Services. Prior to joining Pioneer Deirdre held various senior management posts with JPMorgan both in Dublin and New York covering a range of operational and client relationship roles. Deirdre has a Bachelor of Science degree in Finance from Marist College in Poughkeepsie, New York.

**Mr Ewan McAlpine (British)** is a senior member of the fixed income portfolio management team with the Investment Manager. Mr McAlpine joined the Investment Manager in September 2012 with responsibility for the growth of the company's fixed interest business and supporting client account management. He has extensive investment experience with a number of prominent global investment management companies over a 25+ year period covering all aspects of fixed income investment management, with involvement in the implementation and management of strategic asset allocations for a wide range of clients. Ewan graduated from the University of Strathclyde, Glasgow with an honours degree in applied physics, following which he spent a number of years as a research scientist before taking up a career in financial services.

**Mr Robert Williams (British)** joined the Investment Manager in January 2013 as Head of Distribution with responsibility for sales, marketing, product development and client account management. He has 30 years' experience of the asset management industry, and prior to joining Royal London held senior Distribution roles at Old Mutual and JPMorgan Asset Management covering both UK and International

markets. In his current role as Chief Distribution Officer Rob is a director of Royal London Asset Management Holdings Ltd, Royal London Unit Trust Management, a member of the Royal London Asset Management Executive Committee and chairs the RLAM Customer and Product Committee. Rob holds a Bachelor's degree from Royal Holloway, University of London and an MBA from the University of London.

**Mrs Susan Lee Spiller (alternate director for Robert Williams)** is Head of Proposition with the Investment Manager where she is responsible for product development, management, and governance across all Royal London investment products. Mrs Spiller joined the Investment Manager in March 2002. Susan is a director of Royal London Asset Management Investment Funds ICAV and Royal London Unit Trust Managers Ltd. Prior to this she has built up a strong background in wide variety of sales, marketing, product development and investment management activities. Her experience includes over 15 years' experience working at Charles Schwab & Co, Fidelity Investments, and State Street Bank & Trust Co. Susan is Trustee on the Board of the charity Ascension Eagles Cheerleaders, which is focused on young people in Newham, East London. Susan holds a BA degree in Economics from Duke University and an MBA from Stanford University.

**Mr Rakesh Kumar (alternate director for Ewan McAlpine)** is the Operations Director with the Investment Manager where he is responsible for the development and management of the Investment Manager's internal and external operational capabilities. He joined the Investment Manager in April 2011 and is an experienced Operations leader with expertise in developing strategic operating models to provide commercial scale, flexibility, and agility to support business and customer needs. Rakesh is a Director of Royal London Unit Trust Managers, as well as two Royal London Irish fund companies. Rakesh previously worked at the Investment Manager between 2004-2007 where he was a Senior Relationship Manager ensuring the effective monitoring, control and provision of outsourced operations used for Royal London's unitised fund range. In 2007 Rakesh joined Barclays Global Investors, managing Capital Markets in the Exchange Traded Funds business. During 2008-2010 he established several successful businesses in the UAE before returning to the UK. Rakesh holds a BSc in Management from the University of St Andrews along with an Executive MBA from Cass business school. He has over 20 years' experience in the Global Financial Sector.

## **Secretary**

The Company Secretary is Matsack Trust Limited which is a company secretarial service affiliated with Matheson LLP, Irish legal counsel to the Company.

Neither the Directors, nor any connected person, the existence of which is known to or could with reasonable diligence be ascertained by that Director, whether or not through another party, have any interest in the Shares of the Company, nor have they been granted any options in respect of Shares of the Company.

## **Management Company**

The Company has appointed FundRock Management Company S.A. to serve as its Management Company. The Management Company is a public limited liability company (société anonyme) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 33, rue de Gasperich, L-5826 Hesperange - Luxembourg and registered with the Registre du Commerce et des Sociétés, Luxembourg under number B104196.

Under the terms of the Management Agreement, the Management Company is appointed to carry out the management, distribution and administration services in respect of the Company.

The Management Company must perform its duties under the Management Agreement exercising a degree of skill, care and diligence as could reasonably be expected of an entity experienced and skilled in the provision of management company services, and acting honestly and fairly in conducting its business activities and in the best interests of the Company and the Funds and the integrity of the market.

The Management Company may, with the consent of the Company, delegate one or more of the management company services under the Management Agreement as the Management Company and

any delegate may from time to time agree. Any such appointment will be in accordance with the requirements of the Central Bank. The Management Company has delegated the administration of the Company's affairs, including responsibility for the preparation and maintenance of the Company's records and accounts and related fund accounting matters, and the calculation of the Net Asset Value per Share, to the Administrator. The Management Company has further delegated the investment management and distribution responsibilities in respect of the Company to the Investment Manager.

Under the Management Agreement, the Management Company shall not be liable or have any responsibility of any kind to the Company and/or its representatives for any losses, damages, costs, claims, proceedings, liabilities, charges, demands and expenses suffered by the Company and its representatives except as a consequence of the Management Company's bad faith, fraud, recklessness, negligence, material breach of the Management Agreement, or wilful default in the performance or non-performance of its obligations and duties under the Management Agreement.

In the absence of the Management Company's bad faith, fraud, recklessness, negligence, material breach of the Management Agreement, or wilful default in the performance or non-performance of its obligations and duties under the Management Agreement, the Company has agreed to indemnify and keep harmless at all times the Management Company and its representatives against all losses, damages, costs, claims, proceedings, liabilities, charges, demands and expenses of any kind or nature whatsoever (including, without limitation, any reasonable legal expenses and costs and expenses relating to investigating or defending any demands, charges, claims and proceedings) that may be incurred by it or made against it either (i) as a consequence of any breach by the Company of the Management Agreement; or (ii) arising out of any action properly taken by the Management Company in accordance with the Management Agreement.

The Management Agreement provides that the appointment of the Management Company will continue in force for a period of three years (the "**Initial Term**") unless terminated by the Company by giving the Management Company thirty calendar days' prior notice. After the Initial Term, the Management Agreement shall be automatically renewed for a period of one year unless terminated by the Company by giving the Management Company thirty calendar days' prior notice or by the Management Company by giving the Company six months' prior notice before the one year anniversary. In the event the Management Agreement is automatically renewed for one year without termination, the Management Agreement shall be automatically renewed for a further one year period unless terminated by the Company by giving the Management Company thirty calendar days' prior notice or by the Management Company by giving the Company six months' prior notice before the second one year anniversary. The Management Agreement may be terminated in certain other circumstances as set out in the Management Agreement.

The Management Company's main business is the provision of fund management services to collective investment schemes such as the Company.

The Directors of the Management Company are:

- Mr Michel Marcel Vareika (Chairman), Independent Non-Executive Director, Luxembourg;
- Mr Karl Fuhrer, Executive Director, Luxembourg;
- Mr David Rhydderch, Non-Executive Director, London;
- Mr Frank De Boer, Executive Director; and
- Mrs Carmel McGovern, Independent Non-Executive Director, FundRock Management Company S.A., Luxembourg.

#### **Mr Michel Marcel Vareika**

Mr. Vareika is an Independent Non-Executive Director of Companies, Certified Director and Member of the Luxembourg Institute of Directors (ILA). Mr. Vareika is a financial and fund industry expert in Luxembourg with over 28 years of experience in credit risk analysis, clearing & settlement, global custody, fund accounting, fund administration, transfer agency, distribution, domiciliation and securities

financing services. He currently holds several Board positions for leading financial institutions from the US, UK, Canada and Switzerland for various types of fund and company structures incorporated in Luxembourg. Additional roles in the industry include Expert Consultant for the Agency for the Transfer of Financial Technology in Luxembourg and President and Chairman of the Board of the International Bankers Club Luxembourg. He has an Executive MBA in Finance from Harvard Business School as well as a Master in Laws from Louvain University (and was admitted to the Brussels Bar in 1984). He recently completed the International Directors Programme at INSEAD designed especially for Directors of Company Boards. He is a Non-Executive Director for the Management Company and as an independent director, specializes in the independent and proactive control of all parties involved in the servicing and management of investment funds and companies based in Luxembourg (Central Administrator, Global Custodian, Transfer Agent, Asset Manager, Auditor, Law Firm and Board of Directors) in order to maximize the protection of shareholders' interests.

#### **Mr Karl Fuhrer**

Mr. Fuhrer joined the Management Company in 2022 and is Global Head of Investment Management Oversight as well as a permanent member of the management committee. Prior to this, he held a senior marketing and advisory role with Queen's Gate Capital Advisors Ltd, a London firm regulated by the FCA. Mr. Fuhrer also last held the position of senior structurer at director level in the EMEA Equity and Fund Structuring Group at Merrill Lynch International, London where he worked for 9 years. He also held Fund Derivatives Marketing roles at BNP Paribas London and Paris. Mr. Fuhrer holds a Joint Master's degree in Mechanical Engineering and Business Administration from Technische Universität Darmstadt (Germany) and completed an International Business Linkage Programme at Helsinki University of Technology (Finland). Mr. Fuhrer is fluent in German (native speaker), English and French.

#### **Mr David Rhydderch**

Mr. Rhydderch has over twenty years' experience in financial services on both the buy and sell side working with specialist firms and global banking institutions worldwide. Mr. Rhydderch holds a BA (Hons) on Business Administration and International Economics from Northern Arizona University (USA). Mr. Rhydderch started his professional career in 1997, when he served in the Global Equities, Equity Finance Department at Deutsche Bank London / Frankfurt. Mr. Rhydderch served as Director, Head of Business Management at Deutsche Asset Management London from 2001 to 2005, and he was Chief Operating Officer at JO Hambro Capital Management Limited from 2007 to 2009. From 2009 to 2018 Mr. Rhydderch served as Managing Director at Deutsche Bank AG London. Mr. Rhydderch joined Apex Group in June 2018 when the Group acquired Deutsche Bank Alternative Fund Services where he spent over ten years. As Head of Financial Solutions, Mr. Rhydderch leads the strategic development of the Group's ManCo, Distribution, Banking, Custody and Depositary services.

#### **Mr Frank de Boer**

Mr. de Boer has been a member of the Managing Board of FundRock LRI since April 2015. He is also member of the Apex Group Luxembourg Coordination Committee. Mr. de Boer earned a Bachelor's Degree in Economics/Marketing from the Utrecht University of Applied Sciences (Netherlands), a Master of Arts (M.A.) in Business/Real Estate from the EBS University für Wirtschaft und Recht (Germany) and is an M.B.A. General Management graduate from the Kellogg School of Management (USA) and WHU. Next to professional qualifications as an educated banker specialized in Investment Management and -Analysis, Mr. de Boer is certified Real Estate Economist. During the last 25 years, Frank has been in senior management roles in the investment industry, with focus on Business and Strategic Development, Reorganisations and Turn-around Management, M&A, and Portfolio Management with a.o. ING Investment Management (Member of the Management Teams Europa & Emerging Markets), Union Investment (Managing Director und Segment Head), Robeco (Managing Director), cash.life (CEO) and was active as Senior Advisor for PE firms and in Cap Intro. Mr. de Boer is Member of Honour of the Club of Finance, a round table of academic and professional experts in finance, founded in Frankfurt in 2006.

#### **Mrs Carmel McGovern**

Mrs. McGovern is an Independent Non-Executive Director of Companies, Certified Director and Member of the Luxembourg Institute of Directors (ILA). Mrs McGovern is a consultant to the investment fund



industry with over 20 years of experience. She is experienced and knowledgeable in investment fund operations, corporate governance, product development, portfolio management oversight, distribution, transfer agency, fund accounting, as well as risk and investment compliance. Prior to this, Mrs McGovern was the General; Manager and Conducting Officer of Columbia Threadneedle Management Luxembourg for about 7 years, where she was responsible for the local operations of the management company (UCITS V) among other functions. She was also previously Senior Business Development and Relationship Manager at CACEIS for 8 years. Mrs McGovern has a Masters in Business Studies (International Business) from University College Dublin, Graduate School of Business. She has also completed the INSEAD International Directors Programme from INSEAD, Fontainebleau, France. Mrs. McGovern is bilingual in English and French.

### *Remuneration Policy*

The Management Company has established, implemented and maintains a remuneration policy which meets the requirements of, and complies with the principles set out in UCITS V and the ESMA Remuneration Guidelines relating to same (the “**Remuneration Guidelines**”) and ensures that the Investment Manager has an appropriate remuneration policy in place which is in compliance with the Remuneration Guidelines. The Management Company will ensure that the remuneration policy will be consistent with:

- (a) sound and effective risk management and will not encourage risk-taking which is inconsistent with the risk profile of the Company;
- (b) the Remuneration Guidelines; and
- (c) the business strategy, objectives, values and interests of the Company, the Funds and the Shareholders, and includes measures to ensure that all relevant conflicts of interest can be managed appropriately to at all times avoid conflicts of interests.

Details of the Management Company's up-to-date remuneration policy, including a description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits are available at <https://www.fundrock.com/remuneration-policy/>. The remuneration policy summary will be made available for inspection and a paper copy may be obtained, free of charge, at the registered office of the Management Company.

### **The Investment Manager**

Pursuant to the investment management agreement, dated 30 November 2021 between the Company, the Management Company and Royal London Asset Management Limited, as may be amended from time to time (the “**Investment Management Agreement**”), Royal London Asset Management Limited has been appointed as the Investment Manager with responsibility for the investment, management and disposal of the assets of the Company.

The Investment Manager is wholly owned by the Royal London Mutual Insurance Society Limited. The Investment Manager is authorised to transact the main classes of insurance business in the UK and is regulated in the UK by the Financial Conduct Authority and is registered under Company registration number 2244297. As of 30 June 2023, the Investment Manager has approximately £152.9 billion in assets under management. The principal place of business of the Investment Manager is 80 Fenchurch Street, London EC3M 4BY, England.

Under the Investment Management Agreement, the Investment Manager accepts responsibility for loss to the Management Company or the Company to the extent only that such loss arises under the law of contract and is a direct result of the material breach of the Investment Management Agreement, negligence, wilful default, bad faith or fraud of itself or any delegates appointed pursuant to the Investment Management Agreement or that of its or their employees.

Except insofar as the same may result from the material breach of the Investment Management Agreement, negligence, wilful default, bad faith or fraud of the Investment Manager or its employees, or delegates and their employees under the Investment Management Agreement, the Company has agreed to indemnify the Investment Manager and its employees against all costs, losses, claims and

expenses which may be incurred by it or made against it (i) in consequence of material breach by the Company and the Management Company of the Investment Management Agreement; or (ii) the negligence, wilful default or fraud of the Company and the Management Company in the performance of their obligations and duties under the Investment Management Agreement.

Except insofar as the same may result from the material breach of the Investment Management Agreement, negligence, wilful default, bad faith or fraud of the Company or the Management Company, or their employees, the Investment Manager has agreed to indemnify the Company, the Management Company and their employees against all costs, losses, claims, and expenses which may be incurred by them or made against them (i) in consequence of material breach by the Investment Manager of the Investment Management Agreement; or (ii) the negligence, wilful default or fraud of the Investment Manager in the performance of its obligations under the Investment Management Agreement.

Under the Investment Management Agreement, the Investment Manager may, with the prior written consent of the Management Company and the Company, delegate any of the discretionary investment management services provided to the Management Company under the Investment Management Agreement to third parties (including associates) and may provide information about the Management Company and the Company to any person to whom such activities have been delegated, but the functions or activities delegated by the Investment Manager remain subject to the control and supervision of the Investment Manager and the Investment Manager's liability to the Management Company for all matters so delegated shall not be affected thereby. Subject to regulatory approval from the Central Bank and notices to investors, the Investment Manager may delegate all or part of the Investment Manager's discretionary investment management services to associates of the Investment Manager.

The Investment Management Agreement may be terminated by any party upon three months' prior written notice to the other parties (or such shorter notice as may be agreed by the parties). The Investment Management Agreement shall terminate automatically upon the termination of the Management Agreement. The Investment Management Agreement may be terminated in certain other circumstances as set out in the Investment Management Agreement.

### **The Distributor**

The Management Company has appointed Royal London Asset Management Limited as Distributor in relation to the distribution and sale of the Shares, pursuant to a global distribution agreement, dated 30 November 2021 between the Company, the Management Company and the Distributor, as may be amended from time to time (the "**Distribution Agreement**").

Under the Distribution Agreement, the Distributor (and its directors, officers, employees and agents) shall not be liable for any loss or damage arising directly or indirectly out of or in connection with the performance by the Distributor of its duties under the Distribution Agreement unless such loss or damage arose out of or in connection with the negligence, wilful default, fraud or bad faith of or by the Distributor in the performance of its duties under the Distribution Agreement or of any sub-distributor or agent appointed by the Distributor pursuant to the Distribution Agreement.

The Company, out of the assets of the Company, shall indemnify and keep indemnified and hold harmless the Distributor (and each of its directors, officers, employees and agents) from and against any and all claims actions, proceedings, damages, losses, liabilities, cost and expenses (including legal and professional fees and expenses arising therefrom or incidental thereto) which may be made or brought against or directly or indirectly suffered or incurred by the Distributor (or any of its officers, employees or agents) arising out of or in connection with the performance of its obligations and duties under the Distribution Agreement in the absence of any such negligence, wilful default, fraud or bad faith.

The Distributor shall indemnify and keep indemnified and hold harmless the Company and the Management Company (and its directors and officers) from and against any and all claims, actions, proceedings, damages, losses, liabilities, costs and expenses (including legal and professional fees and expenses arising therefrom or incidental thereto) which may be made or brought against or directly or indirectly suffered or incurred by the Company and/or the Management Company (or any of its directors or officers) arising out of or in connection with any breach of the Distributor's duties or obligations under

the Distribution Agreement, save where the Distributor has relied (without negligence, bad faith, wilful default or fraud) on legal advice received from the legal advisors to the Company or the breach is due to the breach of the Distribution Agreement, negligence, bad faith, wilful default or fraud of the Company or the Management Company.

Any party may terminate the Distribution Agreement at any time upon ninety days' prior written notice to the other party and in certain other circumstances as described in the Distribution Agreement.

### **Administrator**

The Administrator is State Street Fund Services (Ireland) Limited. State Street Fund Services (Ireland) Limited is a private limited company incorporated in Ireland on 23 March 1992 (under registration number 186184), and has a paid up share capital of £350,000. The Administrator is engaged in the provision of fund administration, accounting, registration, transfer agency and related shareholder services to collective investment schemes and investment funds.

The Management Company has appointed the Administrator to provide fund administration services to the Company pursuant to an Administration Agreement dated 30 November 2021 between the Company, the Management Company and the Administrator (the "**Administration Agreement**"). The day-to-day administrative services provided to the Company by the Administrator include maintaining the Company's books and records and assisting with preparation of annual and semi-annual reports of the Company. The Administrator's responsibilities also include the provision of fund accounting services, including the daily calculation of the Net Asset Value and the Net Asset Value per Share of each Fund and each Class.

The Administrator shall not be liable for any loss of any nature whatsoever suffered by the Management Company, the Company or the Shareholders in connection with the performance of its obligations under the Administration Agreement, except where that loss results directly from negligence, bad faith, fraud, wilful default or recklessness on the part of the Administrator in the performance of its obligations under the Administration Agreement.

Under the Administration Agreement, the Company undertakes to hold harmless and indemnify the Administrator on its own behalf and on behalf of its permitted delegates, servants and agents against all actions, proceedings and claims (including claims of any person purporting to be the beneficial owner of any part of the investments or Shares) and against all costs, demands and expenses (including reasonable legal and professional expenses) arising therefrom which may be brought against, suffered or incurred by the Administrator, its permitted delegates, servants or agents in the performance or non-performance of its obligations and duties under the Administration Agreement and from and against all taxes on profits or gains of the Company which may be assessed upon or become payable by the Administrator or its permitted delegates, servants or agents provided that such indemnity shall not be given in the case of the Administrator's or its delegates', servants' or agents' negligence, fraud, bad faith, wilful default or recklessness.

The Administration Agreement shall continue in force for an initial period of six months and thereafter may be terminated by the Company, the Management Company or the Administrator on giving ninety days' prior written notice to the other parties. The Administration Agreement may be terminated in certain other circumstances as set out in the Administration Agreement.

### **The Depositary**

The Depositary is State Street Custodial Services (Ireland) Limited. The Depositary is a private limited company incorporated in Ireland. The principal activity of the Depositary is to act as depositary of the assets of collective investment schemes. As at 31 January 2021, the Depositary had funds under custody in excess of US\$1,476 billion. The Depositary is regulated by the Central Bank. The Depositary may not delegate its fiduciary duties.

### **Depositary's Functions**

The Depositary has been entrusted with the following main functions:

- ensuring that the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with the UCITS Regulations and the Articles.
- ensuring that the value of the Shares is calculated in accordance with the UCITS Regulations and the Articles.
- carrying out the instructions of the Company unless they conflict with the UCITS Regulations or the Articles.
- ensuring that in transactions involving the assets of the Company any consideration is remitted within the usual time limits.
- ensuring that the income of the Company is applied in accordance with the UCITS Regulations and the Articles.
- monitoring of the Company's cash and cash flows.
- safe-keeping of the Company's assets, including the safekeeping of financial instruments to be held in custody and ownership verification and record keeping in relation to other assets.

In addition, the Depositary will be obliged to enquire into the conduct of the Company in each financial year and report thereon to the Shareholders.

### **Depositary's Liability**

In carrying out its duties the Depositary shall act honestly, fairly professionally, independently and solely in the interests of the Company and its Shareholder.

In the event of a loss of a financial instrument held in custody, determined in accordance with the UCITS Regulations, the Depositary shall return a financial instrument of an identical type or the corresponding amount to the Company without undue delay.

The Depositary shall not be liable if it can prove that the loss of a financial instrument held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary pursuant to the UCITS Regulations.

The Shareholders may invoke the liability of the Depositary directly or indirectly through the Company provided that this does not lead to a duplication of redress or to unequal treatment of the Shareholders.

The Depositary will be liable to the Company and the Shareholders for all other losses suffered by the them as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the UCITS Regulations.

### **Delegation**

The Depositary has full power to delegate the whole or any part of its safe-keeping functions but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The Depositary's liability shall not be affected by any delegation of its safe-keeping functions under the Depositary Agreement.

Information about the safe-keeping functions which have been delegated and the identification of the relevant delegates and sub-delegates are contained in Appendix II to this Prospectus.

The Depositary may not be replaced without the approval of the Central Bank. The Articles contains the conditions to be followed with respect to the replacement of the Depositary with another depositary and contains provisions to ensure the protection of Shareholders in the event of any such replacement.

## Termination

The Depositary Agreement shall continue for an initial period of six months and thereafter may be terminated by any of the parties on giving ninety days prior written notice to the other party, subject to the appointment of a replacement depositary. The Depositary Agreement may be terminated immediately (subject to a replacement depositary being appointed where applicable) by a party giving notice in writing to the other parties if, inter alia, at any time: (i) the party notified shall be unable to pay its debts as they fall due or go into liquidation or receivership or an examiner shall be appointed pursuant to the UCITS Regulations; (ii) the party notified shall commit any material breach of the provisions of the Depositary Agreement and shall not have remedied that within 30 days after the service of written notice requiring it to be remedied; or (iii) any of the representations, warranties or covenants contained in the Depositary Agreement cease to be true or accurate in any material respect in relation to the party notified by the non breaching party provided that only the non breaching party shall have the ability to terminate the Depositary Agreement forthwith pursuant to the Depositary Agreement.

The Depositary shall not be entitled to retire voluntarily except upon the appointment of a new depositary in accordance with the requirements of the Central Bank or upon the revocation of authorisation of the Company.

## Conflicts of Interest

The Depositary is part of an international group of companies and businesses that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts of interest arise where the Depositary or its affiliates engage in activities under the Depositary Agreement or under separate contractual or other arrangements. Such activities may include:

- (i) providing nominee, administration, registrar and transfer agency, research, agent securities lending, investment management, financial advice and/or other advisory services to the Company;
- (ii) engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions with the Company either as principal and in the interests of itself, or for other clients.

In connection with the above activities the Depositary or its affiliates:

- (i) will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and are not bound to disclose to, the Company, the nature or amount of any such profits or compensation including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount, or other benefit received in connection with any such activities;
- (ii) may buy, sell, issue, deal with or hold, securities or other financial products or instruments as principal acting in its own interests, the interests of its affiliates or for its other clients;
- (iii) may trade in the same or opposite direction to the transactions undertaken, including based upon information in its possession that is not available to the Company;
- (iv) may provide the same or similar services to other clients including competitors of the Company;
- (v) may be granted creditors' rights by the Company which it may exercise.

The Company may use an affiliate of the Depositary to execute foreign exchange, spot or swap transactions for the account of the Company. In such instances the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the Company. The affiliate will seek to profit from these transactions and is entitled to retain and not disclose any profit to the Company. The affiliate shall enter into such transactions on the terms and conditions agreed with the Company.

Where cash belonging to the Company is deposited with an affiliate being a bank, a potential conflict arises in relation to the interest (if any) which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker and not as trustee.

The Investment Manager may also be a client or counterparty of the Depositary or its affiliates.

Up-to-date information on the Depositary, its duties, any conflicts that may arise, the safe-keeping functions delegated by the depositary, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to Shareholders on request.

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## TAXATION

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### IRISH TAX INFORMATION

**The following is a summary of certain Irish tax consequences of the purchase, ownership and disposal of Shares. The summary does not purport to be a comprehensive description of all of the Irish tax considerations that may be relevant. The summary relates only to the position of persons who are the absolute beneficial owners of Shares and may not apply to certain other classes of persons.**

The summary is based on Irish tax laws and the practice of the Irish Revenue Commissioners in effect on the date of this Prospectus (and is subject to any prospective or retroactive change). Potential investors in Shares should consult their own advisors as to the Irish or other tax consequences of the purchase, ownership and disposal of Shares.

#### IRELAND

##### TAXATION OF THE COMPANY

The Company intends to conduct its affairs so that it is Irish tax resident. On the basis that the Company is Irish tax resident, the Company qualifies as an ‘investment undertaking’ for Irish tax purposes and, consequently, is exempt from Irish corporation tax on its income and gains.

The Company will be obliged to account for Irish income tax to the Irish Revenue Commissioners if Shares are held by non-exempt Irish resident Shareholders (and in certain other circumstances), as described below. Explanations of the terms “*resident*” and “*ordinarily resident*” are set out at the end of this summary.

##### THE SHAREHOLDERS

###### Taxation of Non-Irish Shareholders

Where a Shareholder is not resident (or ordinarily resident) in Ireland for Irish tax purposes, the Company will not deduct any Irish tax in respect of the Shareholder’s Shares once the declaration set out in the Application Form accompanying this Prospectus has been received by the Company confirming the Shareholder’s non-resident status. The declaration may be provided by an Intermediary who holds Shares on behalf of investors who are not resident (or ordinarily resident) in Ireland, provided that, to the best of the Intermediary’s knowledge, the investors are not resident (or ordinarily resident) in Ireland. An explanation of the term ‘Intermediary’ is set out below under “Meaning of Terms”.

If this declaration is not received by the Company, the Company will deduct Irish tax in respect of the Shareholder’s Shares as if the Shareholder was a non-exempt Irish resident Shareholder (see below). The Company will also deduct Irish tax if the Company has information which reasonably suggests that a Shareholder’s declaration is incorrect. A Shareholder will generally have no entitlement to recover such Irish tax, unless the Shareholder is a company and holds the Shares through an Irish branch and in certain other limited circumstances. The Company must be informed if a Shareholder becomes Irish tax resident.

Generally, Shareholders who are not Irish tax resident will have no other Irish tax liability with respect to their Shares. However, if a Shareholder is a company which holds its Shares through an Irish branch or agency, the Shareholder may be liable to Irish corporation tax in respect of profits and gains arising in respect of the Shares (on a self-assessment basis).

###### Taxation of Exempt Irish Shareholders

Where a Shareholder is resident (or ordinarily resident) in Ireland for Irish tax purposes and falls within any of the categories listed in section 739D(6) of the Taxes Consolidation Act of Ireland (“TCA”), the Company will not deduct Irish tax in respect of the Shareholder’s Shares once the declaration set out in

the Application Form accompanying this Prospectus has been received by the Company confirming the Shareholder's exempt status.

The categories of exempt investors ("Exempt Investors") listed in section 739D(6) TCA can be summarised as follows:

1. Pension schemes (within the meaning of section 774, section 784 or section 785 TCA).
2. Companies carrying on life assurance business (within the meaning of section 706 TCA).
3. Investment undertakings (within the meaning of section 739B TCA).
4. Investment limited partnerships (within the meaning of section 739J TCA).
5. Special investment schemes (within the meaning of section 737 TCA).
6. Unauthorised unit trust schemes (to which section 731(5)(a) TCA applies).
7. Charities (within the meaning of section 739D(6)(f)(i) TCA).
8. Qualifying managing companies (within the meaning of section 734(1) TCA).
9. Specified companies (within the meaning of section 734(1) TCA).
10. Qualifying fund and savings managers (within the meaning of section 739D(6)(h) TCA).
11. Personal Retirement Savings Account (PRSA) administrators (within the meaning of section 739D(6)(i) TCA).
12. Irish credit unions (within the meaning of section 2 of the Credit Union Act 1997).
13. The National Asset Management Agency.
14. The National Treasury Management Agency or a Fund Investment Vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, or Ireland acting through the National Treasury Management Agency.
15. The Motor Insurers' Bureau of Ireland in respect of an investment made by it of moneys paid to the Motor Insurers Insolvency Compensation Fund under the Insurance Act 1964 (amended by the Insurance (Amendment) Act 2018).
16. Qualifying companies (within the meaning of section 110 TCA).
17. Any other person resident in Ireland who is permitted (whether by legislation or by the practice or express concession of the Irish Revenue Commissioners) to hold Shares in the Company without requiring the Company to deduct or account for Irish tax.

Irish resident Shareholders who claim exempt status will be obliged to account for any Irish tax due in respect of Shares on a self-assessment basis.

If this declaration is not received by the Company in respect of a Shareholder, the Company will deduct Irish tax in respect of the Shareholder's Shares as if the Shareholder was a non-exempt Irish resident Shareholder (see below). A Shareholder will generally have no entitlement to recover such Irish tax, unless the Shareholder is a company within the charge to Irish corporation tax and in certain other limited circumstances.



## TAXATION OF OTHER IRISH SHAREHOLDERS

Where a Shareholder is resident (or ordinarily resident) in Ireland for Irish tax purposes and is not an 'exempt' Shareholder (see above), the Company will deduct Irish tax on distributions, redemptions and transfers and, additionally, on 'eighth anniversary' events, as described below.

### *Distributions by the Company*

If the Company pays a distribution to a non-exempt Irish resident Shareholder, the Company will deduct Irish tax from the distribution. The amount of Irish tax deducted will be:

1. 25% of the distribution, where the distributions are paid to a Shareholder who is a company which has made the appropriate declaration for the 25% rate to apply; and
2. 41% of the distribution, in all other cases.

The Company will pay this deducted tax to the Irish Revenue Commissioners.

Generally, a Shareholder will have no further Irish tax liability in respect of the distribution. However, if the Shareholder is a company for which the distribution is a trading receipt, the gross distribution (including the Irish tax deducted) will form part of its taxable income for self-assessment purposes and the Shareholder may set off the deducted tax against its corporation tax liability.

### *Redemptions and Transfers of Shares*

If the Company redeems Shares held by a non-exempt Irish resident Shareholder, the Company will deduct Irish tax from the redemption payment made to the Shareholder. Similarly, if such an Irish resident Shareholder transfers (by sale or otherwise) an entitlement to Shares, the Company will account for Irish tax in respect of that transfer. The amount of Irish tax deducted or accounted for will be calculated by reference to the gain (if any) which has accrued to the Shareholder on the Shares being redeemed or transferred and will be equal to:

1. 25% of such gain, where the Shareholder is a company which has made the appropriate declaration for the 25% rate to apply; and
2. 41% of the gain, in all other cases.

The Company will pay this deducted tax to the Irish Revenue Commissioners. In the case of a transfer of Shares, to fund this Irish tax liability the Company may appropriate or cancel other Shares held by the Shareholder. This may result in further Irish tax becoming due.

Generally, a Shareholder will have no further Irish tax liability in respect of the redemption or transfer. However, if the Shareholder is a company for which the redemption or transfer payment is a trading receipt, the gross payment (including the Irish tax deducted) less the cost of acquiring the Shares will form part of its taxable income for self-assessment purposes and the Shareholder may set off the deducted tax against its corporation tax liability.

If Shares are not denominated in Euro a Shareholder may be liable (on a self-assessment basis) to Irish capital gains taxation on any currency gain arising on the redemption or transfer of the Shares.

### *'Eighth Anniversary' Events*

If a non-exempt Irish resident Shareholder does not dispose of Shares within eight years of acquiring them, the Shareholder will be deemed for Irish tax purposes to have disposed of the Shares on the eighth anniversary of their acquisition (and any subsequent eighth anniversary). On such deemed disposal, the Company will account for Irish tax in respect of the increase in value (if any) of those Shares over that eight year period. The amount of Irish tax accounted for will be equal to:

1. 25% of such increase in value, where the Shareholder is a company which has made the appropriate declaration for the 25% rate to apply; and
2. 41% of the increase in value, in all other cases.

The Company will pay this tax to the Irish Revenue Commissioners. To fund the Irish tax liability, the Company may appropriate or cancel Shares held by the Shareholder.

However, if less than 10% of the Shares (by value) in the relevant Fund are held by non-exempt Irish resident Shareholders, the Company may elect not to account for Irish tax on this deemed disposal. To claim this election, the Company must:

1. confirm to the Irish Revenue Commissioners, on an annual basis, that this 10% requirement is satisfied and provide the Irish Revenue Commissioners with details of any non-exempt Irish resident Shareholders (including the value of their Shares and their Irish tax reference numbers); and
2. notify any non-exempt Irish resident Shareholders that the Company is electing to claim this exemption.

If the exemption is claimed by the Company, any non-exempt Irish resident Shareholders must pay to the Irish Revenue Commissioners on a self-assessment basis the Irish tax which would otherwise have been payable by the Company on the eighth anniversary (and any subsequent eighth anniversary).

Any Irish tax paid in respect of the increase in value of Shares over the eight year period may be set off on a proportionate basis against any future Irish tax which would otherwise be payable in respect of those Shares and any excess may be recovered on an ultimate disposal of the Shares.

#### *Share Exchanges*

Where a Shareholder exchanges Shares on arm's length terms for other Shares in the Company or for Shares in another Sub-Fund of the Company and no payment is received by the Shareholder, the Company will not deduct Irish tax in respect of the exchange.

#### **STAMP DUTY**

No Irish stamp duty (or other Irish transfer tax) will apply to the issue, transfer or redemption of Shares. If a Shareholder receives a distribution *in specie* of assets from the Company, a charge to Irish stamp duty could potentially arise.

#### **GIFT AND INHERITANCE TAX**

Irish capital acquisitions tax (at a rate of 33%) can apply to gifts or inheritances of Irish situate assets or where either the person from whom the gift or inheritance is taken is Irish domiciled, resident or ordinarily resident or the person taking the gift or inheritance is Irish resident or ordinarily resident.

The Shares could be treated as Irish situate assets because they have been issued by an Irish company. However, any gift or inheritance of Shares will be exempt from Irish gift or inheritance tax once:

1. the Shares are comprised in the gift or inheritance both at the date of the gift or inheritance and at the "valuation date" (as defined for Irish capital acquisitions tax purposes);
2. the person from whom the gift or inheritance is taken is neither domiciled nor ordinarily resident in Ireland at the date of the disposition; and
3. the person taking the gift or inheritance is neither domiciled nor ordinarily resident in Ireland at the date of the gift or inheritance.

## MEANING OF TERMS

### *Meaning of 'Residence' for Companies*

A company which has its central management and control in Ireland is tax resident in Ireland irrespective of where it is incorporated. A company which does not have its central management and control in Ireland but which is incorporated in Ireland is tax resident in Ireland except where the company is regarded as not resident in Ireland under a double tax treaty between Ireland and another country.

### *Meaning of "Residence" for Individuals*

An individual will be regarded as being tax resident in Ireland for a calendar year if the individual:

1. spends 183 days or more in Ireland in that calendar year; or
2. has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that calendar year together with the number of days spent in Ireland in the preceding year. Presence in Ireland by an individual of not more than 30 days in a calendar year will not be reckoned for the purposes of applying this "two year" test.

An individual is treated as present in Ireland for a day if that individual is personally present in Ireland at any time during that day.

### *Meaning of "Ordinary Residence" for Individuals*

The term "ordinary residence" (as distinct from 'residence') relates to a person's normal pattern of life and denotes residence in a place with some degree of continuity. An individual who has been resident in Ireland for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year. An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which the individual is not resident. For example, an individual who is resident and ordinarily resident in Ireland in 2023 and departs Ireland in that year will remain ordinarily resident in Ireland up to the end of the tax year in 2026.

### *Meaning of "Intermediary"*

An "intermediary" means a person who:

1. carries on a business which consists of, or includes, the receipt of payments from a regulated investment undertaking resident in Ireland on behalf of other persons; or
2. holds units in such an investment undertaking on behalf of other persons.

## **United Kingdom**

The following is a summary of various aspects of the United Kingdom taxation regime which may apply to United Kingdom resident persons acquiring Shares in the Classes of a Fund, and where such persons are individuals, only to those domiciled in the United Kingdom. It is intended as a general summary only, based on current law and practice in force as of the date of this Prospectus. Such law and practice may be subject to change, and the below summary is not exhaustive. Further, it will apply only to those United Kingdom Shareholders holding Shares as an investment rather than those which hold Shares as part of a financial trade; and does not cover United Kingdom Shareholders which are tax exempt or subject to special taxation regimes.

### **1. The Company**

As the Company is a UCITS fund established in Ireland, it will be treated for United Kingdom tax purposes as being resident for taxation purposes outside the United Kingdom and each Fund should not therefore be subject to United Kingdom taxation on its profits. On the condition that the Company does not carry on a trade in the United Kingdom through a permanent establishment located there, then

the Company will not be subject to United Kingdom corporation tax on income or chargeable gains arising to it, other than on certain United Kingdom source income.

## 2. Shareholders

Each Class of Shares in a Fund will constitute an "offshore fund" for the purposes of the United Kingdom's offshore funds legislation in the Offshore Funds (Tax) Regulations 2009 (the "Offshore Funds Regulations").

A number of Share Classes have been certified by the United Kingdom tax authority, HM Revenue & Customs ("HMRC"), as "reporting funds" for United Kingdom tax purposes, and previously, in some cases, as "distributing funds". The up-to-date list of reporting funds may be viewed on the HMRC website at <https://www.gov.uk/government/publications/offshore-funds-list-of-reporting-funds> and the list of distributing funds at <https://www.gov.uk/government/publications/offshore-funds-list-of-distributing-funds>.

The Offshore Funds Regulations provide that if an investor who is resident in the United Kingdom for taxation purposes owns Shares in a Class which has been a reporting fund (and if relevant previously a distributing fund) throughout the period during which the investor has owned them, then any gain accruing to the investor on their sale, redemption or other disposal will be taxable as a capital gain for the purposes of tax on capital gains.

Where, however, a class of Shares has not been a reporting fund (and, where relevant, a distributing fund) throughout the period during which a United Kingdom taxpaying investor has owned them, then any gain accruing to the investor on their sale, redemption or other disposal will be treated for United Kingdom tax purposes as an offshore income gain taxable as income for income tax purposes rather than a capital gain.

In broad terms, a reporting fund is a share class in an offshore fund that meets certain annual reporting requirements to HMRC and its Shareholders. The Directors intend to manage the affairs of every Fund where one or more Share Classes are reporting funds so that these annual duties are met and will continue to be met on an ongoing basis for those Classes in the Fund which have obtained UK reporting fund status.

Such annual duties include calculating and reporting the income returns of the offshore fund for each reporting period (as defined for UK tax purposes) on a per-Share basis to all relevant Shareholders (as defined for these purposes). UK Shareholders which hold their interests at the end of the reporting period to which the reported income relates, will be subject to income tax or corporation tax on the higher of any cash distribution paid and the full reported amount. The reported income will be deemed to arise to UK Shareholders on the date the report is issued by the Directors provided that a Fund reports within 6 months of the year end.

The directors will issue the annual investor report via the Investment Manager's website each year. If any UK investors require the annual reporting to be delivered in a different format they should inform us accordingly.

Where a Fund holds more than 60% of its assets in interest bearing (or economically-equivalent) form, any distribution or reported income will be treated as interest in the hands of a United Kingdom income tax payer. Basic rate taxpayers will benefit from a personal savings allowance exempting £1,000 of interest and amounts taxable as interest from tax and have a liability of 20% on any balance. The exempt amount is reduced to £500 for higher rate taxpayers and they will have an income tax liability at 40% on the balance. Additional rate taxpayers are liable to income tax at 45% on all their interest and amounts taxable as interest.

Under the corporate debt tax regime in the United Kingdom, any corporate Shareholder within the charge to United Kingdom corporation tax will be taxed on the increase in value of its holding (as well as any distribution received) on a fair value basis (rather than solely on disposal) or will obtain tax relief on any equivalent decrease in value, if the Investments held by the offshore fund within which the Shareholder invests, consist of more than 60% (by value) of "qualifying investments". Qualifying investments are broadly those, which yield a return directly or indirectly in the form of interest.

The United Kingdom tax rules contain a number of anti-avoidance codes that can apply to United Kingdom investors in offshore funds in particular circumstances. It is not anticipated that they will normally apply to investors in Shares. Any United Kingdom taxpaying Shareholder who (together with connected persons) holds over 25% of a Fund should take specific advice.

The Shares of each Fund are widely available. The Directors confirm that the intended categories of investors are not “restricted” for the purposes of the Offshore Fund (Tax) Regulations 2009. Shares are marketed and made available sufficiently widely to reach the intended categories of investors, and in a manner appropriate to attract those categories of investors.

Transfer taxes may be payable by a Fund in the United Kingdom and elsewhere in relation to the acquisition and/or disposal of investments. In particular, stamp duty reserve tax at the rate of 0.5% (or, if the transfer does not take place in dematerialised form, stamp duty at an equivalent rate) will be payable by a Fund in the United Kingdom on the acquisition of Shares in companies incorporated in the United Kingdom or which maintain a share register in the United Kingdom. This liability will arise in the course of a Fund’s normal investment activity and on the acquisition of Investments from subscribers on subscription for Shares.

Stamp duty reserve tax (or stamp duty) at the same rate as above may arise on the transfer of Investments to Shareholders on redemption.

Because the Company is not incorporated in the United Kingdom and the register of holders of Shares will be kept outside the United Kingdom, no liability to stamp duty reserve tax will arise by reason of the transfer, subscription for or redemption of Shares except as stated above. Liability to stamp duty will not arise provided that any instrument in writing transferring Shares in a Fund is executed and retained at all times outside the United Kingdom.

## **FATCA**

Ireland has an intergovernmental agreement with the United States of America (the “IGA”) in relation to FATCA, of a type commonly known as a ‘model 1’ agreement. Ireland has also enacted regulations to introduce the provisions of the IGA into Irish law. The Company intends to carry on its business in such a way as to ensure that it is treated as complying with FATCA, pursuant to the terms of the IGA and has registered with the US Internal Revenue Service as a ‘reporting financial institution’ for FATCA purposes and reports information to the Irish Revenue Commissioners relating to Shareholders who, for FATCA purposes, are specified US persons, non-participating financial institutions or passive non-financial foreign entities that are controlled by specified US persons. Any information reported by the Company to the Irish Revenue Commissioners will be communicated to the US Internal Revenue Service pursuant to the IGA. It is possible that the Irish Revenue Commissioners may also communicate this information to other tax authorities pursuant to the terms of any applicable double tax treaty, intergovernmental agreement or exchange of information regime.

The Company should generally not be subject to FATCA withholding tax in respect of its US source income for so long as it complies with its FATCA obligations. FATCA withholding tax would only be envisaged to arise on US source payments to the Company if the Company did not comply with its FATCA registration and reporting obligations and the US Internal Revenue Service specifically identified the Company as being a ‘non-participating financial institution’ for FATCA purposes.

## **OECD Common Reporting Standard**

The automatic exchange of information regime known as the “Common Reporting Standard” proposed by the Organisation for Economic Co-operation and Development applies in Ireland. Under these measures, the Company is required to report information to the Irish Revenue Commissioners relating to Shareholders, including the identity, residence and tax identification number of Shareholders and details as to the amount of income and sale or redemption proceeds received by Shareholders in respect of the Shares. This information may then be shared by the Irish Revenue Commissioners with tax authorities in other EU member states and other jurisdictions which implement the OECD Common Reporting Standard.

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## FEES AND EXPENSES

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The fees and expenses as described below which are applicable to a Fund are specified in the Relevant Supplement.

### **Fund Management Fee**

The Company will pay a fixed annual fund management fee (the “**Fund Management Fee**”) per Class as set out in the Supplement for the relevant Fund at a rate not exceeding 2.5% per annum, plus VAT (if any), (or such higher percentage per annum as may be approved by a special resolution of Shareholders) of the Net Asset Value of each Fund, together with its out-of-pocket expenses. The Fund Management Fee is accrued daily, and payable monthly in arrears. The Management Company and the Investment Manager shall also be entitled to all reasonable out of pocket costs and expenses incurred by the Management Company or Investment Manager, as the case may be, in the proper performance of their duties.

Unless otherwise specified in the Relevant Supplement, the Management Company will be then responsible for discharging from its fee the Annual Expenses (as described below) and in this regard may, at its sole discretion, direct the Company to make payments directly to the Investment Manager, the Distributor, the Administrator, the Depositary or other relevant entity, provided however, that any such payments, together with fees paid directly to the Investment Manager by the Company, shall not exceed the annual Fund Management Fee as set out in the Relevant Supplement.

Where the Annual Expenses exceed the Fund Management Fee the excess will be discharged by the Investment Manager from its own assets. The Annual Expenses are the following fees and expenses: (i) Management Fees of the Management Company (ii) Investment Management Fees of the Investment Manager; (iii) Administration Fees; (iv) Depositary Fees; (v) Director's Fees; and (vi) Operating Expenses (excluding any tax or tax related costs). All other fees and expenses of the Fund (such as such extraordinary or exceptional costs and expenses not included above) will be borne by the Fund and will be charged at normal commercial rates.

### **Administration Fees**

The Administrator is entitled to receive all reasonable vouched out-of-pocket costs and expenses incurred by the Administrator in the proper performance of its duties. The Administrator is entitled under the Administration Agreement to receive a fee at a rate not exceeding 0.08% per annum, plus VAT (if any) of the net assets subject to a minimum fee of STG£5,000 for each Fund. Any additional Class will be charged a maximum monthly fee of STG£1,000 per Class in each Fund. The administration fee is accrued daily and payable monthly in arrears. The Administrator is also entitled to receive transfer agency fees and fees for maintenance of the register of Shareholders, together with its out-of-pocket expenses. Such fees will be payable out of the assets of each Fund and will be at normal commercial rates. The Company will give 30 days' notice to Shareholders where a change of practice is to be elected.

### **Depositary Fees**

The Depositary is entitled under the Articles to receive custody charges which vary from 0.005% per annum to 0.1% per annum depending on the market involved, but for the avoidance of doubt, shall not in the aggregate exceed 0.1% per annum plus VAT (if any) of the net assets of each Fund. The Depositary fee is accrued daily and payable monthly in arrears. A minimum monthly charge will be applied by the Depositary per Fund and will not exceed STG£2,000 per Fund. The Depositary is also entitled to receive a transaction fee at normal commercial rates of such amount as may be agreed between the Company and the Depositary from time to time together with its out-of-pocket expenses. Sub-custodian transaction charges will be at normal commercial rates.

### **Preliminary Charge**

The Company shall be entitled to charge applicants for Shares in a Fund an up-front sales charge of up to 5% of the subscription monies which shall be deducted out of the gross subscription proceeds. Any

such sales charge is payable at the time of the purchase of Shares and does not constitute an asset of a Fund.

### **Redemption Charge**

The Company shall be entitled to impose a redemption fee on Shares in issue in any Fund up to a maximum of 3%. The Company does not intend to make a redemption charge save where the Company considers that a Shareholder is redeeming Shares in a Fund for arbitrage purposes.

### **Directors' Fees**

Each Director shall be entitled to such remuneration for his services as the Company may determine provided that the aggregate emoluments of each Director in respect of any twelve month period shall not exceed €50,000 per Director plus expenses or such higher amount as may be approved by the Company in general meeting.

### **Establishment and Operating Expenses**

There shall also be paid certain other costs, charges, fees and expenses incurred in its operation, including without limitation:

- (a) fees and expenses incurred in relation to banking and brokerage in respect of the purchase and sale of Fund securities;
- (b) taxes;
- (c) insurance;
- (d) the costs and expenses of maintaining its books of account and of preparing, printing, publishing and distributing (in such languages as may be necessary) prospectuses, supplements, annual and semi-annual reports, proxies and material of Shareholders' meetings and other documents or information to current and prospective Shareholders (including the costs of developing and enhancing computer software and electronic transmission techniques to distribute such documents or information);
- (e) the expense of publishing daily price and yield information, in relevant media;
- (f) the costs and expenses of obtaining authorisations or registrations of the Company or of any Shares with the regulatory authorities (including local securities dealers associations) in various jurisdictions;
- (g) the cost of listing and maintaining a listing of Shares on any stock exchange;
- (h) marketing and promotional expenses;
- (i) the cost of convening and holding Directors' and Shareholders' meetings;
- (j) professional fees and expenses for legal, auditing and other consulting services; and
- (k) such other costs and expenses (including non-recurring and extraordinary costs and expenses) as may arise from time to time and which have been approved by the Directors as necessary or appropriate for the continued operation of the Company or of any Fund.

The expenses of each Fund may be deducted from the total income of such Fund before dividends are paid. Expenses of the Company which are not directly attributable to the operation of a particular Fund are allocated among all Funds in a manner determined by the Management Company. Expenses pertaining to a particular Class as may be created from time to time shall be allocated to the Class to which they relate.

The Investment Manager may, at its discretion, contribute directly towards the expenses attributable to the establishment and/or operation of the Company of any particular Fund and/or the marketing,

distribution and/or sale of Shares and may from time to time at its sole discretion waive part of its fees in respect of any particular payment period.

The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to rebate to some or all Shareholders or to intermediaries, part or all of the investment management fees. Any such rebates may be applied in paying up additional Shares to be issued to the Shareholder. Such Shares shall be issued to the Shareholders at their Net Asset Value.

Any third party research received in connection with investment advisory services that the Investment Manager provides to the Funds will be paid for by the Investment Manager out of its own resources.

### **Swing Pricing and Anti-Dilution Levy**

The actual cost of purchasing or disposing of investments may be higher or lower than the value used in calculating the Net Asset Value. These costs may include dealing charges, commission and transaction charges and the dealing spread, and may have a materially disadvantageous effect on a Shareholder's interest in a Fund.

To prevent this effect, known as "dilution", a Fund may if set forth in the Relevant Supplement apply either swing pricing or anti-dilution levy.

#### *Swing Pricing*

A Fund, if set forth in the Relevant Supplement may engage in swing pricing as set forth in the paragraph below and the Relevant Supplement, in order to seek to mitigate the effect of dilution, and to "swing" the Net Asset Value to counter the possible negative effects of dilution.

Where it so determines, the Administrator will calculate the Net Asset Value for the relevant Fund and then adjust ("swing") the Net Asset Value by a pre-determined amount.

On any Dealing Day, where the Management Company in consultation with the Company so determines, the Administrator will calculate the Net Asset Value for the Fund, as described in the "Determination of Net Asset Value" section, and then swing the Net Asset Value by a pre-determined amount. The direction of the swing will depend on whether there are net subscriptions or redemptions in the Fund which exceed a pre-determined threshold on the relevant Dealing Day, while the magnitude of the swing will be based on pre-determined estimates of the average trading costs in the relevant asset class(es) in which the Fund is invested. For example, if the Fund is experiencing net inflows, its Net Asset Value will swing upwards, so that the incoming Shareholders are effectively bearing the costs of the dealing that their subscriptions generate by paying a higher Net Asset Value per Share than they would otherwise be charged. Conversely, where there are net redemptions in the Fund, the Net Asset Value will swing downwards, so that the outgoing Shareholders are effectively bearing the costs of the dealing that their redemptions generate by receiving a lower Net Asset Value per Share than they would otherwise receive. These swings are intended to protect non-dealing Shareholders from the impact of trading costs triggered by dealing Shareholders.

The determination to swing the Net Asset Value in respect of the Fund will be made following a consideration of the dealing activity (i.e. level of subscriptions and redemptions) in the Fund on a Dealing Day, in accordance with criteria set by the Management Company in consultation with the Company from time to time. These criteria will include whether the costs of investing or divesting the net inflows into or outflows from the Fund on a Dealing Day will create, in the opinion of the Management Company in consultation with the Company, a material dilutive impact. Swing pricing will only be exercised for the purpose of reducing dilution in the interests of the Shareholders in the Fund as a whole and will be applied consistently in respect of the Fund and in respect of all assets of the Fund.

The Investment Manager or applicable Sub-Investment Manager may consider it appropriate not to apply swing pricing where it is seeking to raise assets in order for a Fund to reach a certain size.

#### *Anti-Dilution Levy*



A Fund if set forth in the Relevant Supplement may apply an anti-dilution levy as forth in the paragraph below. On any Dealing Day where there are net subscriptions or net redemptions, the Management Company in consultation with the Company may determine (based on such reasonable factors as they see fit, including without limitation, the prevailing market conditions and the level of subscriptions or redemptions requested by Shareholders or potential Shareholders in relation to the size of a Fund) to add an anti-dilution levy to the subscription price on that Dealing Day or deduct an anti-dilution levy from the redemption payments, in each case not to exceed 5% of Net Asset Value of the Shares being issued or redeemed, in order to cover dealing costs and to preserve the value of the underlying assets of the relevant Fund.

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## GENERAL INFORMATION

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### CONFLICTS OF INTEREST

The Management Company, the Depositary, the Administrator, the Distributor, the Directors and the Investment Manager and their delegates may from time to time act as manager, registrar, administrator, directors, trustee, depositary, investment manager, adviser, or distributor in relation to, or be otherwise involved in, other funds or collective investment schemes which have similar investment objectives to those of the Company or any Fund. It is, therefore, possible that any of them may, in the due course of their business, have potential conflicts of interests with the Company or any Fund. Each will at all times have regard in such event to its obligations under the Articles and/or any agreements to which it is party or by which it is bound in relation to the Company or any Fund and, in particular, but without limitation to its obligations to act in the best interests of the Shareholders when undertaking any investments where conflicts of interest may arise and will endeavour to ensure that such conflicts are resolved fairly and, in particular, the Investment Manager has agreed to act in a manner which it in good faith considers fair and equitable in allocating investment opportunities to the Company. The Articles provides that the Administrator may accept the estimate of a competent person when determining the probable realisation value of unlisted securities. The Administrator may accept an estimate provided by the Investment Manager or any other affiliate of the Investment Manager for these purposes and investors should be aware that in these circumstances a possible conflict of interest may arise as the higher the estimated probable realisation value of the security, the higher the fees payable to the Investment Manager.

A Fund may not sell, purchase or lend securities or receive loans to or from (a) the Management Company, including any of its delegates or sub-delegates, (b) the Depositary including any of its delegates or sub-delegates (excluding any non-group company sub-custodians appointed by the Depositary), (c) their affiliate companies, (d) the Investment Manager, (e) any director of the Investment Manager or its affiliates, or (f) any major shareholder of the Investment Manager or its affiliates which in this context means a shareholder who (acting as principal or for his own account) holds (whether in his own name or other name, including in a nominee's name) 10% or more of the total issued outstanding shares of such a company unless the transaction is negotiated at arm's length and the transaction is in the best interests of the Shareholders.

Notwithstanding the above paragraph there is nothing to prevent the Depositary or its associates from dealing as principal in the sale or purchase of assets to or from the Company, or from acting as depositary and/or trustee in any other capacity for other clients, or from buying, holding and dealing in any assets for its own account or for the account of any client notwithstanding that similar or the same assets may be held or dealt in by or for the account of the Company. The Depositary shall not be deemed to be affected by notice of, or to be under any duty to disclose to the Company, information which has come into its or its associates' possession as a result of any such arrangements. Neither the Depositary nor any of its associates shall be liable to account to the Company for any profits or benefits made or derived by, or in connection with, any such transaction. However, any such transaction must be negotiated at arm's length and in the best interest of Shareholders.

Transactions permitted pursuant to the above paragraphs are subject to: (i) certified valuation by a person approved by the Depositary as independent and competent; (ii) execution on best terms on organised investment exchanges under their rules; or (iii) where (i) and (ii) are not practical, execution on terms which the Depositary is satisfied conform to the principle of execution on terms negotiated at arm's length. In the case of a transaction involving the Depositary, the Management Company in consultation with the Company should be satisfied the transaction conforms with the principle of execution on terms negotiated at arm's length. The Depositary may hold funds for the Company subject to the provisions of the Central Banks Act 1942 to 1998. The Depositary (or the Management Company in the case of a transaction involving the Depositary or an affiliate of the Depositary) shall document how it has complied with (i), (ii), or (iii) above. Where transactions are conducted in accordance with (iii), the Depositary (or the Management Company in the case of a transaction involving the Depositary or an affiliate of the Depositary) shall document its rationale for being satisfied that the transaction conformed to the principles outlined in this paragraph.

A Director may be a party to, or otherwise interested in, any transaction or arrangement in which the Company is interested, provided that he has disclosed it to the Company prior to the conclusion of any

such transaction or arrangement the nature and extent of any material interest of his therein. Unless the Directors determine otherwise, a Director may vote in respect of any contract or arrangement or any proposal whatsoever in which he has a material interest, having first disclosed such interest. At the date of this Prospectus other than as disclosed below, no Director or any connected person of any Director has any interest, beneficial or non-beneficial, in the Shares of the Company or any material interest in the Company or any Fund or in any agreement or arrangement with the Company. The Directors shall endeavour to ensure that any conflict of interest is resolved fairly.

Mr Ewan McAlpine is a senior member of the fixed income portfolio management team with the Investment Manager and Mr Rob Williams is Head of Distribution with the Investment Manager. Ms Susan Spiller is Head of Proposition and Mr Rakesh Kumar is Operations Director within the Investment Manager.

In selecting brokers to make purchases and sales for the Company for the account of a Fund, the Investment Manager will choose those brokers who provide best execution to the Fund. In determining what constitutes best execution, the Investment Manager may consider the over-all economic result of the Fund (price of commission plus other costs), the efficiency of the transaction, the broker's ability to effect the transaction if a large block is involved, availability of the broker for difficult transactions in the future, other services provided by the broker such as research and the provision of statistical and other information and the financial strength and stability of the broker. No cash rebates will be retained by the Investment Manager or any of its affiliates. The Investment Manager shall be entitled to aggregate orders for the Fund with orders for other clients where it considers it appropriate for the efficient management or administration of the Fund.

When executing orders, or placing orders with other entities for execution, that relate to financial instruments for, or on behalf of, the Funds, the Investment Manager will not accept and retain any fees, commissions or monetary benefits; or accept any non-monetary benefits, where these are paid or provided by any third party or a person acting on behalf of a third party. The Investment Manager will return to each relevant Fund as soon as reasonably possible after receipt any fees, commissions or any monetary benefits paid or provided by any third party or a person acting on behalf of a third party in relation to the services provided to that fund, and disclose the fees, commissions or any monetary benefits transferred to them. However, the Investment Manager may accept minor non-monetary benefits that are capable of enhancing the quality of service provided a Fund; and of a scale and nature such that they could not be judged to impair its compliance with its duty to act honestly, fairly and professionally in the best interests of each Fund.

## **MEETINGS**

All general meetings of the Company shall be held in Ireland and at least one general meeting of the Company shall be held in each year as the Company's annual general meeting. A proxy may attend on behalf of any Shareholder. The voting rights attached to the Shares are set out under the "Voting Rights" section of this Prospectus.

## **NOTICE AND QUORUM**

At least twenty one days' notice (inclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) shall be given to Shareholders. The notice shall specify the place, day and hour of the meeting and the terms of the resolutions to be proposed. The quorum for a meeting is two Shareholders, present in person or by proxy. The quorum for an Adjourned Meeting is one Shareholder present in person or by proxy. Notices of Meetings and Adjourned Meetings will be sent to Shareholders at their registered addresses.

A Shareholder entitled to attend and vote at a general meeting of the Company shall be entitled to appoint another person to attend and vote in his place (whether a Shareholder or not).

## **PROCEEDINGS AT MEETINGS**

The chairman or, if absent, the deputy chairman of the Directors, or failing him, some other Director nominated by the Directors shall preside as chairman at every general meeting of the Company.

The chairman of any meeting may with the consent of the meeting adjourn the meeting from time to time and from place to place, and if he is directed by the meeting to adjourn he must do so. No business can be transacted at an adjourned meeting which might not lawfully have been transacted at the meeting from which the adjournment took place.

The chairman may take any action he considers appropriate for, for example, the safety of people attending a general meeting, the proper and orderly conduct of the general meeting or in order to reflect the wishes of the majority.

A resolution put to a vote of a general meeting shall be determined by a poll.

## **VOTING RIGHTS**

Each Shareholder shall be entitled to such number of votes as shall be produced by dividing the aggregate net asset value of that Shareholder's shareholding (expressed or converted into Sterling and calculated as of the relevant record date) by one. The "relevant record date" for these purposes shall be a date being not more than thirty days prior to the date of the relevant general meeting or written resolution as determined by the Directors. In relation to a resolution which in the opinion of the Directors gives or may give rise to a conflict of interest between the Shareholders of any series or Class, such resolution shall be deemed to have been duly passed only if, in lieu of being passed through a single meeting of the Shareholders of such series or Class, such resolution shall have been passed at a separate meeting of the Shareholders of each such series or Classes. All votes shall be cast by a poll of Shareholders present in person or by proxy at the relevant Shareholder meeting or by unanimous written resolution of the Shareholders.

## **REPORTS AND ACCOUNTS**

The Company shall cause to be prepared an annual report and audited annual accounts for the Company and each Fund for the period ending 30 June in each year. These will be made available to Shareholders and provided to the Central Bank within four months of the end of the relevant accounting period end and in any event at least twenty one days before the annual general meeting. In addition, the Company shall cause to be prepared a half-yearly report which shall include unaudited half-yearly accounts for the Company and each Fund for the period ending on 31 December in each year. Half-yearly accounts for each Fund will be made available to Shareholders in the relevant Fund and provided to the Central Bank within two months of the end of the relevant accounting period. The annual report and half-yearly report will be made available on the Company's website (<https://www.rlam.com>) and may be sent to Shareholders by electronic mail or other electronic means of communication, although Shareholders and prospective investors may also, on request, receive reports by hard copy mail.

## **THE SHARE CAPITAL**

The authorised share capital of the Company is 500,000,040,000 Shares of no par value divided into 40,000 Subscriber Shares of no par value and 500,000,000,000 Shares of no par value. For the period of five years from the date of incorporation, the Directors are empowered to issue up to 500,000,000,000 Shares of no par value in the Company on such terms as they think fit. On the expiry of five years, the Directors' authority to issue Shares may be renewed by the Shareholders in general meeting successively for further periods each of which must not exceed five years.

Subscriber Shares entitle the holders to attend and vote at general meetings of the Company but do not entitle the holders to participate in the profits or assets of the Company except for a return of capital on a winding-up. Shares entitle the holders to attend and vote at general meetings of the Company and to participate equally (subject to any differences between fees, charges and expenses applicable to different classes of Shares) in the profits and assets of the Company on the terms and conditions set out in the Prospectus. There are no pre-emption rights attaching to Shares.

The Company may from time to time by ordinary resolution increase its capital, consolidate its Shares or any of them into a smaller number of Shares, sub-divide Shares or any of them into a larger number of Shares or cancel any Shares not taken or agreed to be taken by any person. The Company may by special resolution from time to time reduce its share capital in any way permitted by law.

## **VARIATION OF SHAREHOLDERS RIGHTS**

Under the Articles, whether or not the Company is being wound up, the rights attached to each series or class of Share may be varied with the consent in writing of the holders of three-fourths of the issued Shares of that series or Class or with the sanction of a special resolution passed at a separate general meeting of the holders of Shares of that series or Class. The rights attaching to any series or class of Shares shall not be deemed to be varied by the creation or issue of further Shares ranking *pari passu* with Shares already in issue, unless otherwise expressly provided by the terms of issue of those Shares. The provisions of the Articles relating to general meetings shall apply to every such separate general meeting except that the necessary quorum at such a meeting shall be two persons present in person or by proxy holding Shares of the series or Class in question or, at an adjourned meeting, one person holding Shares, of the series or Class in question or his proxy.

## **WINDING UP OF THE COMPANY**

The Articles contain provisions to the following effect:

- (i) If the Company shall be wound up the liquidator shall apply the assets of the Company in such manner and order as he thinks fit in satisfaction of creditors' claims. The liquidator shall, in relation to the assets available for distribution among the Shareholders, make in the books of the Company such transfers thereof to and from Funds as may be necessary in order that the effective burden of such creditors' claims may be shared between the holder of Shares of different Classes in such proportions as the liquidator in his absolute discretion may think equitable.
- (ii) The assets available for distribution among the Shareholders shall then be applied in the following priority:
  - (a) First, in the payment to the holders of Shares of each series of a sum in the currency in which that series is designated or in any other currency selected by the liquidator) as nearly as possible equal (at a rate of exchange determined by the liquidator) to the aggregate Net Asset Value per Share of the Shares of such series held by such holders respectively as at the date of commencement to wind up provided that there are sufficient assets available in the relevant Fund to enable such payment to be made. In the event that, as regards any series of Shares, there are insufficient assets available in the relevant Fund to enable such payment to be made recourse shall be had:
    - (1) first, to the assets of the Company not comprised within any of the Funds; and
    - (2) secondly, to the assets remaining in the Funds for the other series of Shares (after payment to the holders of Shares of the series to which they relate of the amounts to which they are respectively entitled under this paragraph (ii)) pro rata to the total value of such assets remaining within each such Fund.
  - (b) Secondly, in the payment to the holders of the Subscriber Shares of sums up to the nominal amount paid thereon out of the assets of the Company not comprised within any Funds remaining after any recourse thereto under sub-paragraph (ii)(a) above. In the event that there are insufficient assets as aforesaid to enable such payment in full to be made, no recourse shall be had to the assets comprised within any of the Funds.
  - (c) Thirdly, in the payment to the holders of each series of Shares of any balance then remaining in the relevant Fund, such payment being made in proportion to the number of Shares of that series held.
  - (d) Fourthly, in the payment to the holders of the Shares of any balance then remaining and not comprised within any of the Funds, such payment being made in proportion to the number of Shares held.
- (iii) If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the Irish High Court) the liquidator may, with the authority of a special resolution and any other

sanction required by the Companies Acts of Ireland, divide among the members in specie the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any assets in respect of which there is liability. Where distributions in specie are effected on winding up, an individual shareholder may request that the assets be sold and receive the cash proceeds instead.

## **MATERIAL CONTRACTS**

The following contracts, which are summarised in the “Management and Administration” and “Fees and Expenses” sections in this Prospectus, have been entered into and are, or may be, material:

- (i) Management Agreement dated 30 November 2021 as amended and as may be further amended from time to time between the Company and the Management Company pursuant to which the Management Company has been appointed to provide management company services to the Company;
- (ii) Depositary Agreement dated 30 November 2021 as amended and as may be further amended from time to time between the Company, the Management Company, and the Depositary pursuant to which the Depositary has been appointed as Depositary of the Company’s assets;
- (iii) Administration Agreement dated 30 November 2021 as amended and as may be further amended from time to time between the Company, the Management Company and the Administrator pursuant to which the Administrator was appointed to provide administration, accounting and Shareholder registration and transfer agency services to the Company;
- (iv) Investment Management Agreement dated 30 November 2021 as amended and as may be further amended from time to time between the Company, the Management Company and the Investment Manager pursuant to which the Investment Manager has been appointed to provide investment management and advisory services to the Company;
- (v) Distribution Agreement dated 30 November 2021 between the Company, the Distributor and the Management Company, pursuant to which the Distributor was appointed as distributor for the Company for the purpose of obtaining purchasers for the Shares in the manner contemplated in the Distribution Agreement.

Any additional Material Contracts relevant to a particular Fund will be specified in the Relevant Supplement.

## **DOCUMENTS FOR INSPECTION**

Copies of the following documents may be inspected at the Company’s registered office, 70 Sir John Rogerson’s Quay, Dublin 2, and at the offices of Royal London Asset Management Limited, 80 Fenchurch Street, London, EC3M 4BY, England during normal business hours on any Business Day:

- (i) the material contracts referred to above;
- (ii) the memorandum and articles of association of the Company;
- (iii) the UCITS Regulations;
- (iv) the latest published annual and semi-annual reports and audited and unaudited accounts of the Company;
- (v) the most recently published Net Asset Value per Share.

Copies of the memorandum and articles of association of the Company and of any yearly or half-yearly reports may be obtained from the Administrator at 78 Sir John Rogerson's Quay, Dublin 2, Ireland free of charge.

## **COMPLAINTS**

Any formal complaints by a Shareholder should be made in writing to International Financial Data Services, 78 Sir John Rogerson's Quay, Dublin 2, Ireland.

## **NOTICES**

Notices from the Company to Shareholders will be sent in the English language and to the last address notified to the Company by Shareholders.

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## APPENDIX I

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The following exchanges and markets constitute Recognised Markets for the purposes of this Prospectus:

Any stock exchange in Australia, Austria, Belgium, Bulgaria, Canada, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Italy, Japan, Latvia, Lithuania, Luxembourg, New Zealand, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the Netherlands, the United Kingdom and the United States of America.

Any of the following stock exchanges:

- Argentina
  - Buenos Aires Stock Exchange
  - Cordoba Stock Exchange
  - La Plata Stock Exchange
  - Mendoza Stock Exchange
  - Rosario Stock Exchange
  - Bolsa de Comercio de Santa Fe
  - Mercado Abierto Electrónico (MAE)
  - Mercado a Termino de Rosario
  - Mercado de Valores de Rosario
  - Mercados de Futuros y Opciones SA (Merfox)
- Bahrain
  - Bahrain Stock Exchange
  - Manama Stock Exchange
- Bangladesh
  - Dhaka Stock Exchange
  - Chittagong Stock Exchange
- Botswana
  - Botswana Stock Exchange
  - Serowe Stock Exchange
- Brazil
  - Rio de Janeiro Stock Exchange
  - Sao Paulo Stock Exchange
  - Bahia-Sergipe-Alagoas Stock Exchange
  - Brasilia Stock Exchange
  - Extremo Sul Porto Alegre Stock Exchange
  - Minas Esperito Santo Stock Exchange
  - Parana Curitiba Stock Exchange
  - Pernambuco e Paraiba Recife Stock Exchange
  - Regional Fortaleza Stock Exchange
  - Santos Stock Exchange
- Chile
  - Santiago Stock Exchange
  - Valparaiso Stock Exchange
  - Bolsa Electronica de Chile
- China
  - Shanghai Securities Exchange
  - Shenzhen Stock Exchange
- Colombia
  - Colombian Stock Exchange
  - Bogota Stock Exchange
  - Medellin Stock Exchange
  - Occidente Stock Exchange
- Costa Rica
  - San Jose Stock Exchange
  - National Stock Exchange
- Croatia
  - Zagreb Stock Exchange
- Egypt
  - Cairo and Alexandria Stock Exchange
- Ghana
  - Ghana Stock Exchange
- Hong Kong
  - The Stock Exchange of Hong Kong Limited
- Iceland
  - OMX Nordic Exchange
- India
  - The National Stock Exchange of India
  - The Stock Exchange, Mumbai
  - Delhi Stock Exchange



		Ahmedabad Stock Exchange
		Bangalore Stock Exchange
		Cochin Stock Exchange
		Guwahati Stock Exchange
		Magadh Stock Exchange
		Pune Stock Exchange
		Hyderabad Stock Exchange
		Ludhiana Stock Exchange
		Uttar Pradesh Stock Exchange
		Calcutta Stock Exchange
		Bombay Stock Exchange
		Madras Stock Exchange
		Delhi Stock Exchange
		Gauhati Stock Exchange
		Magadh Stock Exchange
-	Indonesia	Jakarta Stock Exchange
		Surabaya Stock Exchange
-	Israel	Tel Aviv Stock Exchange Limited
-	Jordan	Amman Stock Exchange
-	Kazakhstan	Kazakhstan Stock Exchange
-	Kenya	Nairobi Stock Exchange
-	Korea (South)	Korea Stock Exchange
		KOSDAQ
		Korea Futures Exchange
		Korean Securities Dealers Association
-	Kuwait	Kuwait Stock Exchange
-	Malaysia	Kuala Lumpur Stock Exchange
		The Bursa Malaysia Berhad
		Bumipatra Stock Exchange
-	Mauritius	Stock Exchange of Mauritius
-	Morocco	Casablanca Stock Exchange
-	Mexico	Mexico Stock Exchange
		Mercado Mexicana de Derivados
-	Namibia	Namibian Stock Exchange
-	Nigeria	Nigerian Stock Exchange
		Lagos Stock Exchange
		Kaduna Stock Exchange
		Port Harcourt Stock Exchange
-	Oman	Muscat Securities Market
-	Pakistan	Karachi Stock Exchange
		Lahore Stock Exchange
		Islamabad Stock Exchange
-	Peru	Lima Stock Exchange
-	Philippines	Philippines Stock Exchange
-	Qatar	Doha Securities Market
-	Russia	Moscow Exchange (included solely in relation to equity securities)
-	Saudi Arabia	Saudi Stock Exchange (Tadawul)
		Riyadh Stock Exchange
-	Serbia	Belgrade Stock Exchange
-	Singapore	Singapore Stock Exchange
		SESDAQ
-	South Africa	Johannesburg Stock Exchange
-	Sri Lanka	Colombo Stock Exchange
-	Taiwan	Taiwan Stock Exchange
	(Republic of China)	GreTai Securities Market (GTSM)
		Taiwan Futures Exchange (TAIFEX)
-	Thailand	Stock Exchange of Thailand
		Market for Alternative Investments (MAI)
-	Tunisia	Tunis Stock Exchange

- Turkey Istanbul Stock Exchange
- Uganda Kampala Stock Exchange
- Ukraine First Securities Trading System (PFTS)  
Ukraine Stock Exchange  
Ukrainian Interbank Currency Exchange
- United Arab Emirates (UAE) Abu Dhabi Securities Market (ADSM)  
Borse Dubai  
Dubai: Financial Market (DFM)  
Dubai: Gold and Commodities Exchange  
Dubai: International Financial Exchange (DIFX)  
Dubai: Mercantile Exchange
- Uruguay Montevideo Stock Exchange
- Vietnam Ho Chi Min Stock Exchange (HOSE)  
Hanoi Securities Trading Center  
Hanoi Securities Trading Center
- Zambia Lusaka Stock Exchange
- Zimbabwe Zimbabwe Stock Exchange

The following markets:

- the market organised by the International Capital Market Association;
  - the market conducted by “listed money market institutions” as described in the Financial Services Authority Publication “The Regulation of the Wholesale cash and Derivatives Markets under Section 43 of the Financial Services Act 1986 (The Grey Paper)” dated June 1999 (as amended from time to time);
  - (a) NASDAQ in the United States, (b) the market in the U.S. government securities conducted by the primary dealers regulated by the Federal Reserve Bank of New York; and (c) the over-the-counter market in the United States conducted by primary dealers and secondary dealers regulated by the Securities and Exchange Commission and the Financial Industry Regulatory Authority and by banking institutions regulated by the U.S. Comptroller of Currency, the Federal Reserve System or Federal Deposit Insurance Corporation;
  - the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;
  - AIM - the alternative investment market in the U.K. regulated and operated by the London Stock Exchange;
  - the French market for “Titres de Creance Negotiable” (over-the-counter market in negotiable instruments); and
  - the over-the-counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada.
  - Multilateral Trading Facilities which meet with applicable regulatory criteria, as same may be amended from time to time.
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- Bangladesh Dhaka Stock Exchange
  - Botswana Botswana Stock Exchange
  - Bulgaria The Stock Exchange of Bulgaria – Sofia
  - Chile Santiago Stock Exchange  
Valparaiso Stock Exchange
  - Colombia Bogota Stock Exchange

-	Croatia	Medellin Stock Exchange
-	Czech Republic	Zagreb Stock Exchange
-	Egypt	Prague Stock Exchange
		Cairo Stock Exchange
		Alexandria Stock Exchange
-	Estonia	Tallinn Stock Exchange
-	Jordan	Amman Stock Exchange
-	Latvia	Riga Stock Exchange
-	Lithuania	National Stock Exchange of Lithuania
-	Mauritius	Stock Exchange of Mauritius
-	Morocco	Casablanca Stock Exchange
-	Pakistan	Karachi Stock Exchange
		Lahore Stock Exchange
-	Peru	Lima Stock Exchange
-	Romania	Bucharest Stock Exchange
-	Russia	Level 1 and Level 2 RTS Stock Exchange; MICEX
-	Slovak Republic	Bratislava Stock Exchange
-	Slovenia	Ljubljana Stock Exchange
-	Sri Lanka	Colombo Stock Exchange
-	Zimbabwe	Zimbabwe Stock Exchange

## DERIVATIVES MARKETS

In the case of an investment in listed or traded FDI: (i) in any derivative market approved in any EEA state member (except for Malta) or cooperating country or in any of the member countries of the OECD including their territories covered by the OECD Convention; and (ii) in the following exchanges or markets:

Brazil	BM&F BOVESPA SA
Egypt	Egyptian Exchange
Hong Kong	Growth Enterprise Market Hong Kong Stock Exchange
Malaysia	Bursa Malaysia Bhd Bursa Malaysia Derivatives
Singapore	Singapore Exchange
South Africa	JSE Limited South Africa Futures Exchange
South Korea	Korea Exchange Inc.
Taiwan	Taiwan Exchange
Thailand	Thailand Futures Exchange

These exchanges and markets are listed above in accordance with the requirements of the Central Bank which does not issue a list of approved markets.

With the exception of permitted investments in unlisted securities the Company will only invest in securities traded on a stock exchange or market which meets with the regulatory criteria (regulated, operated regularly, recognised and open to the public) and which is listed in this Prospectus.

## APPENDIX II

The Depositary has delegated those safekeeping duties set out in Article 22(5)(a) of the UCITS Directive to State Street Bank and Trust Company with registered office at Copley Place 100, Huntington Avenue, Boston, Massachusetts 02116, USA, whom it has appointed as its global sub-custodian.

At the date of this Prospectus, State Street Bank and Trust Company as global sub-custodian has appointed local sub-custodians within the State Street Global Custody Network as listed below.

MARKET	SUB-CUSTODIAN	ADDRESS
<b>Albania</b>	Raiffeisen Bank sh.a.	Tish Daija Komplexi Kika 2 Tirana, Albania
<b>Argentina</b>	Citibank, N.A.	Bartolome Mitre 530 1036 Buenos Aires, Argentina
<b>Australia</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Custody and Clearing Level 3, 10 Smith St., Parramatta, NSW 2150, Australia
<b>Austria</b>	UniCredit Bank Austria AG	Global Securities Services Austria Rothschildplatz 1 A-1020 Vienna, Austria
<b>Bahrain</b>	First Abu Dhabi Bank P.J.S.C.	Unit 1601, 10th Floor, Building 1565, Road 1722, Block 317 Diplomatic Area, Manama, Kingdom of Bahrain
<b>Bangladesh</b>	Standard Chartered Bank	Silver Tower, Level 7 52 South Gulshan Commercial Area Gulshan 1, Dhaka 1212, Bangladesh
<b>Belgium</b>	BNP Paribas Securities Services, S.C.A. (operating through its Paris branch with support from its Brussels branch)	9, rue du Débarcadère 93500 Pantin, France
<b>Benin</b>	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast	23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire
<b>Bermuda</b>	HSBC Bank Bermuda Limited	6 Front Street Hamilton, HM06, Bermuda

MARKET	SUB-CUSTODIAN	ADDRESS
<b>Federation of Bosnia and Herzegovina</b>	UniCredit Bank d.d.	Zelenih beretki 24 71 000 Sarajevo Federation of Bosnia and Herzegovina
<b>Botswana</b>	Standard Chartered Bank Botswana Limited	4th Floor, Standard Chartered House Queens Road The Mall Gaborone, Botswana
<b>Brazil</b>	Citibank, N.A.	AV Paulista 1111 Sao Paulo, SP 01311-920 Brazil
<b>Bulgaria</b>	Citibank Europe plc, Bulgaria Branch	Serdika Offices, 10th floor 48 Sitnyakovo Blvd. 1505 Sofia, Bulgaria
	UniCredit Bulbank AD	7 Sveta Nedelya Square 1000 Sofia, Bulgaria
<b>Burkina Faso</b>	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast	23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire
<b>Canada</b>	State Street Trust Company Canada	30 Adelaide Street East, Suite 800 Toronto, ON Canada M5C 3G6
<b>Chile</b>	Banco de Chile	Estado 260, Level 2 Santiago, Chile
<b>People's Republic of China</b>	HSBC Bank (China) Company Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	33rd Floor, HSBC Building, Shanghai IFC, 8 Century Avenue, Pudong, Shanghai, People's Republic of China (200120)
	China Construction Bank Corporation	No.1 Naoshikou Street Chang An Xing Rong Plaza Beijing 100032-33, People's Republic of China
<b>China Connect</b>	Standard Chartered Bank (Hong Kong) Limited	15th Floor Standard Chartered Tower, 388 Kwun Tong Road, Kwun Tong, Hong Kong
<b>Colombia</b>	Cititrust Colombia S.A. Sociedad Fiduciaria	Carrera 9A, No. 99-02, Bogotá DC, Colombia
<b>Costa Rica</b>	Banco BCT S.A.	160 Calle Central Edificio BCT San Jose, Costa Rica
<b>Croatia</b>	Privredna Banka Zagreb d.d.	Custody Department Radnioka cesta 50 10000 Zagreb, Croatia

MARKET	SUB-CUSTODIAN	ADDRESS
	Zagrebacka Banka d.d.	Sayska 60 10000 Zagreb, Croatia
<b>Cyprus</b>	BNP Paribas Securities Services, S.C.A., Greece (operating through its Athens branch)	2 Lampsakou Str. 115 28 Athens, Greece
<b>Czech Republic</b>	Československá obchodní banka, a.s.	Radlicka 333/150 150 57 Prague 5, Czech Republic
	UniCredit Bank Czech Republic and Slovakia, a.s.	BB Centrum — FILADELFIE Želetavská 1525/1 140 92 Praha 4 - Michle, Czech Republic
<b>Denmark</b>	Skandinaviska Enskilda Banken	Bernstorffsgade 50 1577 Copenhagen, Denmark
<b>Egypt</b>	Citibank, N.A.	Boomerang Building – Plot 48 – AlSalam Axis Street, First District – 5th Settlement, 11835 Cairo, Egypt
<b>Estonia</b>	AS SEB Pank	Tornimäe 2, 15010 Tallinn, Estonia
<b>Finland</b>	Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Helsinki branch)	Securities Services Box 630 SF-00101 Helsinki, Finland
<b>France</b>	BNP Paribas Securities Services, S.C.A.	Les Grands Moulins de Pantin 9, rue du Débarcadère 93500 Pantin, France
<b>Republic of Georgia</b>	JSC Bank of Georgia	29a Gagarini Str. Tbilisi 0160, Georgia
<b>Germany</b>	State Street Bank International GmbH	Brienner Strasse 59 80333 Munich, Germany
	Deutsche Bank AG	Alfred-Herrhausen-Allee 16-24 D-65760 Eschborn, Germany
<b>Ghana</b>	Standard Chartered Bank Ghana Plc	P. O. Box 768 1st Floor High Street Building Accra, Ghana
<b>Greece</b>	BNP Paribas Securities Services, S.C.A.	2 Lampsakou Str. 115 28 Athens, Greece
<b>Guinea-Bissau</b>	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast	23, Bld de la République

MARKET	SUB-CUSTODIAN	ADDRESS
		17 BP 1141 Abidjan 17 Côte d'Ivoire
<b>Hong Kong</b>	The Hongkong and Shanghai Banking Corporation Limited	Level 30, HSBC Main Building, 1 Queen's Road, Central, Hong Kong
<b>Hungary</b>	Citibank Europe plc Hungarian Branch	7 Szabadság tér, Bank Center, Budapest, H-1051 Hungary
	UniCredit Bank Hungary Zrt.	6th Floor, Szabadság tér 5-6, H-1054 Budapest, Hungary
<b>Iceland</b>	Landsbankinn hf.	Reykjastræti 6, 101 Reykjavik, Iceland
<b>India</b>	Deutsche Bank AG	Block B1, 4th Floor, Nirlon Knowledge Park  Off Western Express Highway Goregaon (E)  Mumbai 400 063, India
	Citibank, N.A.	FIFC, 11th FloorC-54/55, G Block,  Bandra Kurla Complex, Bandra (East),  Mumbai 400 098, India
	The Hongkong and Shanghai Banking Corporation Limited	11F, Building 3, NESCO - IT Park,  NESCO Complex,  Western Express Highway  Goregaon (East),  Mumbai 400 063, India
<b>Indonesia</b>	Deutsche Bank AG	Deutsche Bank Building, 5th floor Jalan Imam Bonjol, No. 80 Jakarta 10310, Indonesia
	Standard Chartered Bank	Menara Standard Chartered  5th floor  Jl. Prof. Dr. Satrio No. 164,  Jakarta 12930, Indonesia  LEI: RILFO74KP1CM8P6PCT96
<b>Israel</b>	Bank Hapoalim B.M.	50 Rothschild Boulevard Tel Aviv, Israel 61000
<b>Italy</b>	Intesa Sanpaolo, S.p.A.	Financial Institutions – Transactions Services,  Piazza della Scala, 6  20121 Milan, Italy

MARKET	SUB-CUSTODIAN	ADDRESS
<b>Ivory Coast</b>	Standard Chartered Bank Côte d'Ivoire S.A.	23, Bld de la Republique 17 BP 1141 Abidjan 17 Côte d'Ivoire
<b>Japan</b>	Mizuho Bank, Limited	Shinagawa Intercity Tower A 2-15-1, Konan, Minato-ku Tokyo 108-6009, Japan
	The Hongkong and Shanghai Banking Corporation Limited	HSBC Building 11-1 Nihonbashi 3-chome, Chuo-ku Tokyo 1030027, Japan
<b>Jordan</b>	Standard Chartered Bank	Dubai International Financial Center Branch P.O. Box 999 Dubai, United Arab Emirates
<b>Kazakhstan</b>	JSC Citibank Kazakhstan	Park Palace, Building A, 41 Kazibek Bi street, Almaty A25T0A1, Kazakhstan
<b>Kenya</b>	Standard Chartered Bank Kenya Limited	Custody Services Standard Chartered @ Chiromo, Level 5 48 Westlands Road P.O. Box 40984 — 00100 GPO Nairobi, Kenya
<b>Republic of Korea</b>	Deutsche Bank AG	12F, Centropolis Tower A, 26, Ujeongguk-ro, Jongno-gu, 03161 Seoul, Korea
	The Hongkong and Shanghai Banking Corporation Limited	8F HSBC Building #37 Chilpae-ro Jung-gu, Seoul 04511, Korea
<b>Kuwait</b>	First Abu Dhabi Bank	Securities Services Department Al Bahar Tower, Ahmad Al Jaber Street Sharq, Kuwait City, Kuwait
<b>Latvia</b>	AS SEB Banka	Unicentrs, Valdlauči LV-1076 Kekavas pag., Rigas raj., Latvia



MARKET	SUB-CUSTODIAN	ADDRESS
<b>Lithuania</b>	AB SEB Bankas	Konstitucijos Ave. 24 LT 08105 Vilnius, Lithuania
<b>Malawi</b>	Standard Bank PLC	Kaomba Centre Cnr. Victoria Avenue & Sir Glyn Jones Road Blantyre, Malawi
<b>Malaysia</b>	Standard Chartered Bank Malaysia Berhad	Menara Standard Chartered 30 Jalan Sultan Ismail 50250 Kuala Lumpur, Malaysia
<b>Mali</b>	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast	23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire
<b>Mauritius</b>	The Hongkong and Shanghai Banking Corporation Limited	6 <sup>th</sup> Floor, HSBC Centre 18 CyberCity Ebene, Mauritius
<b>Mexico</b>	Banco Nacional de México, S.A.	3er piso, Torre Norte Act. Roberto Medellin No. 800 Col. Santa Fe Mexico, DF 01219
<b>Morocco</b>	Citibank Maghreb S.A.	Zénith Millénium Immeuble1 Sidi Maârouf – B.P. 40 Casablanca 20190, Morocco
<b>Namibia</b>	Standard Bank Namibia Limited	Standard Bank Center Chasie Street Hill Top Kleine Kuppe, Namibia
<b>Netherlands</b>	BNP Paribas Securities Services, S.C.A. (operating through its Paris branch with support from its Amsterdam branch)	9, rue du Débarcadère 93500 Pantin, France
<b>New Zealand</b>	The Hongkong and Shanghai Banking Corporation Limited	Level 21, HSBC Tower 188 Quay St. Auckland 1010, New Zealand
<b>Niger</b>	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast	23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire
<b>Nigeria</b>	Stanbic IBTC Bank Plc.	Plot 1712 Idejo St Victoria Island, Lagos 101007, Nigeria

<b>MARKET</b>	<b>SUB-CUSTODIAN</b>	<b>ADDRESS</b>
<b>Norway</b>	Skandinaviska Enskilda Banken AB Securities Services	P.O. Box 1843 Vika Filipstad Brygge 1 N-0123 Oslo, Norway
<b>Oman</b>	First Abu Dhabi Bank P.J.S.C.	Ruwi, CBD area, P. O. Box. 303, Muscat, P. C. 100 Sultanate of Oman
<b>Pakistan</b>	Deutsche Bank AG Karachi Branch	Office 15A, 15th Floor, Sky Tower- West Wing Dolmen City Block 4, Marine Drive, Clifton Karachi – 75530, Pakistan
	Citibank, N.A.	15th Floor, The Harbour Front Dolmen City Block 4, Scheme 5 Clifton Karachi - 75500, Pakistan
<b>Panama</b>	Citibank, N.A.	Boulevard Punta Pacifica Torre de las Americas Apartado Panama City, Panama 0834-00555
<b>Peru</b>	Citibank del Perú, S.A.	Canaval y Moreyra 480 3rd Floor, San Isidro Lima 27, Peru
<b>Philippines</b>	Standard Chartered Bank, Philippines Branch	20th Floor, Ayala Triangle Gardens Tower Two (ATG T2) Paseo de Roxas corner Makati Avenue, Makati City, Philippines
<b>Poland</b>	Bank Handlowy w Warszawie S.A.	ul. Senatorska 16 00-293 Warsaw, Poland
<b>Portugal</b>	Citibank Europe plc, Dublin, Ireland	1 North Wall Quay Dublin 1, Ireland
<b>Qatar</b>	HSBC Bank Middle East Limited	2 FI Ali Bin Ali Tower

MARKET	SUB-CUSTODIAN	ADDRESS
		Building no.: 150 Airport Road Doha, Qatar
<b>Romania</b>	Citibank Europe plc, Dublin – Romania Branch	82-94 Buzești Street Țiriac Tower Building 1st Floor, Bucharest Sector 1, Romania
<b>Russia</b>	AO Citibank	8-10 Gasheka Street, Building 1 125047 Moscow, Russia
<b>Saudi Arabia</b>	HSBC Saudi Arabia	7267 Olaya - Al Murooj Riyadh 12283-2255 Kingdom of Saudi Arabia
	FAB Capital	CAYAN Tower 3rd Floor ALMALQA, King Fahad Road Riyadh, Saudi Arabia
<b>Senegal</b>	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast	23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire
<b>Serbia</b>	UniCredit Bank Serbia JSC	Juriša Gagarina 12 11070 Belgrade, Serbia
<b>Singapore</b>	Citibank N.A.	3 Changi Business Park Crescent #07-00, Singapore 486026
<b>Slovak Republic</b>	UniCredit Bank Czech Republic and Slovakia, a.s.	Šancová 1/A 813 33 Bratislava, Slovak Republic
<b>Slovenia</b>	UniCredit Banka Slovenija d.d.	Ameriška ulica 2 SI-1000 Ljubljana, Slovenia
<b>South Africa</b>	FirstRand Bank Limited	Mezzanine Floor 3 First Place Bank City Corner Simmonds & Jeppe Sts. Johannesburg 2001 Republic of South Africa
	Standard Chartered Bank	115 West Street, 2nd Floor Sandton, Johannesburg 2196 Republic of South Africa

<b>MARKET</b>	<b>SUB-CUSTODIAN</b>	<b>ADDRESS</b>
<b>Spain</b>	Citibank Europe plc, Dublin, Ireland	1 North Wall Quay Dublin 1, Ireland
<b>Sri Lanka</b>	The Hongkong and Shanghai Banking Corporation Limited	24, Sir Baron Jayatilake Mawatha Colombo 01, Sri Lanka
<b>Republic of Srpska</b>	UniCredit Bank d.d.	Zelenih beretki 24 71 000 Sarajevo Federation of Bosnia and Herzegovina
<b>Sweden</b>	Skandinaviska Enskilda Banken AB (publ)	A S12 SE-106 40 Stockholm, Sweden
<b>Switzerland</b>	UBS Switzerland AG	Max-Hogger-Strasse 80-82 CH-8048 Zurich-Alstetten, Switzerland
<b>Taiwan – R.O.C.</b>	Standard Chartered Bank (Taiwan) Limited	MF, No.179 Liaoning St. Zhongshan District, Taipei 10487, Taiwan, Republic of China
<b>Tanzania</b>	Standard Chartered Bank (Tanzania) Limited	1 Floor, International House Corner Shaaban Robert St. and Garden Ave. PO Box 9011 Dar es Salaam, Tanzania
<b>Thailand</b>	Standard Chartered Bank (Thai) Public Company Limited	140 Wireless Building 140 Wireless Road Lumpini, Patumwan Bangkok 10330, Thailand
<b>Togo</b>	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast	23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire
<b>Transnational Depositories</b>	Euroclear Bank S.A./N.V.	1 Boulevard du Roi Albert II B-1210 Brussels, Belgium

MARKET	SUB-CUSTODIAN	ADDRESS
	Clearstream Banking, S.A.	42 Avenue J.F. Kennedy L-1855 Luxembourg
<b>Tunisia</b>	Union Internationale de Banques	65 Avenue Bourguiba 1000 Tunis, Tunisia
<b>Turkey</b>	Citibank, A.Ş.	Tekfen Tower Eski Büyükdere Caddesi 209 Kat 3 Levent 34394 Istanbul, Turkey
<b>Uganda</b>	Standard Chartered Bank Uganda Limited	5 Speke Road P.O. Box 7111 Kampala, Uganda
<b>Ukraine</b>	JSC Citibank	16-g Diloa St. Kyiv 03150, Ukraine
<b>United Arab Emirates  Dubai Financial Market</b>	First Abu Dhabi Bank P.J.S.C.	FAB Building Khalifa Business Park, 1 - Al Qurm District, P.O. Box 6316 Abu Dhabi, United Arab Emirates
<b>United Arab Emirates  Dubai International Financial Center</b>	First Abu Dhabi Bank P.J.S.C.	FAB Building Khalifa Business Park, 1 - Al Qurm District, P.O. Box 6316 Abu Dhabi, United Arab Emirates
<b>United Arab Emirates  Abu Dhabi</b>	First Abu Dhabi Bank P.J.S.C.	FAB Building Khalifa Business Park, 1 - Al Qurm District, P.O. Box 6316 Abu Dhabi, United Arab Emirates
<b>United Kingdom</b>	State Street Bank and Trust Company, Edinburgh	Quartermile 3 10 Nightingale Way Edinburgh EH3 9EG, Scotland

MARKET	SUB-CUSTODIAN	ADDRESS
United States	DTCC	Newport Office Center 570 Washington Blvd Jersey City, NJ 07310 Attn: 5th floor/NY Window/Robert Mendez
Uruguay	Banco Itaú Uruguay S.A.	Zabala 1463 11000 Montevideo, Uruguay
Vietnam	The Hongkong and Shanghai Banking Corporation Limited	Floor 2, The Metropolitan, 235 Dong Khoi, District 1, Ho Chi Minh City, Vietnam
Zambia	Standard Chartered Bank Zambia Plc.	Standard Chartered House Stand No. 4642 corner of Mwaimwena Road and Addis Ababa Drive, 4th floor 10101, Lusaka, Zambia
Zimbabwe	Stanbic Bank Zimbabwe Limited (as delegate of Standard Bank of South Africa Limited)	3rd Floor Stanbic Centre 59 Samora Machel Avenue Harare, Zimbabwe

## **Royal London Asset Management Funds plc (the “Company”) Information for Investors in Switzerland**

**This information document forms part of, and should be read in conjunction with, the prospectus of the Company dated 25 March 2024.**

**Date: 26 March 2024**

### **1. Representative in Switzerland**

The representative is Acolin Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich.

### **2. Paying agent in Switzerland**

The Paying Agent is Banque Cantonale Vaudoise, Place St-François 14, CH-1003 Lausanne.

### **3. Location where the relevant documents may be obtained**

The prospectus, the key investor documents (KIDs) and the memorandum and articles of association of the Company, as well as the annual and semi-annual reports of the Company, may be obtained free of charge from the Swiss Representative.

### **4. Publications**

Publications concerning the Company are made in Switzerland on [www.fundinfo.com](http://www.fundinfo.com). Each time shares are issued or redeemed, the issue and the redemption prices or the net asset value together with a reference stating “excluding commissions” must be published for all share classes on [www.fundinfo.com](http://www.fundinfo.com). Prices must be published daily.

### **5. Payment of retrocessions and rebates**

The Company and its agents may pay retrocessions to compensate the distribution activity of fund units in Switzerland. This compensation may be used to cover the following services in particular:

- setting up processes for subscribing, holding and safe custody of the shares;
- establishing a broad distribution of shares to bona fide investors;
- subscribing for shares as a "nominee" for several clients;
- forwarding or providing access to marketing documents, legally required documents and other publications of the Company;
- responding to questions or forwarding these questions to the representative in Switzerland for answering;
- assisting prospective investors in subscribing for the shares;
- keeping documentary records according to the Federal Act on Collective Investment Schemes (“CISA”) appointing and monitoring additional distributors;
- performing due diligence in areas such as money laundering, ascertaining client needs and distribution restrictions;

- working together with the investment manager to prevent orders that serve the purposes of market timing;
- operating and maintaining an electronic distribution and/or information platform;
- central relationship management and centralized contract management;
- training client advisors in collective investment schemes/investment funds; and
- drawing up research material.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

The disclosure of the receipt of retrocessions is governed by the relevant provisions of the FinSA.

The Company and its agents may pay rebates directly to investors upon request in distribution in Switzerland. Rebates serve to reduce the fees or costs attributable to the investors concerned.

Discounts are permitted provided that:

- they are paid from fees received by the Company's agents and therefore do not represent an additional charge on the fund assets;
- they are granted on the basis of objective criteria; and
- all investors who meet these objective criteria and demand rebates are also granted these within the same timeframe and to the same extent.

The objective criteria for the granting of rebates by the Company and its agents are as follows:

- the volume subscribed by the investor or the total volume they hold in the Company or, where applicable, in the product range of the promoter;
- the amount of the fees generated by the investor;
- the investment behavior shown by the investor (e.g. expected investment period); and
- the investor's willingness to provide support in the launch phase of a collective investment scheme.

At the request of the investor, the Company or its agents shall disclose the corresponding amounts of the rebates free of charge.

## **6. Place of performance and jurisdiction**

For shares offered in Switzerland, the place of performance is at the registered office of the representative. The place of jurisdiction shall be at the registered office of the representative or at the registered office or domicile of the investor.



The Directors of the Company accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information. The Directors accept responsibility accordingly.

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## **ROYAL LONDON GLOBAL HIGH YIELD BOND FUND**

**(A sub-fund of Royal London Asset Management Funds plc which is an investment company (with segregated liability between sub-funds) with variable capital constituted as an umbrella fund under the laws of Ireland and authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011) (as amended)**

**DATE: 25 March 2024**

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**This Supplement forms part of, and should be read in the context of and together with, the prospectus dated 25 March 2024 (the “Prospectus”) in relation to Royal London Asset Management Funds plc (the “Company”) and contains information relating to the Royal London Global High Yield Bond Fund (the “Fund”) which is a separate portfolio of the Company. The other portfolios established by the Company are the Royal London Sterling Extra Yield Bond Fund, the Royal London Global Sustainable Credit Fund, the Royal London Short Duration Global High Yield Bond Fund, the Royal London Absolute Return Government Bond Fund, the Royal London Global Bond Opportunities Fund, the Royal London Sterling Liquidity Money Market Fund the Royal London Global Equity Diversified Fund (IRL), the Royal London Global Sustainable Equity Fund (IRL), the Royal London European Sustainable Credit Fund, the Royal London Multi Asset Balanced Fund (IRL), the Royal London Multi Asset Growth Fund (IRL), the Royal London Multi Asset Defensive Fund (IRL), the Royal London Multi Asset Adventurous Fund (IRL), the Royal London Global Equity Select Fund (IRL), the Royal London Global Equity Enhanced Fund, the Royal London Global Equity Transitions Fund, the Royal London Emerging Markets Corporate Bond Fund, the Royal London Short Duration Emerging Markets Corporate Bond Fund and the Royal London US Equity Fund, information in respect of which is to be found in the Relevant Supplements.**

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## DEFINITIONS

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein.

<b>“Base Currency”</b>	For the purposes of this Supplement, the base currency shall be Sterling;
<b>“Business Day”</b>	a day on which banks are open in London or such other day or days as may be determined by the Company and agreed with the Administrator, provided there shall be at least two Business Days in each calendar month;
<b>“Dealing Day”</b>	shall mean each Business Day except for any day on which an underlying market or markets on which at least 15% of the Fund's assets are exposed or traded are closed, for example for public holidays, or such other day or days as may be determined by the Company and notified in advance to the Shareholders provided that, there shall be at least two dealing days in each calendar month. In circumstances where the threshold for closed underlying markets has been met or exceeded, dealing in the Fund's Shares will take place on the next Business Day on which such underlying market or markets are open. A list of the closed market days in respect of the Fund is available on the Investment Manager's website at <a href="http://www.rlam.com">www.rlam.com</a> ;
<b>“Dealing Deadline”</b>	5.00 p.m. Irish time on each Dealing Day or such other day or time as may be determined by the Company and notified to the Shareholders;
<b>“Valuation Point”</b>	means the close of business in the relevant market on each Dealing Day, being the time at which the last traded price is made available on the relevant stock exchanges or markets used for the purpose of the valuation of assets and liabilities of the Fund (or such other time as the Directors may in their discretion determine and notify to Shareholders). For the avoidance of doubt, the Valuation Point for a particular Dealing Day shall not be before the Dealing Deadline relevant to such Dealing Day.

## INVESTMENT OBJECTIVES AND POLICIES

The Fund invests primarily in transferable securities listed or traded on Recognised Markets in accordance with the restrictions listed in the “Investment Restrictions” section of the Prospectus and below. In addition, the Fund may employ for the purpose of efficient portfolio management, the investment techniques and instruments described in the “Fund Investment Techniques” and “Investment Risks” sections of the Prospectus.

This Prospectus has been prepared solely for, and is being made available to investors for the purposes of evaluating an investment in Shares in the Fund. Investors should only consider investing in the Fund if they understand the risks involved, including the risk of losing all capital invested.

### Investment Objective and Policies

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The investment objective of the Fund is to provide a combination of investment growth and income, the Fund will seek to achieve its objective on an active basis.

The Fund seeks to achieve its investment objective by outperforming its benchmark, the ICE BoA BB-B Global Non-Financial High Yield Constrained Index (the “**Benchmark**”) by 1% per annum over rolling three year periods.

The Benchmark contains all the securities, which constitute bonds, in the BoAML Global High Yield Index of non-financial issuers rated BB1 to B3 inclusive. Further information in respect of the Benchmark is available on request from the Distributor. Investors should note that the Benchmark is being used by the Fund for performance comparison purposes only and the Fund does not intend to track the Benchmark. While the Fund may invest in investments which are constituents of the Benchmark, the Fund will be actively managed and its portfolio will not be constrained by reference to any index, and the Investment Manager may use its discretion to invest in instruments which are not included in the Benchmark.

The Fund will predominantly invest in fixed and floating rate sub-investment grade debt securities which will primarily include corporate bonds which are listed or dealt on the Recognised Markets as set out in the Prospectus, across the high yield credit spectrum.

The Fund will also invest a small portion in fixed and floating rate investment grade securities, which will primarily include bonds. The Fund will also invest in fixed and floating rate investment grade and sub-investment grade government bonds which are listed or dealt on the Recognised Markets as set out in the Prospectus.

The Fund may also invest in investment grade and non-investment grade fixed-income or floating rate securities that include zero coupon bonds, deferred interest bonds and bonds on which the interest is payable in the form of additional bonds of the same kind.

The fixed and floating rate debt securities in which the Fund will invest will include all types of debt obligations including bonds, convertible bonds and other similarly structured products such as hybrid or preferred securities as detailed below in this paragraph. The Fund will also invest in private placements which are consistent with its objective, payment in kind bonds (which are bonds on which the interest is payable in the form of additional bonds of the same kind), credit-linked notes, medium-term notes, preferred securities, asset backed securities and hybrid securities. An asset backed security is a financial security that is backed by assets which may include securitised loan assignments or securitised loan participations which are listed or dealt on the Recognised Markets (which qualify as transferable securities or money market instruments in accordance with the requirements of the Central Bank and are contractual relationships between an investor and a lender (the investor is not and has no contractual relationship with the borrower) whereby the investor has the right to receive payments in principal, interest and any fees to which it is entitled only from the lender selling the participation), leases, credit card debt, a company's receivables and royalties. A hybrid or preferred security is a security which has

the characteristics of a bond in terms of a fixed maturity date but where the coupon payments can be deferred at the issuer's discretion. The Fund may invest in warrants and may also receive warrants as a result of corporate actions. No more than 10% of the Net Asset Value of the Fund will be held in warrants.

No more than 30% of the Net Asset Value of the Fund will be invested in emerging markets.

The Fund may invest in collective investment schemes ("CIS") which will be regulated and may be leveraged or unleveraged. Such CIS will be domiciled in the EU. The Fund may invest in such CIS for the purposes of achieving its investment objective and policy.

For efficient portfolio management as well as to increase liquidity to meet large redemptions and to rapidly invest subscriptions, the Fund may also from time to time, use exchange traded funds ("ETFs") which are consistent with its objective. Investment in any one ETF or other collective investment scheme will not exceed 10% of the Net Asset Value of the Fund. In addition, the aggregate investment in ETFs and other collective investment schemes will not exceed 10% of the Fund's Net Asset Value. ETFs are investment companies whose shares are bought and sold on a securities exchange. ETFs invest in a portfolio of securities designed to track a particular market segment or index. The ETFs will be listed or dealt on the Recognised Markets as set out in the Prospectus. While the ETFs will predominately represent investments that are similar to the Fund's other investments detailed in the preceding paragraphs, the Fund may also (for the purposes of efficient portfolio management) invest in ETFs which are invested in equity securities. The ETFs will operate on the principle of risk spreading and will not be leveraged. Long ETFs may be used to hedge liquidity risk while short ETFs may be used to hedge both liquidity and credit risk.

Pending investment of subscription proceeds or where market or other factors so warrant, the Fund may, subject to the investment restrictions set out in the Prospectus, hold cash and/or ancillary liquid assets such as money market instruments (including, without limitation, certificates of deposit, commercial paper and bankers' acceptances) and cash deposits.

The Fund will be managed using the Investment Manager's disciplined credit investment process focusing on security selection combined with top-down macroeconomic analysis. The Investment Manager's value-orientated approach seeks to exploit the inefficiencies within credit markets, especially within higher yielding bonds further down the credit spectrum. At the macro level, the Investment Manager's analysis starts with a quarterly economic review which covers all major economic regions and focuses upon key variables such as growth rates and inflation. This strategy is also used to formulate the Investment Manager's outlook scenarios, including long-term yield and interest rate forecasts which helps to shape its investment strategy. The Investment Manager also undertakes internal research on companies, which is supplemented by research from rating agencies and brokers. The Investment Manager's internal rating methodology looks not only at the probability of default (where credit ratings agencies place their focus) but also the protection offered to its clients (covenants and security), and it also considers ESGC (Environmental, Social, Governance and Climate) factors as part of the credit review (as further described under "Responsible Investment" below). As part of the Investment Manager's rigorous internal search process, a number of company visits will be undertaken to help it assess the quality of companies within the Fund's portfolio. Overall, the Investment Manager aims to construct a diversified portfolio that will deliver consistent alpha from multiple sources.

**Investors should note that there can be no guarantee that the Fund will achieve its investment objective. Where preliminary sales charges are imposed, the difference between the cost of purchase of Shares and their redemption price may mean that an investment should be viewed as medium to long term.**

**Investors should note that the Fund may use currency forward contracts as detailed below and in "Share Currency Designation Risk" in the "Investment Risks" section of the Prospectus to hedge currency exposure arising from the Fund's investments in assets denominated in currencies other than the Base Currency and to hedge currency exposure arising in respect of non-Base Currency Share classes. The Fund will not be leveraged. The global exposure of the Fund will be calculated through the use of the commitment approach. With respect to the use of currency forward contracts for the purpose of hedging, a risk management process which enables the Company to accurately measure, monitor and manage the various risks associated**

**with financial derivative instruments has been submitted to the Central Bank in accordance with the Central Bank's Guidance "UCITS Financial Derivative Instruments and Efficient Portfolio Management".**

### **Efficient Portfolio Management**

The Fund may employ for the purpose of efficient portfolio management, the investment techniques and instruments described under "Fund Investment Techniques" and "Investment Risks" in the Prospectus.

In particular, interest rate swaps may be used to manage duration of the Fund's portfolio. Credit default swaps may be used to hedge the credit risk of a position within the Fund i.e. to hedge against the potential default of a single reference entity which the Fund holds. Index credit default swaps may be used to hedge against credit market risk.

It is intended that the Fund shall only employ techniques and instruments for efficient portfolio management purposes to the extent that such techniques and instruments are consistent with the Fund's investment policies. Any financial derivative instruments not included in the risk management process statement of the Company will not be utilised until such time as a revised submission has been cleared by the Central Bank.

The Fund will not have any exposure to total return swaps, repurchase agreements or stock-lending transactions.

The Fund intends to attempt to hedge out the currency risk of the non-Base Currency Shares by hedging them back to the Base Currency by using any of the efficient portfolio management techniques and instruments set out in the Prospectus within the conditions and limits imposed by the Central Bank. In terms of use of derivative instruments for these purposes, the Fund shall only use currency forward contracts. Save as specified in this paragraph, a class of Shares may not be leveraged as a result of the use of such techniques and instruments. Such hedging shall be limited to the extent of the relevant class of Share's currency exposure. Investors in such classes of hedged shares will bear any currency risk associated with fluctuations between the non-Base Currency Classes and the Base Currency to the extent that share class hedging fails to eliminate such risk. Please refer to "Share Currency Designation Risk" in the Prospectus. All Share classes of the Fund which are designated other than in the Base Currency will be hedged against the Base Currency, unless this policy is changed by notice to Shareholders.

**While the costs of hedging for the benefit of hedged classes of the Fund are solely allocated to the relevant Share class, a currency conversion will take place on subscriptions, redemptions and exchanges at prevailing exchange rates and the costs of the conversion will generally be borne by the Fund as a whole. However, the Directors hold the right, in their absolute discretion, in appropriate circumstances to require the relevant applicant or Shareholder to bear the cost of the conversion.**

Investors should note that there is no guarantee that the Fund will achieve its investment objective.

### **Responsible Investment**

ESG Risks are integrated into investment decisions made in relation to the Fund and the opportunities available to the Fund are in line with the ESG Characteristics Policy and the RI Policy as detailed in the "RESPONSIBLE INVESTMENT" section of the Prospectus and as described above. As the Fund is broadly diversified and investments are selected from a large universe of securities, including a variety of issuers across sectors, it is not anticipated that ESG Risk will materially drive a negative financial impact on the value of the Fund or its returns. Further details on the likely impact on returns and the risks associated with responsible investment techniques utilised by the Investment Manager are also explained in the "RESPONSIBLE INVESTMENT" and "INVESTMENT RISKS" sections of the Prospectus. The Benchmark is not used by the Fund as a reference benchmark to assist in the promotion of environmental and social characteristics and is solely used to measure the performance of the Fund.

The Fund does not commit to any minimum level of alignment with the EU criteria for environmentally sustainable economic activities under the EU Taxonomy Regulation in its underlying investments; as such, 0% of the Net Asset Value of the Fund shall be invested in such investments.

The “do no significant harm” principle applies only to those investments underlying the Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

The Fund adopts a multi-layered approach to ESG analysis, as follows:

**Philosophy:** The Investment Manager's aim is to reduce the likelihood of credit losses by active credit selection and to create positive ESG externalities (ie, indirect ESG related benefits which may potentially arise if low scoring companies improve their ESGC scores). The Investment Manager's approach is to score ESGC factors on every issuer the Fund invests in or proposes to invest in and resize (or exclude depending on severity) those where the credit worthiness is impacted. Where credit worthiness is materially impacted, the Fund will exclude or disinvest from the relevant credit instrument. Where credit worthiness is not materially impacted, the Investment Manager will engage with low scoring companies to try to improve their ESGC scoring. If there is no significant improvement over a period of time, then these will be disinvested.

**Process:** The Investment Manager's framework utilises the E, S, G and C factors (Climate being scored separately from Environment) agreed in collaboration with the Investment Manager's Responsible Investing ("RI") team. The Investment Manager looks at each credit instrument in detail and applies factors to score each credit instrument across E, S, G and C metrics based on a 1 – 10 rating scale. A "low score" is where the score is in the bottom quartile of MSCI ESG scores. MSCI ESG scores aim to measure a company's management of ESG risks and opportunities taking into account the most material risks per industry/sector, using a similar scoring range as the Investment Manager's ESGC scoring methodology. MSCI is a leading provider of research, data and technology for the global investment community.

**Exclusions:** The Investment Manager will exclude credit instruments with direct exposure to controversial weapons and direct material exposure (>10% of revenue) to the following sectors: tobacco and thermal coal producers.

The Investment Manager then scores the credit instruments for the below E, S, G and C factors.

**Governance** includes G factors under a range of pillars as follows: board (ownership and related party transactions), pay, audit, stakeholders (country of majority of operation and regulated activity) and controversies.

**Social** includes S factors under a range of pillars as follows: the policies, operations, product or services and governance (as applicable) of employees, customers, communities and controversies.

**Environment** (ex Climate) includes E factors under a range of pillars as follows: the consumption and impact of toxic emissions, energy, water, waste and environmental controversies.

**Climate** includes C factors under a range of pillars as follows: exposure (carbon emissions), ability (transition targets), willingness (recent relative change in emissions) and climate controversies.

This analysis of the above factors results in E, S, G and C scores for each credit instrument. This scoring is integrated into the Investment Manager's credit decision making, as set out below. G is dealt with separately to E, S and C.

Governance is assumed to be material to credit worthiness. As a result, G scores (calculated using the above G factors) are used to size positions, with a negative risk decision impacting internal credit ratings, and with internal ratings impacting the sizing of positions. Anything below a baseline governance level is automatically excluded. Baseline governance is an assessment of the minimum level of governance that the Investment Manager would expect to see. In addition to the impact on credit worthiness, in the Investment Manager's experience, companies with poor governance standards have a higher likelihood

of having poor E, S and C metrics. Low G scoring credit instruments above the baseline threshold will be engaged with, along with the engagement process for E, S and C factors described below.

E, S and C factors are used to calculate scores for each credit instrument. Low E, S and C scores will lead to a secondary assessment. This involves analysing if the low E, S and C scores impact the credit profile of the company.

Where there is no material impact on the credit worthiness as a result of the secondary assessment, then a low score will lead to an engagement process with the relevant issuer where the Investment Manager believes there is the potential for the issuer to improve its policies. The Investment Manager evaluates whether there is such scope to engage by researching and assessing different sources of data, where available, including but not limited to, an issuer's/company's annual reports, sustainability reports, existing ESGC policies and communicating with management to discuss such ESGC policies/plans and how these are expected to evolve. Engagement with the credit issuer is periodic, including periodic re-evaluations of the business and its policies along with mitigation steps taken by the issuer over time. If there is no 'significant improvement' of the score then the position sizing will be re-evaluated, with potential for full disinvestment.

If the E, S, G and C score is thought by the Investment Manager to impact credit worthiness materially, then the Fund will not invest in the relevant credit instrument or will consider smaller sizing depending on severity of impact, or where already invested, then the internal credit rating of the relevant issuer will be adjusted accordingly and the position will re-sized, reduced or exited entirely depending on the specific circumstances.

Please refer to Appendix 1 of this Supplement for further information in respect of the Fund's promotion of ESG characteristics.

## **PROFILE OF A TYPICAL INVESTOR**

The Fund is suitable for both retail and institutional investors who are seeking a combination of investment growth and income. This typically means a minimum time horizon of 3 to 5 years but this could vary depending upon individual risk profiles.

## **INVESTMENT RESTRICTIONS**

The assets of the Fund will be invested in accordance with the concentration limits and other restrictions imposed under the UCITS Regulations and summarised in the "Investment Restrictions" section of the Prospectus.

In addition to the restrictions set out under "Investment Restrictions" in the Prospectus, the Company may from time to time impose such further investment restrictions as shall be compatible with or in the interest of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders of the Fund are located.

## **INVESTMENT RISKS**

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the "Investment Risks" section of the Prospectus and in particular the specific risk factors listed below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making an application for Shares. There is no guarantee that the Fund will achieve its investment objective.

Change in Economic Climate

Credit Risk

Diversification Risk

Fund Currency Risk



Investment Grade Securities and Instruments

Investor Currency Risk

Loan Participations

Market Risk

Portfolio Risk

Risks Associated with Forward Currency Contracts

Risks of Emerging Markets Investing

Risks of Investing in Sub-Investment Grade Corporate Debt Instruments

Settlement Mechanisms / Custodial Risk

Share Currency Designation Risk

Sub-Investment Grade Securities

Unrated Securities and Instruments

## **APPLICATION FOR SHARES**

Unlaunched Shares in the Fund will initially be available for subscription from 9.00 a.m. (Irish time) on 26 March 2024 up to 5.00 p.m. (Irish time) on 25 September 2024 (or such earlier or later Business Day as the Directors determine and notify to the Central Bank). The initial offer price per Share for each unlaunched Share Class will be in its respective Class Currency: AUD1, CAD1, CHF1, DKK1, EUR1, GBP1, NOK1, SEK1, SGD1 or USD1.

Shares in any launched Class will be available on each Dealing Day at the Net Asset Value per Share.

Shares will be issued at the next determined Net Asset Value per Share after receipt and acceptance by the Administrator of an application form ("Application Form"). In the case of a new investor, the Administrator must receive the original Application Form within five Business Days.

Investors must complete an Application Form. Application Forms must be received by the Administrator by the Dealing Deadline, or such other time as the Management Company in consultation with the Company may from time to time determine in exceptional circumstances and prior to the Valuation Point on any Dealing Day, in order to be issued as of the next Net Asset Value per Share. Telephone instructions may be accepted with the prior agreement of the Administrator pending receipt of the Application Form and election to avail of this facility by the investor. A faxed Application Form will be accepted, with the original Application Form to follow. The Company will deny a subsequent request to redeem shares if the relevant investor fails to submit an original executed Application Form. The Company may, in its absolute discretion, refuse to accept any application for Shares. Application monies must be received by the Administrator on the relevant Dealing Day or such other time as the Management Company in consultation with the Company may determine and in any event within three Business Days. Pending the receipt of application monies, the Fund may, subject to the borrowing restrictions set out under the heading "Borrowing Policy" in the Prospectus, temporarily borrow an amount equal to the application monies and invest such monies in accordance with the investment objective and policies of the Fund. Once the monies are received, the Fund will use such monies to repay the relevant borrowings and reserves the right to charge that investor interest on such outstanding application monies at normal commercial rates. In addition, the Company reserves the right to cancel provisional allotment of the relevant Shares where application monies are not received by the Administrator within three Business Days. Requests for investments received after the Valuation Point on any Dealing Day will be treated as being received on the next Dealing Day. The Company reserves

the right to compulsorily redeem the Shares where the original Application Form used on initial subscription or documentation relating to the applicants has not been received within five Business Days. In such circumstances, the Company, the Management Company and Administrator may require to be reimbursed for expenses incurred.

Applications for Shares received during any period when the Share dealings have been temporarily suspended in the circumstances described in the “Temporary Suspension of Dealings” section of the Prospectus will be treated as received on the Dealing Day on which dealings recommence, unless such request has been withdrawn during the period of suspension.

### Share Class Information

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
A	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
M	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000	2,000	200,000
			CAD	200,000	2,000	200,000
			CHF	100,000	1,000	100,000
			DKK	1,000,000	10,000	1,000,000
			EUR	100,000	1,000	100,000
			GBP	100,000	1,000	100,000
			NOK	1,000,000	10,000	1,000,000
			SEK	1,000,000	10,000	1,000,000
			SGD	200,000	2,000	200,000
			USD	100,000	1,000	100,000
R	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
		Currency, where only unhedged Shares are available	GBP			
			NOK			
			SEK			
			SGD			
			USD			
S	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
V	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000,000	20,000,000	200,000,000
			CAD	200,000,000	20,000,000	200,000,000
			CHF	100,000,000	10,000,000	100,000,000
			DKK	1,000,000,000	100,000,000	1,000,000,000
			EUR	100,000,000	10,000,000	100,000,000
			GBP	100,000,000	10,000,000	100,000,000
			NOK	1,000,000,000	100,000,000	1,000,000,000
			SEK	1,000,000,000	100,000,000	1,000,000,000
			SGD	200,000,000	20,000,000	200,000,000
			USD	100,000,000	10,000,000	100,000,000
W	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
			USD	1,000	100	1,000
Z	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	6,000,000	100,000	6,000,000
			CAD	6,000,000	100,000	6,000,000
			CHF	3,000,000	50,000	3,000,000
			DKK	30,000,000	500,000	30,000,000
			EUR	3,000,000	50,000	3,000,000
			GBP	3,000,000	50,000	3,000,000
			NOK	30,000,000	500,000	30,000,000
			SEK	30,000,000	500,000	30,000,000
			SGD	6,000,000	100,000	6,000,000
			USD	3,000,000	50,000	3,000,000

Whilst shares are available in the categories as listed in the above table, confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator. Other currencies may be made available as determined by the Directors, in which case this Supplement will be updated.

The Directors may for each relevant Class waive such minimum amounts in their absolute discretion. The Company may compulsorily redeem holdings in any Class of Shares if such holding is below the minimum holding as set out in the above table for a period of three months or more.

Application proceeds must be paid in the currency in which the relevant Class is denominated or by transfer of assets in accordance with the provisions specified in the Prospectus. Application for Shares by new investors should be made on the Application Form and sent in original form or by facsimile to the number indicated on the Application Form (with the original copy sent by post immediately thereafter) to the Administrator.

Telephone calls may be recorded by the Company's delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes.

**Class A Shares** are available to all investors. Retail investors wishing to purchase Class A Shares should do so via their financial intermediary.

**Class M Shares** are available for investment by platforms and institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners.

**Class R Shares** are available only to affiliates of the Investment Manager.

**Class S Shares** are available only to institutional investors who have entered into a separate fee arrangement with the Investment Manager or the Distributor.

**Class V Shares** are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.

**Class W Shares** are available to all investors. Retail investors wishing to purchase Class W Shares should do so via their financial intermediary.

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
<p><b>Class Z Shares</b> are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.</p>						

## REDEMPTIONS

The Fund redeems Shares at their Net Asset Value per Share on each Dealing Day following due receipt of a redemption request. Redemption requests must be received in proper form and are only effective upon acceptance by the Administrator. Redemption requests will not be acted upon until the Administrator has received the original Application Form used on initial subscription.

Shares may be redeemed on any Dealing Day by way of facsimile or other written communication to the Administrator provided that the relevant redemption request is received by the Administrator no later than the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine, in exceptional circumstances on the relevant Dealing Day provided it is before the Valuation Point. Redemption requests received after the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine on the relevant Dealing Day, will be treated as being received on the following Dealing Day. Redemption proceeds will be paid to the account outlined in the Application Form used on original subscription. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption requests must specify the Shareholder's full name, address and Shareholder number and the number or value of Shares to be redeemed. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption proceeds, which are paid by way of electronic transfer, will be sent within three days of the Dealing Day on which the redemption is effected.

Shareholders of the Fund may be subject to a redemption fee as provided for in the "Fees and Expenses" section hereunder.

## DIVIDEND POLICY

The Directors may declare a dividend, for the benefit of the Shareholders invested in the Fund, arising out of net income (including dividend and interest income) and the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investment of the Fund.

Currently the Directors anticipate making dividend distributions in respect of the Fund out of the net income (including dividend and interest income) from its investments and may from time to time distribute the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund. Accordingly, any net income arising in respect of the Fund will be distributed to investors in the Fund in accordance with their respective shareholdings.

For each accumulating Class, the Directors have determined to reinvest all net income and net realised capital gains of the relevant accumulating Class. Accordingly, no dividends will be paid in respect of accumulating Classes and all net income and net realised capital gains of the accumulating Classes will be reflected in the Net Asset Value per Share of the accumulating Classes.

The Directors may, however, at their discretion, change the dividend policy and, upon advance notification to Shareholders, amend this Supplement to reflect such change.

Dividend distributions in respect of the Fund will be automatically re-invested in further Shares in the Fund unless the Shareholder shall have elected that dividends be paid by wire transfer to their account outlined in the original Application Form. Dividend distributions will be paid within four months of the date of declaration of such dividends by the Directors.

Proposed Distribution Dates for “Inc” Share Classes:

Period for which income will be distributed	Accounting end date	Ex-Dividend Date	Pay Date
1 July – 31 Dec	31 December	Jan 1	28 February
1 Jan – 30 June	30 June	July 1	31 August

### **BORROWING POLICY**

Under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company, subject to any limitations under the UCITS Regulations, and the Depositary is empowered to charge the assets of the Company as security for any such borrowings.

The Company intends that the Fund may incur temporary borrowings in an amount not exceeding 10% of its net assets. However, the amount of outstanding borrowings and repurchase agreements will not exceed 10% of the net assets of the Fund.

### **FEES AND EXPENSES**

The Company will pay the Fund Management Fee per Class at the rate set out in the table below. The Fund Management Fee will accrue daily and be payable monthly in arrears. Details of the maximum preliminary charge and the maximum Distribution Fee that may be applied to specific Classes are also set out in the table below.

Share Class	Maximum Preliminary Charge	Fund Management Fee	Maximum Distribution Fee
A	5.00%	See footnote *	0.00%
A Hedged	5.00%	See footnote *	0.00%
M	0.00%	0.83%	0.00%
M Hedged	0.00%	See footnote *	0.00%
R	0.00%	0.08%	0.00%
R Hedged	0.00%	0.08%	0.00%
S	0.00%	0.08%	0.00%
S Hedged	0.00%	See footnote *	0.00%
V	0.00%	See footnote *	0.00%

V Hedged	0.00%	See footnote *	0.00%
W	2.00%	See footnote *	1.00%
W Hedged	2.00%	See footnote *	1.00%
Z	0.00%	0.58%	0.00%
Z Hedged	0.00%	0.63%	0.00%

\*The Fund Management Fee is up to 2.5%,but may be lower in practice. Please contact the Investment Manager for further information. Confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator.

The Distribution Fee shown above in the table is the maximum that can be charged. This fee (where applicable) is paid to the Distributor for providing distribution-related services to the Fund and Shareholders.

Where the Annual Expenses exceed the Fund Management Fee for the relevant Class, the excess will be discharged by the Investment Manager from its own assets.

The Annual Expenses are the following fees and expenses set out in the section headed “FEES AND EXPENSES” in the Prospectus: (i) Management Fees of the Management Company (ii) Investment Management Fees; (iii) Administration Fees; (iv) Depositary Fees; (v) Director’s Fees; and (vi) Operating Expenses. Investors should refer to the section headed “FEES AND EXPENSES” in the Prospectus.

All other fees and expenses of the Fund (such as such extraordinary or exceptional costs and expenses not included above) will be borne by the Fund and will be charged at normal commercial rates.

Class R Shares and Class S Shares may be subject to a periodic charge payable outside the Fund as agreed between the Investment Manager and the relevant investor.

The Management Company and the Investment Manager shall also be entitled to all reasonable out of pocket costs and expenses incurred in the proper performance of their respective duties.

### **Redemption Charge**

The Company does not intend to make a redemption charge.

### **Swing Pricing**

The actual cost of purchasing investments may be higher or lower than the value used in calculating the Net Asset Value. These costs may include dealing charges, commission and transaction charges and the dealing spread and may have a materially disadvantageous effect on a Shareholder’s interest in the Fund. To prevent this effect, known as “dilution”, the Management Company in consultation with the Company may determine, at their discretion, to adjust (“swing”) the Net Asset Value per Share of the Fund, in the circumstances set out in the “Fees and Expenses” section of the Prospectus.

### **Establishment Costs of the Fund**

The establishment costs of the Fund were borne by the Investment Manager.

## APPENDIX 1

### ANNEX II

#### Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name:** Royal London Global High Yield Bond Fund (the "Fund") **Legal entity identifier:** N/A

### Environmental and/or social characteristics

#### Does this financial product have a sustainable investment objective?

☒ ☒ ☐ **Yes**

☒ ☐ ☒ **No**

☐ It will make a minimum of **sustainable investments with an environmental objective**: \_\_\_\_%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective**: \_\_\_\_%

☐ **It promotes Environmental/ Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☒ It promotes E/S characteristics, but **will not make any sustainable investments**

#### What environmental and/or social characteristics are promoted by this financial product?

The Fund adopts a multi-layered approach to the promotion of Environmental, Social, Governance and Climate (ESGC) characteristics, as follows:

**Governance** includes G factors under a range of pillars: board (ownership and related party transactions), pay, audit, stakeholders (country of majority of operation and regulated activity) and controversies.

**Social** includes S factors under a range of pillars: the policies, operations, product or services and governance (as applicable) of employees, customers, communities and controversies.

**Environment** (ex Climate) includes E factors under a range of pillars: the consumption and impact of toxic emissions, energy, water, waste and environmental controversies.

**Climate** includes C factors under a range of pillars: exposure (carbon emissions), ability (transition targets), willingness (recent relative change in emissions) and climate controversies.



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

The Investment Manager's approach is to score the above ESGC factors on every issuer the Fund invests in or proposes to invest in and resize (or exclude depending on severity) those where the credit worthiness is impacted. Where credit worthiness is not materially impacted, the Investment Manager will engage with low scoring companies to try to improve their ESGC scoring. If there is no significant improvement over a period of time, then these will be disinvested from. Further information on the promotion of ESG characteristics is outlined below.

Exclusions: The Investment Manager will exclude credit instruments with direct exposure to controversial weapons and direct material exposure (>10% of revenue) to the following sectors: tobacco and thermal coal producers.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The Investment Manager looks at each credit instrument in detail and applies factors to score each credit instrument across E, S, G and C metrics based on a 1 – 10 rating scale. A "low score" is where the score is in the bottom quartile of MSCI ESG scores. MSCI ESG scores aim to measure a company's management of ESG risks and opportunities taking into account the most material risks per industry/sector, using a similar scoring range as the Investment Manager's ESGC scoring methodology. MSCI is a leading provider of research, data and technology for the global investment community.

The E, S, G and C factors applied are described above under "*What environmental and/or social characteristics are promoted by this financial product?*". This analysis of the above factors results in E, S, G and C scores for each credit instrument. This scoring is integrated into the Investment Manager's credit decision making. G is dealt with separately to E, S and C.

Governance is assumed to be material to credit worthiness. As a result, G scores (calculated using the above G factors) are used to size positions, with a negative risk decision impacting internal credit ratings, which impact the sizing of positions. Anything below a baseline governance level is automatically excluded. Low G scoring credit instruments above the baseline threshold will be engaged with.

Low E, S and C scores will lead to a secondary assessment analysing the impact on credit worthiness, determined on a case-by-case basis.

Where there is no material impact on the credit worthiness, then a low score will lead to an engagement process with the relevant issuer where the Investment Manager believes there is the potential for the issuer to improve its policies. The Investment Manager evaluates whether there is such scope to engage by researching and assessing different sources of data, where available, including but not limited to, an issuer's/company's annual reports, sustainability reports, existing ESGC policies and communicating with management to discuss such ESGC policies/plans and how these are expected to evolve. Engagement with the credit issuer is periodic, including periodic re-evaluations of the business and its policies along with mitigation steps taken by the issuer over time, to assess improvement in the scores over a two-year period. If there is no 'significant improvement' of the score then the position sizing will be re-evaluated, with potential for full disinvestment.

If the E, S, G and C score is thought by the Investment Manager to impact credit worthiness materially, then the Fund will not invest in the relevant credit instrument or will consider smaller sizing depending on severity of impact, or where already invested, then the internal credit rating of the relevant issuer will be adjusted accordingly and the position will re-sized, reduced or exited entirely depending on the specific circumstances.

***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not Applicable – the Fund promotes E/S characteristics but will not make any sustainable investments.

***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not Applicable – the Fund promotes E/S characteristics but will not make any sustainable investments.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

The Investment Manager has built an in-house technological solution for the consideration and reporting of Principal Adverse Impacts ("PAI's"). Detailed analysis of this data is carried out as an input into investment decisions.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not Applicable – the Fund promotes E/S characteristics but will not make any sustainable investments.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



**Does this financial product consider principal adverse impacts on sustainability factors?**

☒ **Yes**

☐ **No**

PAIs are considered as part of the investment process of the Fund. The Investment Manager has direct access to PAI data at both Fund and individual company level through the proprietary in-house data base. Reporting on PAIs can be found in the annual report. The PAI factors provided are as follows:

**Indicators Applicable to Corporate Issuers**

**Environmental**

1. Greenhouse gas emissions
2. Carbon footprint
3. Greenhouse gas intensity of investee companies
4. Exposure to companies active in the fossil fuel sector

5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity-sensitive areas
8. Emissions to water
9. Hazardous waste ratio

#### **Social**

10. Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)

#### **Indicators Applicable to Sovereigns and Supranationals**

##### **Environmental**

15. Greenhouse gas intensity Social
16. Investee countries subject to social violations

##### **Additional Indicators**

##### **Environmental**

17. Investments in companies without carbon reduction initiatives

##### **Social**

18. Number of identified cases of severe human rights issues and incidents
19. Incidents of discrimination



#### **What investment strategy does this financial product follow?**

The investment objective of the Fund is to provide a combination of investment growth and income, the Fund will seek to achieve its objective on an active basis.

The Fund will be managed using the Investment Manager's disciplined credit investment process focusing on security selection combined with top-down macroeconomic analysis. The Investment Manager's value-orientated approach seeks to exploit the inefficiencies within credit markets, especially within higher yielding bonds further down the credit spectrum. At the macro level, the Investment Manager's analysis starts with a quarterly economic review which covers all major economic regions and focuses upon key variables such as growth rates and inflation. This strategy is also used to formulate the Investment Manager's outlook scenarios, including long-term yield and interest rate forecasts which helps to shape its investment strategy. The Investment Manager also undertakes internal research on companies, which is supplemented by research from rating agencies and brokers. The Investment Manager's internal rating methodology looks not only at the probability of default (where credit ratings agencies place their focus) but also the protection offered to its clients (covenants and security), and it also considers ESGC (Environmental, Social, Governance and Climate) factors as part of the credit review as further described above and the "Responsible Investment" section of the Supplement. As part of the Investment Manager's rigorous internal search process, a number of company visits may be undertaken to help it assess the quality of companies within the Fund's portfolio. Overall, the Investment Manager aims to construct a diversified portfolio that will deliver consistent alpha from multiple sources.

**The investment strategy** guides investment decisions based on factors such as

#### ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

As described above under "What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?", the Investment Manager scores ESGC factors on every issuer the

investment objectives and risk tolerance.

Fund invests in or proposes to invest in and resizes (or excludes depending on severity) those where the credit worthiness is impacted. Anything below a baseline governance level is automatically excluded. Baseline governance is an assessment of the minimum level of governance that the Investment Manager would expect to see. In addition to the impact on credit worthiness, in the Investment Manager's experience, companies with poor governance standards have a higher likelihood of having poor E, S and C metrics.

Where credit worthiness is not materially impacted by the low E, S and C scores, the Investment Manager will engage with low scoring companies to try to improve their ESGC scoring. If there is no significant improvement over a period of time, then these will be disinvested.

If the E, S, G and C score is thought by the Investment Manager to impact credit worthiness materially, then the Fund will not invest in the relevant credit instrument or will consider smaller sizing depending on severity of impact, or where already invested, then the internal credit rating of the relevant issuer will be adjusted accordingly and the position will re-sized, reduced or exited entirely depending on the specific circumstances.

Exclusions: The Investment Manager will exclude credit instruments with direct exposure to controversial weapons and direct material exposure (>10% of revenue) to the following sectors: tobacco and thermal coal producers.

***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Investment Manager does not apply a minimum committed rate and will manage the Fund in alignment with the investment strategy and its ESG processes.

***What is the policy to assess good governance practices of the investee companies?***

The Fund operates in line with the Investment Manager's good governance policy. The Investment Manager believes governance is material to credit worthiness. As a result, G (governance) scores are used to size positions, with a negative risk decision impacting internal credit ratings, and internal ratings impacting the sizing of positions. Anything below a baseline governance level is automatically excluded. Low G scoring credit instruments above the baseline threshold will be engaged with for improved practices.

The Investment Manager will allocate G scores based on G factors under a range of pillars as follows: board (ownership and related party transactions), pay, audit, stakeholders (country of majority of operation and regulated activity) and controversies. These are aligned with the Investment Manager's principles of good governance and consistent with the currently disclosed SFDR definitions of good governance. Each of the factors is considered within the scoring framework.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

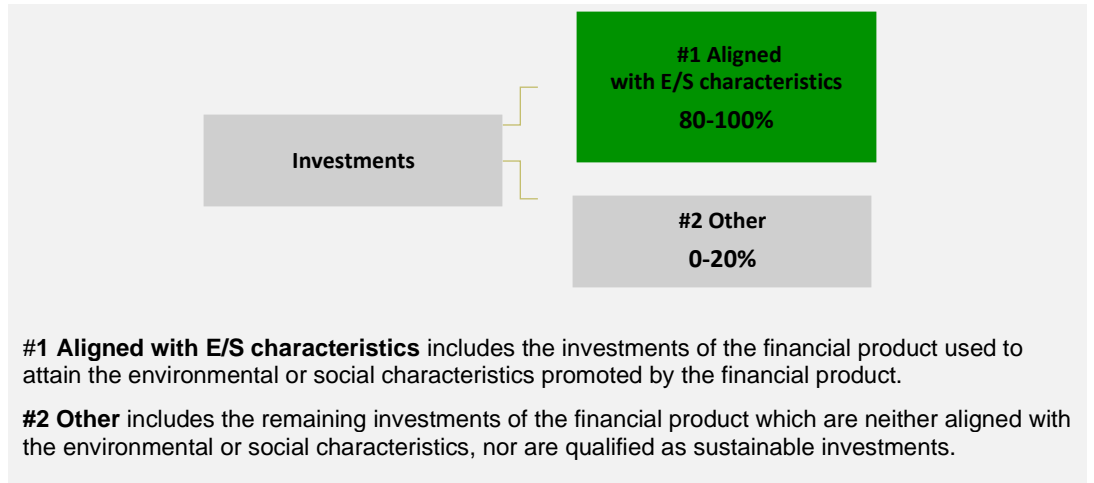
***What is the asset allocation planned for this financial product?***

The Investment Manager employs a binding proprietary ESG methodology, as described in detail above. 80-100% of the Fund's Net Asset Value will be predominantly (minimum 80%) invested in fixed and floating rate sub-investment grade bonds which will be aligned with the environmental and/or social characteristics promoted by the Fund. The Fund does not commit to invest in Taxonomy aligned investments.



### Asset allocation

describes the share of investments in specific assets.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

### *How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?*

The Fund may employ derivatives (eg interest rate swaps, credit default swaps, forwards) for the purpose of efficient portfolio management. For credit default swaps and other credit-related derivatives, the underlying issuers will be subjected to the same process as per the other investments in the Fund, as described above. Interest rate swaps and forwards are not used to attain the environmental or social characteristics promoted by the Fund.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable - the Fund does not commit to invest in Taxonomy aligned investments.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

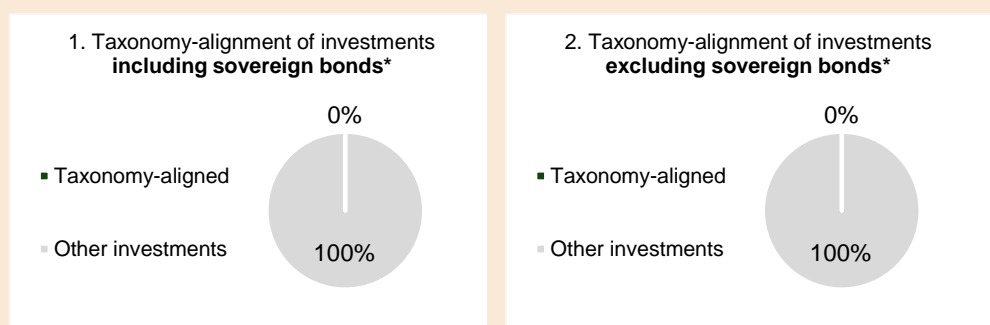
☐ Yes

☐ In fossil gas

☐ In nuclear energy

☒ No

**The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

**What is the minimum share of investments in transitional and enabling activities?**

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What is the minimum share of socially sustainable investments?**

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.

**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

<sup>1</sup>

Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214



The investments included under "#2 Other" are cash, cash equivalents and hedging instruments which are not subject to any minimum environmental or social safeguards. Cash and cash equivalents do not affect the promoted environmental and / or social characteristics of the Fund. The assessment of issuers and of counterparties for cash and hedging instruments focusses on the creditworthiness of these parties, which can be impacted by sustainability risks.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

***How does the designated index differ from a relevant broad market index?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

***Where can the methodology used for the calculation of the designated index be found?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.



**Where can I find more product specific information online?**

More product-specific information can be found on the Fund information and Factsheets section of the website: <https://www.rlam.com>

The Directors of the Company accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information. The Directors accept responsibility accordingly.

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## **ROYAL LONDON SHORT DURATION GLOBAL HIGH YIELD BOND FUND**

**(A sub-fund of Royal London Asset Management Funds plc which is an investment company (with segregated liability between sub-funds) with variable capital constituted as an umbrella fund under the laws of Ireland and authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011) (as amended)**

**DATE: 25 March 2024**

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This Supplement forms part of, and should be read in the context of and together with, the prospectus dated 25 March 2024 (the “Prospectus”) in relation to Royal London Asset Management Funds plc (the “Company”) and contains information relating to the Royal London Short Duration Global High Yield Bond Fund (the “Fund”) which is a separate portfolio of the Company. The other portfolios established by the Company are the Royal London Sterling Extra Yield Bond Fund, the Royal London Global High Yield Bond Fund, the Royal London Global Sustainable Credit Fund, the Royal London Absolute Return Government Bond Fund, the Royal London Global Bond Opportunities Fund, the Royal London Sterling Liquidity Money Market Fund the Royal London Global Equity Diversified Fund (IRL), the Royal London Global Sustainable Equity Fund (IRL), the Royal London European Sustainable Credit Fund, the Royal London Multi Asset Balanced Fund (IRL), the Royal London Multi Asset Growth Fund (IRL), the Royal London Multi Asset Defensive Fund (IRL), the Royal London Multi Asset Adventurous Fund (IRL), the Royal London Global Equity Select Fund (IRL), the Royal London Global Equity Enhanced Fund, the Royal London Global Equity Transitions Fund, the Royal London Emerging Markets Corporate Bond Fund, the Royal London Short Duration Emerging Markets Corporate Bond Fund and the Royal London US Equity Fund, information in respect of which is to be found in the Relevant Supplements.



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## DEFINITIONS

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein.

<b>“Base Currency”</b>	For the purposes of this Supplement, the base currency shall be Sterling;
<b>“Business Day”</b>	a day on which banks are open in London or such other day or days as may be determined by the Company and agreed with the Administrator, provided there shall be at least two Business Days in each calendar month;
<b>“Dealing Day”</b>	shall mean each Business Day except for any day on which an underlying market or markets on which at least 15% of the Fund's assets are exposed or traded are closed, for example for public holidays, or such other day or days as may be determined by the Company and notified in advance to the Shareholders provided that, there shall be at least two dealing days in each calendar month. In circumstances where the threshold for closed underlying markets has been met or exceeded, dealing in the Fund's Shares will take place on the next Business Day on which such underlying market or markets are open. A list of the closed market days in respect of the Fund is available on the Investment Manager's website at <a href="http://www.rlam.com">www.rlam.com</a> ;
<b>“Dealing Deadline”</b>	5.00 p.m. Irish time on each Dealing Day or such other day or time as may be determined by the Company and notified to the Shareholders;
<b>“Valuation Point”</b>	means the close of business in the relevant market on each Dealing Day, being the time at which the last traded price is made available on the relevant stock exchanges or markets used for the purpose of the valuation of assets and liabilities of the Fund (or such other time as the Directors may in their discretion determine and notify to Shareholders). For the avoidance of doubt, the Valuation Point for a particular Dealing Day shall not be before the Dealing Deadline relevant to such Dealing Day.

## INVESTMENT OBJECTIVES AND POLICIES

The Fund invests primarily in transferable securities listed or traded on Recognised Markets in accordance with the restrictions listed in the "Investment Restrictions" section of the Prospectus and below. In addition, the Fund may employ for the purpose of efficient portfolio management, the investment techniques and instruments described in the "Fund Investment Techniques" and "Investment Risks" sections of the Prospectus.

This Prospectus has been prepared solely for, and is being made available to investors for the purposes of evaluating an investment in Shares in the Fund. Investors should only consider investing in the Fund if they understand the risks involved, including the risk of losing all capital invested.

### Investment Objective and Policies

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The investment objective of the Fund is to provide income, the Fund will seek to achieve its objective on an active basis.

The Fund seeks to achieve its investment objective by outperforming its benchmark, SONIA (the "Benchmark") by 2% per annum over rolling three year periods.

The Benchmark is the sterling overnight index average, an interest rate benchmark based on actual transactions which reflects the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions and other institutional investors. Investors should note that the Benchmark is being used by the Fund for performance comparison purposes only and the Fund does not intend to track the Benchmark. While the Fund may invest in investments which are constituents of the Benchmark, the Fund will be actively managed and its portfolio will not be constrained by reference to any index, and the Investment Manager may use its discretion to invest in instruments which are not included in the Benchmark.

The Fund will predominantly invest in fixed and floating rate sub-investment grade debt securities with a short duration of approximately 2 years, which will primarily include corporate bonds which are listed or dealt on the Recognised Markets as set out in the Prospectus, across the high yield credit spectrum.

The Fund will also invest a small portion in fixed and floating rate investment grade securities, which will primarily include bonds. The Fund will also invest in fixed and floating rate investment grade and sub-investment grade government bonds which are listed or dealt on the Recognised Markets as set out in the Prospectus.

The Fund may also invest in investment grade and non-investment grade fixed-income or floating rate securities that include zero coupon bonds, deferred interest bonds and bonds on which the interest is payable in the form of additional bonds of the same kind.

The fixed and floating rate debt securities in which the Fund will invest will include all types of debt obligations including bonds, convertible bonds and other similarly structured products such as hybrid or preferred securities as detailed below in this paragraph. The Fund will also invest in private placements which are consistent with its objective, payment in kind bonds (which are bonds on which the interest is payable in the form of additional bonds of the same kind), credit-linked notes, medium-term notes, preferred securities, asset backed securities and hybrid securities. An asset backed security is a financial security that is backed by assets which may include securitised loan assignments or securitised loan participations which are listed or dealt on the Recognised Markets (which qualify as transferable securities or money market instruments in accordance with the requirements of the Central Bank and are contractual relationships between an investor and a lender (the investor is not and has no contractual relationship with the borrower) whereby the investor has the right to receive payments in principal, interest and any fees to which it is entitled only from the lender selling the participation), leases, credit card debt, a company's receivables and royalties. A hybrid or preferred security is a security which has the characteristics of a bond in terms of a fixed maturity date but where the coupon payments can be deferred at the issuer's discretion. The Fund may invest in warrants and may also receive warrants as

a result of corporate actions. No more than 10% of the Net Asset Value of the Fund will be held in warrants.

No more than 30% of the Net Asset Value of the Fund will be invested in emerging markets.

For efficient portfolio management as well as to increase liquidity to meet large redemptions and to rapidly invest subscriptions, the Fund may also from time to time, use exchange traded funds (“ETFs”) which are consistent with its objective. Investment in any one collective investment scheme will not exceed 10% of the Net Asset Value of the Fund. In addition, the aggregate investment in collective investment schemes will not exceed 10% of the Fund’s Net Asset Value. ETFs are investment companies whose shares are bought and sold on a securities exchange. ETFs invest in a portfolio of securities designed to track a particular market segment or index. The ETFs will be listed or dealt on the Recognised Markets as set out in the Prospectus. While the ETFs will predominately represent investments that are similar to the Fund’s other investments detailed in the preceding paragraphs, the Fund may also (for the purposes of efficient portfolio management) invest in ETFs which are invested in equity securities. The ETFs will operate on the principle of risk spreading and will not be leveraged. Long ETFs may be used to hedge liquidity risk while short ETFs may be used to hedge both liquidity and credit risk.

Pending investment of subscription proceeds or where market or other factors so warrant, the Fund may, subject to the investment restrictions set out in the Prospectus, hold cash and/or ancillary liquid assets such as money market instruments (including, without limitation, certificates of deposit, commercial paper and bankers’ acceptances) and cash deposits.

The Fund will be managed using the Investment Manager’s disciplined credit investment process focusing on security selection combined with top-down macroeconomic analysis. The Investment Manager’s value-orientated approach seeks to exploit the inefficiencies within credit markets, especially within higher yielding bonds further down the credit spectrum. At the macro level, the Investment Manager’s analysis starts with a quarterly economic review which covers all major economic regions and focuses upon key variables such as growth rates and inflation. This strategy is also used to formulate the Investment Manager’s outlook scenarios, including long-term yield and interest rate forecasts which helps to shape its investment strategy. The Investment Manager also undertakes internal research on companies, which is supplemented by research from rating agencies and brokers. The Investment Manager’s internal rating methodology looks not only at the probability of default (where credit ratings agencies place their focus) but also the protection offered to its clients (covenants and security), and it also considers ESGC (Environmental, Social, Governance and Climate) factors as part of the credit review (as further described under “Responsible Investment” below). As part of the Investment Manager’s rigorous internal search process, a number of company visits will be undertaken to help it assess the quality of companies within the Fund’s portfolio. Overall, the Investment Manager aims to construct a diversified portfolio that will deliver consistent alpha from multiple sources.

**Investors should note that there can be no guarantee that the Fund will achieve its investment objective. Where preliminary sales charges are imposed, the difference between the cost of purchase of Shares and their redemption price may mean that an investment should be viewed as medium to long term.**

**Investors should note that the Fund may use currency forward contracts as detailed below and in “Share Currency Designation Risk” in the “Investment Risks” section of the Prospectus to hedge currency exposure arising from the Fund’s investments in assets denominated in currencies other than the Base Currency and to hedge currency exposure arising in respect of non-Base Currency Share classes. The Fund will not be leveraged. The global exposure of the Fund will be calculated through the use of the commitment approach. With respect to the use of currency forward contracts for the purpose of hedging, a risk management process which enables the Company to accurately measure, monitor and manage the various risks associated with financial derivative instruments has been submitted to the Central Bank in accordance with the Central Bank UCITS Regulations.**

## **Efficient Portfolio Management**

The Fund may employ for the purpose of efficient portfolio management, the investment techniques and instruments described under “Fund Investment Techniques” and “Investment Risks” in the Prospectus. It is intended that the Fund shall only employ techniques and instruments for efficient portfolio management purposes to the extent that such techniques and instruments are consistent with the Fund's investment policies. Any financial derivative instruments not included in the risk management process statement of the Company will not be utilised until such time as a revised submission has been cleared by the Central Bank.

The Fund will not have any exposure to total return swaps, repurchase agreements or stock-lending transactions.

The Fund intends to attempt to hedge out the currency risk of the non-Base Currency Shares by hedging them back to the Base Currency by using any of the efficient portfolio management techniques and instruments set out in the Prospectus within the conditions and limits imposed by the Central Bank. In terms of use of derivative instruments for these purposes, the Fund shall only use currency forward contracts. Save as specified in this paragraph, a class of Shares may not be leveraged as a result of the use of such techniques and instruments. Such hedging shall be limited to the extent of the relevant class of Share's currency exposure. Investors in such classes of hedged shares will bear any currency risk associated with fluctuations between the non-Base Currency Classes and the Base Currency to the extent that share class hedging fails to eliminate such risk. Please refer to “Share Currency Designation Risk” in the Prospectus. All Share classes of the Fund which are designated other than in the Base Currency will be hedged against the Base Currency, unless this policy is changed by notice to Shareholders.

**While the costs of hedging for the benefit of hedged Share classes of the Fund are solely allocated to the relevant Share class, a currency conversion will take place on subscriptions, redemptions and exchanges at prevailing exchange rates and the costs of the conversion will generally be borne by the Fund as a whole. However, the Directors reserve the right, in their absolute discretion, in appropriate circumstances to require the relevant applicant or Shareholder to bear the cost of the conversion.**

Investors should note that there is no guarantee that the Fund will achieve its investment objective.

## **Responsible Investment**

ESG Risks are integrated into investment decisions made in relation to the Fund and the opportunities available to the Fund are in line with the ESG Characteristics Policy and the RI Policy as detailed in the “RESPONSIBLE INVESTMENT” section of the Prospectus and as described above. As the Fund is broadly diversified and investments are selected from a large universe of securities, including a variety of issuers across sectors, it is not anticipated that ESG Risk will materially drive a negative financial impact on the value of the Fund or its returns. Further details on the likely impact on returns and the risks associated with responsible investment techniques utilised by the Investment Manager are also explained in the “RESPONSIBLE INVESTMENT” and “INVESTMENT RISKS” sections of the Prospectus. The Benchmark is not used by the Fund as a reference benchmark to assist in the promotion of environmental and social characteristics and is solely used to measure the performance of the Fund.

The Fund does not commit to any minimum level of alignment with the EU criteria for environmentally sustainable economic activities under the EU Taxonomy Regulation in its underlying investments; as such, 0% of the Net Asset Value of the Fund shall be invested in such investments.

The “do no significant harm” principle applies only to those investments underlying the Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

The Fund adopts a multi-layered approach to ESG analysis, as follows:

**Philosophy:** The Investment Manager's aim is to reduce the likelihood of credit losses by active credit selection and to create positive ESG externalities (ie, indirect ESG related benefits which may potentially arise if low scoring companies improve their ESGC scores). The Investment Manager's approach is to score ESGC factors on every issuer the Fund invests in or proposes to invest in and resize (or exclude depending on severity) those where the credit worthiness is impacted. Where credit worthiness is materially impacted, the Fund will exclude or disinvest from the relevant credit instrument. Where credit worthiness is not materially impacted, the Investment Manager will engage with low scoring companies to try to improve their ESGC scoring. If there is no significant improvement over a period of time, then these will be disinvested.

**Process:** The Investment Manager's framework utilises the E, S, G and C factors (Climate being scored separately from Environment) agreed in collaboration with the Investment Manager's Responsible Investing ("RI") team. The Investment Manager looks at each credit instrument in detail and applies factors to score each credit instrument across E, S, G and C metrics based on a 1 – 10 rating scale. A "low score" is where the score is in the bottom quartile of MSCI ESG scores. MSCI ESG scores aim to measure a company's management of ESG risks and opportunities taking into account the most material risks per industry/sector, using a similar scoring range as the Investment Manager's ESGC scoring methodology. MSCI is a leading provider of research, data and technology for the global investment community.

**Exclusions:** The Investment Manager will exclude credit instruments with direct exposure to controversial weapons and direct material exposure (>10% of revenue) to the following sectors: tobacco and thermal coal producers.

The Investment Manager then scores the credit instruments for the below E, S, G and C factors.

**Governance** includes G factors under a range of pillars as follows: board (ownership and related party transactions), pay, audit, stakeholders (country of majority of operation and regulated activity) and controversies.

**Social** includes S factors under a range of pillars as follows: the policies, operations, product or services and governance (as applicable) of employees, customers, communities and controversies.

**Environment (ex Climate)** includes E factors under a range of pillars as follows: the consumption and impact of toxic emissions, energy, water, waste and environmental controversies.

**Climate** includes C factors under a range of pillars as follows: exposure (carbon emissions), ability (transition targets), willingness (recent relative change in emissions) and climate controversies.

This analysis of the above factors results in E, S, G and C scores for each credit instrument. This scoring is integrated into the Investment Manager's credit decision making, as set out below. G is dealt with separately to E, S and C.

Governance is assumed to be material to credit worthiness. As a result, G scores (calculated using the above G factors) are used to size positions, with a negative risk decision impacting internal credit ratings, and with internal ratings impacting the sizing of positions. Anything below a baseline governance level is automatically excluded. Baseline governance is an assessment of the minimum level of governance that the Investment Manager would expect to see. In addition to the impact on credit worthiness, in the Investment Manager's experience, companies with poor governance standards have a higher likelihood of having poor E, S and C metrics. Low G scoring credit instruments above the baseline threshold will be engaged with, along with the engagement process for E, S and C factors described below.

E, S and C factors are used to calculate scores for each credit instrument. Low E, S and C scores will lead to a secondary assessment. This involves analysing if the low E, S and C scores impact the credit profile of the company.

Where there is no material impact on the credit worthiness as a result of the secondary assessment, then a low score will lead to an engagement process with the relevant issuer where the Investment Manager believes there is the potential for the issuer to improve its policies. The Investment Manager evaluates whether there is such scope to engage by researching and assessing different sources of

data, where available, including but not limited to, an issuer's/company's annual reports, sustainability reports, existing ESGC policies and communicating with management to discuss such ESGC policies/plans and how these are expected to evolve. Engagement with the credit issuer is periodic, including periodic re-evaluations of the business and its policies along with mitigation steps taken by the issuer over time. If there is no 'significant improvement' of the score then the position sizing will be re-evaluated, with potential for full divestment.

If the E, S, G and C score is thought by the Investment Manager to impact credit worthiness materially, then the Fund will not invest in the relevant credit instrument or will consider smaller sizing depending on severity of impact, or where already invested, then the internal credit rating of the relevant issuer will be adjusted accordingly and the position will re-sized, reduced or exited entirely depending on the specific circumstances.

Please refer to Appendix 1 of this Supplement for further information in respect of the Fund's promotion of ESG characteristics.

### **PROFILE OF A TYPICAL INVESTOR**

The Fund is suitable for both retail and institutional investors who are seeking provision of income. This typically means a minimum time horizon of 3 to 5 years but this could vary depending upon individual risk profiles.

### **INVESTMENT RESTRICTIONS**

The assets of the Fund will be invested in accordance with the concentration limits and other restrictions imposed under the UCITS Regulations and summarised in the "Investment Restrictions" section of the Prospectus.

In addition to the restrictions set out under "Investment Restrictions" in the Prospectus, the Company may from time to time impose such further investment restrictions as shall be compatible with or in the interest of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders of the Fund are located.

### **INVESTMENT RISKS**

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the "Investment Risks" section of the Prospectus and in particular the specific risk factors listed below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making an application for Shares. There is no guarantee that the Fund will achieve its investment objective.

Change in Economic Climate

Credit Risk

Diversification Risk

Fund Currency Risk

Investment Grade Securities and Instruments

Investor Currency Risk

Loan Participations

Market Risk

Portfolio Risk

Risks Associated with Forward Currency Contracts

Risks of Emerging Markets Investing

Risks of Investing in Sub-Investment Grade Corporate  
Debt Instruments

Settlement Mechanisms / Custodial Risk

Share Currency Designation Risk

Sub-Investment Grade Securities

Unrated Securities and Instruments

## **APPLICATION FOR SHARES**

Unlaunched Shares in the Fund will initially be available for subscription from 9.00 a.m. (Irish time) on 26 March 2024 up to 5.00 p.m. (Irish time) on 25 September 2024 (or such earlier or later Business Day as the Directors determine and notify to the Central Bank). The initial offer price per Share for each unlaunched Share Class will be in its respective Class Currency: AUD1, CAD1, CHF1, DKK1, EUR1, GBP1, NOK1, SEK1, SGD1 or USD1.

Shares in any launched Class will be available on each Dealing Day at the Net Asset Value per Share.

Shares will be issued at the next determined Net Asset Value per Share after receipt and acceptance by the Administrator of an application form ("Application Form"). In the case of a new investor, the Administrator must receive the original Application Form within five Business Days.

Investors must complete an Application Form. Application Forms must be received by the Administrator by the Dealing Deadline, or such other time as the Management Company in consultation with the Company may from time to time determine in exceptional circumstances and prior to the Valuation Point on any Dealing Day, in order to be issued as of the next Net Asset Value per Share. Telephone instructions may be accepted with the prior agreement of the Administrator pending receipt of the Application Form and election to avail of this facility by the investor. A faxed Application Form will be accepted, with the original Application Form to follow. The Company will deny a subsequent request to redeem shares if the relevant investor fails to submit an original executed Application Form. The Company may, in its absolute discretion, refuse to accept any application for Shares. Application monies must be received by the Administrator on the relevant Dealing Day or such other time as the Management Company in consultation with the Company may determine and in any event within three Business Days. Pending the receipt of application monies, the Fund may, subject to the borrowing restrictions set out under the heading "Borrowing Policy" in the Prospectus, temporarily borrow an amount equal to the application monies and invest such monies in accordance with the investment objective and policies of the Fund. Once the monies are received, the Fund will use such monies to repay the relevant borrowings and reserves the right to charge that investor interest on such outstanding application monies at normal commercial rates. In addition, the Company reserves the right to cancel provisional allotment of the relevant Shares where application monies are not received by the Administrator within three Business Days. Requests for investments received after the Valuation Point on any Dealing Day will be treated as being received on the next Dealing Day. The Company reserves the right to compulsorily redeem the Shares where the original Application Form used on initial subscription or documentation relating to the applicants has not been received within five Business Days. In such circumstances, the Company, the Management Company and Administrator may require to be reimbursed for expenses incurred.

Applications for Shares received during any period when the Share dealings have been temporarily suspended in the circumstances described in the "Temporary Suspension of Dealings" section of the Prospectus will be treated as received on the Dealing Day on which dealings recommence, unless such request has been withdrawn during the period of suspension.



### Share Class Information

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
A	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
M	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000	2,000	200,000
			CAD	200,000	2,000	200,000
			CHF	100,000	1,000	100,000
			DKK	1,000,000	10,000	1,000,000
			EUR	100,000	1,000	100,000
			GBP	100,000	1,000	100,000
			NOK	1,000,000	10,000	1,000,000
			SEK	1,000,000	10,000	1,000,000
			SGD	200,000	2,000	200,000
			USD	100,000	1,000	100,000
R	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
S			AUD			

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	CAD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
V	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000,000	20,000,000	200,000,000
			CAD	200,000,000	20,000,000	200,000,000
			CHF	100,000,000	10,000,000	100,000,000
			DKK	1,000,000,000	100,000,000	1,000,000,000
			EUR	100,000,000	10,000,000	100,000,000
			GBP	100,000,000	10,000,000	100,000,000
			NOK	1,000,000,000	100,000,000	1,000,000,000
			SEK	1,000,000,000	100,000,000	1,000,000,000
			SGD	200,000,000	20,000,000	200,000,000
			USD	100,000,000	10,000,000	100,000,000
W	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
Z	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base	AUD	6,000,000	100,000	6,000,000
			CAD	6,000,000	100,000	6,000,000
			CHF	3,000,000	50,000	3,000,000
			DKK	30,000,000	500,000	30,000,000
			EUR	3,000,000	50,000	3,000,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
		Currency, where only unhedged Shares are available	GBP	3,000,000	50,000	3,000,000
			NOK	30,000,000	500,000	30,000,000
			SEK	30,000,000	500,000	30,000,000
			SGD	6,000,000	100,000	6,000,000
			USD	3,000,000	50,000	3,000,000

Whilst shares are available in the categories as listed in the above table, confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator. Other currencies may be made available as determined by the Directors, in which case this Supplement will be updated.

The Directors may for each relevant Class waive such minimum amounts in their absolute discretion. The Company may compulsorily redeem holdings in any Class of Shares if such holding is below the minimum holding as set out in the above table for a period of three months or more.

Application proceeds must be paid in the currency in which the relevant Class is denominated or by transfer of assets in accordance with the provisions specified in the Prospectus. Application for Shares by new investors should be made on the Application Form and sent in original form or by facsimile to the number indicated on the Application Form (with the original copy sent by post immediately thereafter) to the Administrator.

Telephone calls may be recorded by the Company's delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes.

**Class A Shares** are available to all investors. Retail investors wishing to purchase Class A Shares should do so via their financial intermediary.

**Class M Shares** are available for investment by platforms and institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners.

**Class R Shares** are available only to affiliates of the Investment Manager.

**Class S Shares** are available only to institutional investors who have entered into a separate fee arrangement with the Investment Manager or the Distributor.

**Class V Shares** are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.

**Class W Shares** are available to all investors. Retail investors wishing to purchase Class W Shares should do so via their financial intermediary.

**Class Z Shares** are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.

## Dilution Levy

Where net subscriptions by an investor exceed 1% of the Net Value of the Fund the Company may adjust the subscription price by adding an anti-dilution levy of up to 1% of the amount being subscribed by that investor to cover the costs of that subscription and preserve the value of the underlying assets of the Fund. The Company may at its absolute discretion waive or reduce the dilution levy.

## **REDEMPTIONS**

The Fund redeems Shares at their Net Asset Value per Share on each Dealing Day following due receipt of a redemption request. Redemption requests must be received in proper form and are only effective upon acceptance by the Administrator. Redemption requests will not be acted upon until the Administrator has received the original Application Form used on initial subscription.

Shares may be redeemed on any Dealing Day by way of facsimile or other written communication to the Administrator provided that the relevant redemption request is received by the Administrator no later than the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine, in exceptional circumstances on the relevant Dealing Day provided it is before the Valuation Point. Redemption requests received after the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine on the relevant Dealing Day, will be treated as being received on the following Dealing Day. Redemption proceeds will be paid to the account outlined in the Application Form used on original subscription. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption requests must specify the Shareholder's full name, address and Shareholder number and the number or value of Shares to be redeemed. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption proceeds, which are paid by way of electronic transfer, will be sent within three days of the Dealing Day on which the redemption is effected.

Shareholders of the Fund may be subject to a redemption fee as provided for in the "Fees and Expenses" section hereunder.

## **Dilution Levy**

Where net redemptions by an investor exceed 1% of the Net Value of the Fund the Company may adjust the redemption price by deducting an anti dilution levy of up to 1% of the amount being redeemed by that investor to cover the costs of that redemption and preserve the value of the underlying assets of the Fund. The Company may at its absolute discretion waive or reduce the dilution levy.

## **DIVIDEND POLICY**

The Directors may declare a dividend, for the benefit of the Shareholders invested in the Fund, arising out of net income (including dividend and interest income) and the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investment of the Fund.

Currently the Directors anticipate making dividend distributions in respect of the Fund out of the net income (including dividend and interest income) from its investments and may from time to time distribute the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund. Accordingly, any net income arising in respect of the Fund will be distributed to investors in the Fund in accordance with their respective shareholdings.

Dividend distributions in respect of the Fund will be automatically re-invested in further Shares in the Fund unless the Shareholder shall have elected that dividends be paid by wire transfer to their account outlined in the original Application Form. Dividend distributions will be paid within four months of the date of declaration of such dividends by the Directors.

For each accumulating Class, the Directors have determined to reinvest all net income and net realised capital gains of the relevant accumulating Class. Accordingly, no dividends will be paid in respect of

accumulating Classes and all net income and net realised capital gains of the accumulating Classes will be reflected in the Net Asset Value per Share of the accumulating Classes.

The Directors may, however, at their discretion, change the dividend policy and, upon advance notification to Shareholders, amend this Supplement to reflect such change.

Proposed Distribution Dates for “Inc” Share Classes:

Period for which income will be distributed	Accounting end date	Ex-Dividend Date	Pay Date
1 July – 31 Dec	31 December	Jan 1	28 February
1 Jan – 30 June	30 June	July 1	31 August

### **BORROWING POLICY**

Under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company, subject to any limitations under the UCITS Regulations, and the Depositary is empowered to charge the assets of the Company as security for any such borrowings.

The Company intends that the Fund may incur temporary borrowings in an amount not exceeding 10% of its net assets. However, the amount of outstanding borrowings and repurchase agreements will not exceed 10% of the net assets of the Fund.

### **FEES AND EXPENSES**

The Company will pay the Fund Management Fee per Class at the rate set out in the table below. The Fund Management Fee will accrue daily and be payable monthly in arrears. Details of the maximum preliminary charge and the maximum Distribution Fee that may be applied to specific Classes are also set out in the table below.

Share Class	Maximum Preliminary Charge	Fund Management Fee	Maximum Distribution Fee
A	5.00%	0.99%	0.00%
A Hedged	5.00%	See footnote *	0.00%
M	0.00%	0.59%	0.00%
M Hedged	0.00%	See footnote *	0.00%
R	0.00%	0.09%	0.00%
R Hedged	0.00%	0.09%	0.00%
S	0.00%	0.09%	0.00%
S Hedged	0.00%	See footnote *	0.00%
V	0.00%	See footnote *	0.00%

V Hedged	0.00%	See footnote *	0.00%
W	2.00%	See footnote *	1.00%
W Hedged	2.00%	See footnote *	1.00%
Z	0.00%	0.48%	0.00%
Z Hedged	0.00%	0.53%	0.00%

\*The Fund Management Fee is up to 2.5%,but may be lower in practice. Please contact the Investment Manager for further information. Confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator.

The Distribution Fee shown above in the table is the maximum that can be charged. This fee (where applicable) is paid to the Distributor for providing distribution-related services to the Fund and Shareholders.

Where the Annual Expenses exceed the Fund Management Fee for the relevant Class, the excess will be discharged by the Investment Manager from its own assets.

The Annual Expenses are the following fees and expenses set out in the section headed “FEES AND EXPENSES” in the Prospectus: (i) Management Fees of the Management Company (ii) Investment Management Fees; (iii) Administration Fees; (iv) Depositary Fees; (v) Director’s Fees; and (vi) Operating Expenses. Investors should refer to the section headed “FEES AND EXPENSES” in the Prospectus.

All other fees and expenses of the Fund (such as such extraordinary or exceptional costs and expenses not included above) will be borne by the Fund and will be charged at normal commercial rates.

Class R Shares and Class S Shares may be subject to a periodic charge payable outside the Fund as agreed between the Investment Manager and the relevant investor.

The Management Company and the Investment Manager shall also be entitled to all reasonable out of pocket costs and expenses incurred in the proper performance of their respective duties.

### **Redemption Charge**

The Company does not intend to make a redemption charge.

### **Establishment Costs of the Fund**

The establishment costs of the Fund were borne by the Investment Manager.

## APPENDIX 1

### ANNEX II

#### Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name:** Royal London Short Duration Global High Yield Bond Fund (the "Fund") **Legal entity identifier:** N/A

### Environmental and/or social characteristics

#### Does this financial product have a sustainable investment objective?



Yes



No

☐ It will make a minimum of **sustainable investments with an environmental objective**: \_\_\_\_%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective**: \_\_\_\_%

☐ It **promotes Environmental/ Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☐ with a social objective

☒ It promotes E/S characteristics, but **will not make any sustainable investments**

#### What environmental and/or social characteristics are promoted by this financial product?

The Fund adopts a multi-layered approach to the promotion of Environmental, Social, Governance and Climate (ESGC) characteristics, as follows:

**Governance** includes G factors under a range of pillars: board (ownership and related party transactions), pay, audit, stakeholders (country of majority of operation and regulated activity) and controversies.

**Social** includes S factors under a range of pillars: the policies, operations, product or services and governance (as applicable) of employees, customers, communities and controversies.

**Environment** (ex Climate) includes E factors under a range of pillars: the consumption and impact of toxic emissions, energy, water, waste and environmental controversies.

**Climate** includes C factors under a range of pillars: exposure (carbon emissions), ability (transition targets), willingness (recent relative change in emissions) and climate controversies.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

The Investment Manager's approach is to score the above ESGC factors on every issuer the Fund invests in or proposes to invest in and resize (or exclude depending on severity) those where the credit worthiness is impacted. Where credit worthiness is not materially impacted, the Investment Manager will engage with low scoring companies to try to improve their ESGC scoring. If there is no significant improvement over a period of time, then these will be disinvested from. Further information on the promotion of ESG characteristics is outlined below.

Exclusions: The Investment Manager will exclude credit instruments with direct exposure to controversial weapons and direct material exposure (>10% of revenue) to the following sectors: tobacco and thermal coal producers.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The Investment Manager looks at each credit instrument in detail and applies factors (as detailed above in the description of the ESGC characteristics promoted by the Fund) to score each credit instrument across E, S, G and C metrics based on a 1 – 10 rating scale. A "low score" is where the score is in the bottom quartile of MSCI ESG scores. MSCI ESG scores aim to measure a company's management of ESG risks and opportunities taking into account the most material risks per industry/sector, using a similar scoring range as the Investment Manager's ESGC scoring methodology. MSCI is a leading provider of research, data and technology for the global investment community.

This analysis of the above factors results in E, S, G and C scores for each credit instrument. This scoring is integrated into the Investment Manager's credit decision making. G is dealt with separately to E, S and C.

Governance is assumed to be material to credit worthiness. As a result, G scores (calculated using the above G factors) are used to size positions, with a negative risk decision impacting internal credit ratings, which impact the sizing of positions. Anything below a baseline governance level is automatically excluded. Low G scoring credit instruments above the baseline threshold will be engaged with.

Low E, S and C scores will lead to a secondary assessment analysing the impact on credit worthiness, determined on a case-by-case basis.

Where there is no material impact on the credit worthiness, then a low score will lead to an engagement process with the relevant issuer where the Investment Manager believes there is the potential for the issuer to improve its policies. The Investment Manager evaluates whether there is such scope to engage by researching and assessing different sources of data, where available, including but not limited to, an issuer's/company's annual reports, sustainability reports, existing ESGC policies and communicating with management to discuss such ESGC policies/plans and how these are expected to evolve. Engagement with the credit issuer is periodic, including periodic re-evaluations of the business and its policies along with mitigation steps taken by the issuer over time, to assess improvement in the scores over a two year period. If there is no 'significant improvement' of the score then the position sizing will be re-evaluated, with potential for full disinvestment.

If the E, S, G and C score is thought by the Investment Manager to impact credit worthiness materially, then the Fund will not invest in the relevant credit instrument or will consider smaller sizing depending on severity of impact, or where already invested, then the internal credit rating of the relevant issuer will be adjusted accordingly and the position will re-sized, reduced or exited entirely depending on the specific circumstances.



***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not Applicable – the Fund promotes E/S characteristics but will not make any sustainable investments.

***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not Applicable – the Fund promotes E/S characteristics but will not make any sustainable investments.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Investment Manager has built an in-house technological solution for the consideration and reporting of Principal Adverse Impacts ("PAI's"). Detailed analysis of this data is carried out as an input into investment decisions.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not Applicable – the Fund promotes E/S characteristics but will not make any sustainable investments.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

**Does this financial product consider principal adverse impacts on sustainability factors?**

☒ **Yes**

☐ **No**

PAIs are considered as part of the investment process of the Fund. The Investment Manager has direct access to PAI data at both Fund and individual company level through the proprietary inhouse data base. Reporting on PAIs can be found in the annual report. The PAI factors provided are as follows:

**Indicators Applicable to Corporate Issuers**

**Environmental**

1. Greenhouse gas emissions
2. Carbon footprint
3. Greenhouse gas intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production

6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity-sensitive areas
8. Emissions to water
9. Hazardous waste ratio

#### **Social**

10. Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)

#### **Indicators Applicable to Sovereigns and Supranationals**

##### **Environmental**

15. Greenhouse gas intensity Social
16. Investee countries subject to social violations

##### **Additional Indicators**

##### **Environmental**

17. Investments in companies without carbon reduction initiatives

##### **Social**

18. Number of identified cases of severe human rights issues and incidents
19. Incidents of discrimination



#### **What investment strategy does this financial product follow?**

The investment objective of the Fund is to provide income, the Fund will seek to achieve its objective on an active basis. The Fund seeks to achieve its investment objective by outperforming its benchmark, SONIA (the "Benchmark") by 2% per annum over rolling three year periods.

The Fund will be managed using the Investment Manager's disciplined credit investment process focusing on security selection combined with top-down macroeconomic analysis. The Investment Manager's value-orientated approach seeks to exploit the inefficiencies within credit markets, especially within higher yielding bonds further down the credit spectrum. At the macro level, the Investment Manager's analysis starts with a quarterly economic review which covers all major economic regions and focuses upon key variables such as growth rates and inflation. This strategy is also used to formulate the Investment Manager's outlook scenarios, including long-term yield and interest rate forecasts which helps to shape its investment strategy. The Investment Manager also undertakes internal research on companies, which is supplemented by research from rating agencies and brokers. The Investment Manager's internal rating methodology looks not only at the probability of default (where credit ratings agencies place their focus) but also the protection offered to its clients (covenants and security) and it also considers ESGC (Environmental, Social, Governance and Climate) factors as part of the credit review as further described above and the "Responsible Investment" section of the Supplement. As part of the Investment Manager's rigorous internal search process, a number of company visits will be undertaken to help it assess the quality of companies within the Fund's portfolio. Overall, the Investment Manager aims to construct a diversified portfolio that will deliver consistent alpha from multiple sources.

#### ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

As described above under "What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?", the Investment Manager scores ESGC factors on every

**The investment strategy** guides investment decisions based on factors such as

investment objectives and risk tolerance.

issuer the Fund invests in or proposes to invest in and resizes (or excludes depending on severity) those where the credit worthiness is impacted. Anything below a baseline governance level is automatically excluded. Baseline governance is an assessment of the minimum level of governance that the Investment Manager would expect to see. In addition to the impact on credit worthiness, in the Investment Manager's experience, companies with poor governance standards have a higher likelihood of having poor E, S and C metrics. Where credit worthiness is not materially impacted by the low E, S and C scores, the Investment Manager will engage with low scoring companies to try to improve their ESGC scoring. If there is no significant improvement over a period of time, then these will be disinvested.

If the E, S, G and C score is thought by the Investment Manager to impact credit worthiness materially, then the Fund will not invest in the relevant credit instrument or will consider smaller sizing depending on severity of impact, or where already invested, then the internal credit rating of the relevant issuer will be adjusted accordingly and the position will re-sized, reduced or exited entirely depending on the specific circumstances.

Exclusions: The Investment Manager will exclude credit instruments with direct exposure to controversial weapons and direct material exposure (>10% of revenue) to the following sectors: tobacco and thermal coal producers.

***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Investment Manager does not apply a minimum committed rate and will manage the Fund in alignment with the investment strategy and its ESG processes.

***What is the policy to assess good governance practices of the investee companies?***

The Fund operates in line with the Investment Manager's good governance policy. The Investment Manager believes governance is material to credit worthiness. As a result, G (governance) scores are used to size positions, with a negative risk decision impacting internal credit ratings, and internal ratings impacting the sizing of positions. Anything below a baseline governance level is automatically excluded. Low G scoring credit instruments above the baseline threshold will be engaged with for improved practices.

The Investment Manager will allocate G scores based on G factors under a range of pillars as follows: board (ownership and related party transactions), pay, audit, stakeholders (country of majority of operation and regulated activity) and controversies. These are aligned with the Investment Manager's principles of good governance and consistent with the currently disclosed SFDR definitions of good governance. Each of the factors is considered within the scoring framework.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

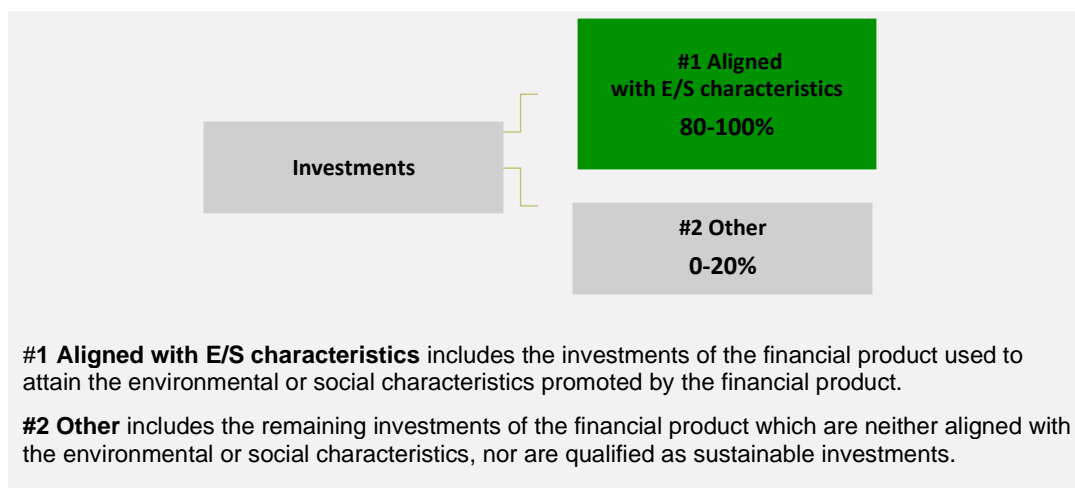
***What is the asset allocation planned for this financial product?***

80-100% of the Fund's Net Asset Value will be predominantly (minimum 80%) invested in fixed and floating rate sub-investment grade bonds which will be aligned with the environmental and/or social characteristics promoted by the Fund. The Fund does not commit to invest in Taxonomy aligned investments.



### Asset allocation

describes the share of investments in specific assets.



Taxonomy-aligned activities are expressed as a share of:

**turnover** reflecting the share of revenue from green activities of investee companies

**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

— **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

### *How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?*

The Fund may employ derivatives (currency forwards) for the purpose of efficient portfolio management. For currency forwards, the underlying issuers will be subjected to the same process as per the other investments in the Fund, as described above

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable - the Fund does not commit to invest in Taxonomy aligned investments.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

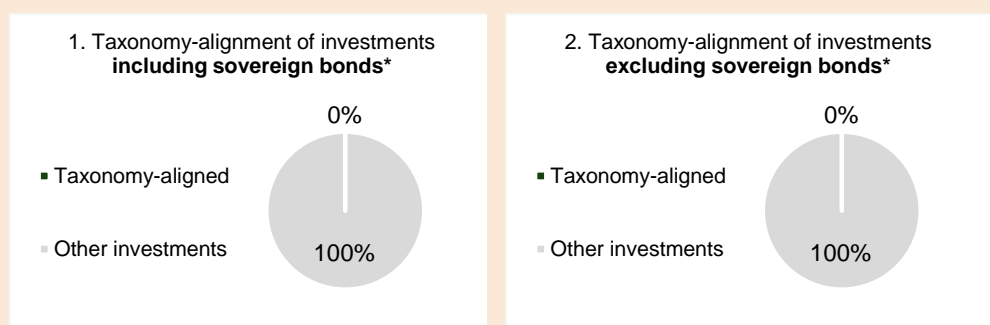
☐ Yes

☐ In fossil gas

☐ In nuclear energy

☒ No

**The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

**What is the minimum share of investments in transitional and enabling activities?**

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.



**What is the minimum share of socially sustainable investments?**

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.

**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

<sup>1</sup>

Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214



The investments included under "#2 Other" are cash, cash equivalents and hedging instruments which are not subject to any minimum environmental or social safeguards. Cash and cash equivalents do not affect the promoted environmental and / or social characteristics of the Fund. The assessment of issuers and of counterparties for cash and hedging instruments focusses on the creditworthiness of these parties, which can be impacted by sustainability risks.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

***How does the designated index differ from a relevant broad market index?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

***Where can the methodology used for the calculation of the designated index be found?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

**Where can I find more product specific information online?**

More product-specific information can be found on the Fund information and Factsheets section of the website: <https://www.rlam.com>



The Directors of the Company accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information. The Directors accept responsibility accordingly.

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## **ROYAL LONDON ABSOLUTE RETURN GOVERNMENT BOND FUND**

**(A sub-fund of Royal London Asset Management Funds plc which is an investment company (with segregated liability between sub-funds) with variable capital constituted as an umbrella fund under the laws of Ireland and authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011) (as amended)**

**DATE: 25 March 2024**

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**This Supplement forms part of, and should be read in the context of and together with, the prospectus dated 25 March 2024 (the “Prospectus”) in relation to Royal London Asset Management Funds plc (the “Company”) and contains information relating to Royal London Absolute Return Government Bond Fund (the “Fund”) which is a separate portfolio of the Company. The other portfolios established by the Company are the Royal London Sterling Extra Yield Bond Fund, the Royal London Global High Yield Bond Fund, the Royal London Short Duration Global High Yield Bond Fund, the Royal London Global Sustainable Credit Fund, the Royal London Global Bond Opportunities Fund, the Royal London Sterling Liquidity Money Market Fund the Royal London Global Equity Diversified Fund (IRL), the Royal London Global Sustainable Equity Fund (IRL), the Royal London European Sustainable Credit Fund, the Royal London Multi Asset Balanced Fund (IRL), the Royal London Multi Asset Growth Fund (IRL), the Royal London Multi Asset Defensive Fund (IRL), the Royal London Multi Asset Adventurous Fund (IRL), the Royal London Global Equity Select Fund (IRL), the Royal London Global Equity Enhanced Fund, the Royal London Global Equity Transitions Fund, the Royal London Emerging Markets Corporate Bond Fund, the Royal London Short Duration Emerging Markets Corporate Bond Fund and the Royal London US Equity Fund, information in respect of which is to be found in the Relevant Supplements.**

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## DEFINITIONS

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein.

<b>“Base Currency”</b>	For the purposes of this Supplement, the base currency shall be Sterling;
<b>“Business Day”</b>	a day on which banks are open in London, or such other day or days as may be determined by the Company and agreed with the Administrator, provided there shall be at least two Business Days in each calendar month;
<b>“Dealing Day”</b>	shall mean each Business Day or such other day or days as may be determined by the Company and notified in advance to the Shareholders provided that, there shall be at least two dealing days in each calendar month;
<b>“Dealing Deadline”</b>	5.00 p.m. Irish time on each Dealing Day or such other day or time as may be determined by the Company and notified to the Shareholders;
<b>“Valuation Point”</b>	means the close of business in the relevant market on each Dealing Day, being the time at which the last traded price is made available on the relevant stock exchanges or markets used for the purpose of the valuation of assets and liabilities of the Fund (or such other time as the Directors may in their discretion determine and notify to Shareholders). For the avoidance of doubt, the Valuation Point for a particular Dealing Day shall not be before the Dealing Deadline relevant to such Dealing Day.

## INVESTMENT OBJECTIVES AND POLICIES

### Investment Objective and Policies

This Supplement has been prepared solely for, and is being made available to investors for the purposes of, evaluating an investment in Shares in the Fund. Investors should only consider investing in the Fund if they understand the risks involved, including the risk of losing all capital invested.

**Investors should note that the Fund may engage in transactions in financial derivative instruments principally for investment and / or for hedging purposes subject to the limits laid down by the Central Bank.**

The investment objective of the Fund is to target absolute positive capital growth and the Fund will seek to achieve its objective on an active basis. The Fund invests in a portfolio comprising of fixed and/or floating rate investment grade global government bonds (both nominal and inflation linked); fixed rate investment grade global bonds issued by supranational entities; AAA fixed and/or floating rate securities (including floating rate notes and covered bonds, which are corporate bonds with recourse to a pool of assets that secures the bond); supranational and sovereign floating rate notes and financial derivative instruments (please refer to “Financial Derivative Instruments” below for a summary of permitted financial derivative instruments).

The Fund seeks to achieve its investment objective by outperforming its benchmark, the Sterling Overnight Index (the “**Benchmark**”) on an annual basis by 2.5% over rolling three year periods and aims to provide positive performance over 12 month periods.

The Benchmark is an index which tracks overnight funding rates in the Sterling market. It was launched in March 1997 by the Wholesale Markets Brokers' Association and is endorsed by the British Bankers Association. Investors should note that the Benchmark is being used by the Fund for performance comparison purposes only and the Fund does not intend to track the Benchmark. While the Fund may invest in investments which are constituents of the Benchmark, the Fund will be actively managed and its portfolio will not be constrained by reference to any index, and the Investment Manager may use its discretion to invest in instruments which are not included in the Benchmark.

The Fund seeks to achieve its investment objective by exploiting valuation differences and anomalies within and between global government bond markets. The Fund will simultaneously take long positions in assets, either bonds (which are described above) or derivatives (which are described in more detail below under “Financial Derivative Instruments”), which it deems as being undervalued and short positions in assets (including futures and swaps, as detailed below, with government bonds as the underlying reference asset) that it deems as being overvalued, allowing it to exploit any anomalies that it has identified, as well as in positions where the Fund has a long position in the asset (which are described above). The Fund will generally offset long and short positions with the aim of minimising interest rate risk. The Fund's total market exposure (excluding any hedges put in place) may vary in time and range from a maximum long position of 300% to a maximum short position of 300% of the Net Asset Value of the Fund. The Fund may however take positions which do not have an exact offset in order to increase or decrease the interest rate risk. The extent of both the long and short positions will be governed by the overall process and will be limited by the overall Value at Risk (“**Var**”) calculation.

The Fund may buy or sell put and call options to take a positional view on volatility. For example, the Fund would buy an option whose value is expected to increase due to an increase in the implied volatility of the underlying asset or sell an option whose value is expected to decrease due to a decrease in the implied volatility of the underlying asset. In line with the Fund's investment objective, the options underlying are either interest rate swaps or government bonds.

As a matter of its investment policy, the Fund is prohibited from investing in any other collective investment scheme.

The Investment Manager may vary the average maturity of the securities in the Fund and there is no restriction on the maturity of any individual security. The exception to this is with regards to investment in investment grade corporate bonds which are restricted to having remaining time to maturity of less than 3 years (this applies to investment grade corporates that are not AAA rated secured bonds or AAA

rated covered bonds or bonds issued by supranational entities). The Investment Manager does not expect exposure to investment grade corporate bonds to exceed approximately 20% of the Net Asset Value of the Fund. Any investment grade corporate bonds with ratings of less than A- are limited to 10% of the Net Asset Value of the Fund.

The Fund may, subject to the investment restrictions set out in the Prospectus, hold cash and/or ancillary liquid assets such as cash deposits and money market instruments (including, without limitation, certificates of deposit, commercial paper and bankers' acceptances).

The Fund will be managed using the Investment Manager's disciplined investment process focusing on security selection combined with top-down macroeconomic analysis. The Investment Manager's approach seeks to exploit the inefficiencies in government bond markets, with specific focus on the principle that such markets are related via long term global economic systemic drivers but have country specific idiosyncratic long terms drivers that influence returns. The differences in these long term drivers can cause anomalies in the valuation of government bonds within and across individual markets which can be exploited by the Fund. At the macro level, the Investment Manager's analysis starts with a quarterly economic review which covers all major economic regions and focuses upon key variables which may impact on the yields of government bonds. The Investment Manager also undertakes internal research on all of the global economies which allows it to generate economic forecasts on a global level and also for each specific market. Following completion of its analysis, the Investment Manager compares its analysis of the economic variables that influence bond yields against the factors which current bond yields are based upon. The Investment Manager also conducts further analysis of the bond markets using its own proprietary models which are used to derive future bond returns thus allowing the Investment Manager to identify strategic long term and short term investment opportunities. The Investment Manager further supplements its analysis by holding regular team meetings which provide a formal environment in which current investments and the rationale behind such investments are discussed and analysed by members of the Investment Manager's government bond team.

Prior to any trade being implemented, it is subjected to a comprehensive risk analysis by the Investment Manager with a focus on the risk exposures of the individual trade and its impact on the Fund's overall portfolio. While the Investment Manager will use its economic analysis and research when implementing its long term strategy, it recognises that the nature of the world's economies and the market volatility of global government bonds issued will present it with short term pricing anomalies which it aims to exploit in order to achieve its investment objective.

**Investors should note that there can be no guarantee that the Fund will achieve its investment objective. Where preliminary sales charges are imposed, the difference between the cost of purchase of Shares and their redemption price may mean that an investment should be viewed as medium to long term.**

As detailed below, the Fund may engage in transactions in financial derivative instruments for investment and/or for hedging purposes subject to the limits laid down by the Central Bank.

Subject to the UCITS Regulations and the section of the Prospectus entitled "Investment Restrictions – Financial Derivative Instruments", the Fund may invest its assets in financial derivative instruments for investment and efficient portfolio management purposes, including interest rate futures, forward rate agreements, interest rate caps, interest rate floors, government bond futures, interest rate swaps (including cross currency interest rate swaps), inflation swaps, constant maturity interest rate swaps, total return swaps, interest rate swaptions, inflation swaptions, inflation options and options on bond futures. The use of financial derivative instruments by the Fund may affect the return on an Investor's investment.

**Investors should note that the Fund may use currency forward contracts, currency swaps and currency options as detailed below and in "Share Currency Designation Risk" in the "Investment Risks" section of the Prospectus to hedge currency exposure arising from the Fund's investments in assets denominated in currencies other than the Base Currency and to hedge currency exposure arising in respect of non-Base Currency Share classes. The Fund will only take active positions in foreign currency for the purposes of hedging.**

**As outlined above, Investors should note that the Fund may use total return swaps (as described below) for efficient portfolio management and investment purposes.**

**The Fund may invest in Repo Contracts for efficient portfolio management subject to the conditions and limits specified in the Central Bank UCITS Regulations.**

### **Financial Derivative Instruments**

#### **Futures and Options**

The Fund may use bond and interest rate futures. The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price.

The Fund may use interest rate swaptions, in currency options and options on bond futures. A call option (which may be covered or uncovered) on an investment is a contract under which the purchaser, in return for a premium paid, has the right to buy the securities underlying the option at the specified exercise price at any time during the term of the option. A put option (which may be covered or uncovered) is a contract that gives the purchaser, in return for a premium paid, the right to sell the underlying securities at the specified exercise price during the term of the option. An option is uncovered where the party writing the option does not hold the underlying security which may be purchased (called) or sold (put) pursuant to the option. The underlying assets for futures and options shall be instruments in which the Fund can invest directly in accordance with its investment objective and policy.

#### **Interest rate caps and interest rate floors**

Interest rate caps and interest rate floors are contracts whereby a buyer receives payments at the end of each period in which the interest rate is below the agreed strike price.

#### **Swaps**

An interest rate swap is a foreign exchange agreement between two parties to exchange fixed or floating interest payments on a principal amount in one currency for fixed or floating interest payments on a principal amount in another currency. The parties may or may not agree to exchange the principal amounts under the swap. Under fixed/floating interest rate swaps, the parties agree to exchange a fixed interest payment for a floating interest payment, based on an agreed notional amount. Under a cross currency interest rate swap, the interest payments and principal amount legs of the swap are denominated in different currencies. An inflation swap is a bilateral agreement between two institutions to transfer inflation risk from one party to another, whereby one party pays a fixed rate of inflation on a notional amount, while the other pays a floating rate as established by reference to an inflation index. The inflation swaps are expected to be so-called "bullet", "zero coupon" or year on year fixed vs floating swaps. No payments will be made by the Fund or the counterparty until a pre-determined date. However, the Fund or counterparty will be required to post collateral depending on changes in expectations during the term of the inflation swap.

A currency swap is a foreign-exchange agreement between two institutions to exchange aspects of a loan in one currency for equivalent aspects of an equal in net present value loan in another currency; see foreign exchange derivative.

Constant maturity swaps are exposed to changes in long-term interest rate movements and involve a floating interest portion which is periodically reset according to a fixed maturity market rate of a product with a duration extending beyond that of the swap's reset period.

A total return swap is a bilateral financial contract, which allows one party to enjoy all of the cash flow benefits of an asset without actually owning this asset. The reference assets underlying the total return swaps, if any, shall be any security or basket of securities which are consistent with the investment policies of the Fund described in this Supplement.

The counterparties to all swap transactions will be institutions subject to prudential supervision and belonging to categories approved by the Central Bank and will not have discretion over the assets of the Fund. The underlying assets for the swaps shall be instruments in which the Fund can invest directly in accordance with its investment objective and policy.

### **Currency Forward Contracts**

Currency forward contracts are agreements to exchange one currency for another -for example, to exchange a certain amount of Euro for a certain amount of US Dollars -at a future date. The date (which may be any agreed-upon fixed number of days in the future), the amount of currency to be exchanged and the price at which the exchange will take place are negotiated and fixed for the term of the contract at the time that the contract is entered into. Currency forward contracts may be bought or sold in either deliverable or non-deliverable form.

### **Derivative Use and Risk Management**

Derivative instruments may be used (i) for hedging purposes and/or (ii) for investment purposes in accordance with the requirements of the Central Bank. For example, the Fund may use derivatives (which will be based only on underlying assets or sectors which are permitted under the investment policy of the Fund) (i) to hedge a currency exposure and / or (ii) as a substitute for taking a position in the underlying asset where the Investment Manager feels that a derivative exposure to the underlying asset represents better value than a direct exposure. The Company employs a risk management process which enables it to accurately measure, monitor and manage the various risks associated with financial derivative instruments and details of this process have been provided to the Central Bank.

The Company will not use derivative instruments which have not been listed in the Company's risk management process until such time as a revised risk management process has been submitted to the Central Bank. The use of derivative instruments (whether for hedging and/or for investment purposes) may expose the Fund to the risks as described in the "Risk Considerations" section of the Prospectus. Position exposure to underlying assets of derivative instruments (whether for hedging purposes and/or for investment purposes), when combined with positions resulting from direct investments, will not exceed the investment limits set out in the Prospectus. Although the use of derivatives (whether for hedging or investment purposes) may give rise to an additional leveraged exposure, any such additional exposure will be monitored using the VaR methodology in accordance with the Central Bank's requirements. The Fund will use the "Absolute VaR" model which aims to ensure that on any day, the value at risk of the Fund, measured using a 20 business day holding period, using a one-tailed confidence interval of 99% and a historical observation period of at least 5 years (with a half-life of half a year applied to the historic observations), will be no greater than 7% of the Net Asset Value of the Fund.

The level of leverage (as measured by the "sum of the notionals" of derivative positions methodology) in the Fund is expected to be between 100% and 499% of the net assets of the Fund.

The "sum of the notionals" methodology does not allow for offsets of derivatives which reference the same underlying assets or hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage based on the "sum of notionals" methodology may exceed, at times considerably, the economic leverage assumed by the Fund but is not expected to exceed the limits set out above. The reported leverage will be higher than the economic leverage as the "sum of notionals" methodology does not net off the different exposures. The Investment Manager will, on request, provide supplementary information to Shareholders relating to the risk management methods employed including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

### **Efficient Portfolio Management**

The Fund may employ for the purpose of efficient portfolio management, the investment techniques and instruments described under “Fund Investment Techniques” and “Investment Risks” in the Prospectus.

It is intended that the Fund shall only employ techniques and instruments for efficient portfolio management purposes to the extent that such techniques and instruments are consistent with the Fund's investment policies.

Any financial derivative instruments not included in the risk management process statement of the Company will not be utilised until such time as a revised submission has been cleared by the Central Bank. Investors should note that there is no guarantee that the Fund will achieve its investment objective.

The Fund will not have any exposure to stock-lending transactions. The Fund's exposure to swaps and Repo Contracts is as set out below (as a percentage of Net Asset Value).

	<b>Expected</b>	<b>Maximum</b>
Swaps	50%	300%
Repo Contracts	0%	10%

The Fund intends to attempt to hedge out the currency risk of the non-Base Currency Shares by hedging them back to the Base Currency by using any of the efficient portfolio management techniques and instruments set out in the Prospectus within the conditions and limits imposed by the Central Bank. In terms of use of derivative instruments for these purposes, the Fund shall only use currency forward contracts, currency swaps and currency options. Save as specified in this paragraph, a class of Shares may not be leveraged as a result of the use of such techniques and instruments. Such hedging shall be limited to the extent of the relevant class of Share's currency exposure. Investors in such classes of hedged shares will bear any currency risk associated with fluctuations between the non-Base Currency Classes and the Base Currency to the extent that share class hedging fails to eliminate such risk. Please refer to “Share Currency Designation Risk” in the Prospectus. All share classes of the Fund which are designated other than in the Base Currency will be hedged against the Base Currency, unless this policy is changed by notice to Shareholders.

**While the costs of hedging for the benefit of hedged classes of the Fund are solely allocated to the relevant Share class, a currency conversion will take place on subscriptions, redemptions and exchanges at prevailing exchange rates and the costs of the conversion will generally be borne by the Fund as a whole. However, the Directors hold the right, in their absolute discretion, in appropriate circumstances to require the relevant applicant or Shareholder to bear the cost of the conversion.**

### **Responsible Investment**

ESG Risks are integrated into investment decisions made in relation to the Fund and the opportunities available to the Fund are in line with the RI Policy as detailed in the “RESPONSIBLE INVESTMENT” section of the Prospectus. The likely impact on returns and the risks associated with responsible investment techniques utilised by the Investment Manager are also explained in the “RESPONSIBLE INVESTMENT” and “INVESTMENT RISKS” sections of the Prospectus.

The investments underlying the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

## **PROFILE OF A TYPICAL INVESTOR**

The Fund is suitable for both retail and institutional investors who are seeking short term capital preservation and marginal growth and who are willing to accept a low level of volatility. This typically means a minimum time horizon of 3 to 5 years but this could vary depending upon individual risk profiles.

## **INVESTMENT RESTRICTIONS**

The assets of the Fund will be invested in accordance with the concentration limits and other restrictions imposed under the UCITS Regulations and summarised in the “Investment Restrictions” section of the Prospectus.

In addition to the restrictions set out under “Investment Restrictions” in the Prospectus, the Company may from time to time impose such further investment restrictions as shall be compatible with or in the interest of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders of the Fund are located.

## **INVESTMENT RISKS**

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the “Investment Risks” section of the Prospectus and in particular the specific risk factors listed below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making an application for Shares. There is no guarantee that the Fund will achieve its investment objective.

Basis Risk

Counterparty Risk

Credit Risk

Diversification Risk

Fund Currency Risk

Investor Currency Risk

Market Risk

Portfolio Risk

Repo Contracts

Risks Associated with Forward Currency Contracts

Share Currency Designation Risk

Settlement Mechanisms / Custodial Risk

## **APPLICATION FOR SHARES**

Unlaunched Shares in the Fund will be available for subscription from 9.00 a.m. (Irish time) on 26 March 2024 up to 5.00 p.m. (Irish time) on 25 September 2024 (or such earlier or later Business Day as the Directors determine and notify to the Central Bank). The initial offer price per Share for each unlaunched Share Class will be in its respective Class Currency: AUD1, CAD1, CHF1, DKK1, EUR1, GBP1, NOK1, SEK1, SGD1 or USD1.

Shares will be issued at the next determined Net Asset Value per Share after receipt and acceptance by the Administrator of an application form ("Application Form"). In the case of a new investor, the Administrator must receive the original Application Form within five Business Days.

Investors must complete an Application Form. Application Forms must be received by the Administrator by the Dealing Deadline, or such other time as the Management Company in consultation with the Company may from time to time determine in exceptional circumstances and prior to the Valuation Point, in order to be issued as of the next Net Asset Value per Share. Telephone instructions may be accepted with the prior agreement of the Administrator pending receipt of the Application Form and election to avail of this facility by the investor. A faxed Application Form will be accepted, with the original Application Form to follow. The Company will deny a subsequent request to redeem shares if the relevant investor fails to submit an original executed Application Form. The Company may, in its absolute discretion, refuse to accept any application for Shares. Application monies must be received by the Administrator on the relevant Dealing Day or such other time as the Management Company in consultation with the Company may determine and in any event within three Business Days. In addition, the Company reserves the right to cancel provisional allotment of the relevant Shares where application monies are not received by the Administrator within three Business Days. Requests for investments received after the Valuation Point will be treated as being received on the next Dealing Day. The Company reserves the right to compulsorily redeem the Shares where the original Application Form used on initial subscription or documentation relating to the applicants has not been received within five Business Days. In such circumstances, the Company and Administrator may require to be reimbursed for expenses incurred.

Applications for Shares received during any period when the Share dealings have been temporarily suspended in the circumstances described in the "Temporary Suspension of Dealings" section of the Prospectus will be treated as received on the Dealing Day on which dealings recommence, unless such request has been withdrawn during the period of suspension.

#### Share Class Information

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
A	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
M	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for	AUD	200,000	2,000	200,000
			CAD	200,000	2,000	200,000
			CHF	100,000	1,000	100,000
			DKK	1,000,000	10,000	1,000,000



Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
		the Base Currency, where only unhedged Shares are available	EUR	100,000	1,000	100,000
			GBP	100,000	1,000	100,000
			NOK	1,000,000	10,000	1,000,000
			SEK	1,000,000	10,000	1,000,000
			SGD	200,000	2,000	200,000
			USD	100,000	1,000	100,000
R	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
S	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
V	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged	AUD	200,000,000	20,000,000	200,000,000
			CAD	200,000,000	20,000,000	200,000,000
			CHF	100,000,000	10,000,000	100,000,000
			DKK	1,000,000,000	100,000,000	1,000,000,000
			EUR	100,000,000	10,000,000	100,000,000
			GBP	100,000,000	10,000,000	100,000,000
			NOK	1,000,000,000	100,000,000	1,000,000,000
			SEK	1,000,000,000	100,000,000	1,000,000,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
		Shares are available	SGD	200,000,000	20,000,000	200,000,000
			USD	100,000,000	10,000,000	100,000,000
W	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
Z	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	6,000,000	100,000	6,000,000
			CAD	6,000,000	100,000	6,000,000
			CHF	3,000,000	50,000	3,000,000
			DKK	30,000,000	500,000	30,000,000
			EUR	3,000,000	50,000	3,000,000
			GBP	3,000,000	50,000	3,000,000
			NOK	30,000,000	500,000	30,000,000
			SEK	30,000,000	500,000	30,000,000
			SGD	6,000,000	100,000	6,000,000
			USD	3,000,000	50,000	3,000,000

Whilst shares are available in the categories as listed in the above table, confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator. Other currencies may be made available as determined by the Directors, in which case this Supplement will be updated.

The Directors may for each relevant Class waive such minimum amounts in their absolute discretion. The Company may compulsorily redeem holdings in any Class of Shares if such holding is below the minimum holding as set out in the above table for a period of three months or more.

Application proceeds must be paid in the currency in which the relevant Class is denominated or by transfer of assets in accordance with the provisions specified in the Prospectus. Application for Shares by new investors should be made on the Application Form and sent in original form or by facsimile to the number indicated on the Application Form (with the original copy sent by post immediately thereafter) to the Administrator.

Telephone calls may be recorded by the Company's delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes.

**Class A Shares** are available to all investors. Retail investors wishing to purchase Class A Shares should do so via their financial intermediary.

**Class M Shares** are available for investment by platforms and institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
<p>due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners.</p> <p><b>Class R Shares</b> are available only to affiliates of the Investment Manager.</p> <p><b>Class S Shares</b> are available only to institutional investors who have entered into a separate fee arrangement with the Investment Manager or the Distributor.</p> <p><b>Class V Shares</b> are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.</p> <p><b>Class W Shares</b> are available to all investors. Retail investors wishing to purchase Class W Shares should do so via their financial intermediary.</p> <p><b>Class Z Shares</b> are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.</p>						

## REDEMPTIONS

The Fund redeems Shares at their Net Asset Value per Share on each Dealing Day following due receipt of a redemption request. Redemption requests must be received in proper form and are only effective upon acceptance by the Administrator. Redemption requests will not be acted upon until the Administrator has received the original Application Form used on initial subscription.

Shares may be redeemed on any Dealing Day by way of facsimile or other written communication to the Administrator provided that the relevant redemption request is received by the Administrator no later than the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine, in exceptional circumstances on the relevant Dealing Day provided it is before the Valuation Point. Redemption requests received after the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine on the relevant Dealing Day, will be treated as being received on the following Dealing Day. Redemption proceeds will be paid to the account outlined in the Application Form used on original subscription. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption requests must specify the Shareholder's full name, address and Shareholder number and the number or value of Shares to be redeemed. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption proceeds, which are paid by way of electronic transfer, will be sent within three days of the Dealing Day on which the redemption is effected.

## DIVIDEND POLICY

The Directors may declare a dividend, for the benefit of the Shareholders invested in the Fund, arising out of net income (including dividend and interest income) and the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investment of the Fund.

For each accumulating Class, the Directors have determined to reinvest all net income and net realised capital gains of the relevant accumulating Class. Accordingly, no dividends will be paid in respect of accumulating Classes and all net income and net realised capital gains of the accumulating Classes will be reflected in the Net Asset Value per Share of the accumulating Classes.

The Directors may, however, at their discretion, change the dividend policy and, upon advance notification to Shareholders, amend this Supplement to reflect such change.

### **BORROWING POLICY**

Under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company, subject to any limitations under the UCITS Regulations, and the Depositary is empowered to charge the assets of the Company as security for any such borrowings.

The Company intends that the Fund may incur temporary borrowings in an amount not exceeding 10% of its net assets. However, the amount of outstanding borrowings and repurchase agreements will not exceed 10% of the net assets of the Fund.

### **FEES AND EXPENSES**

The Company will pay the Fund Management Fee per Class at the rate set out in the table below. The Fund Management Fee will accrue daily and be payable monthly in arrears. Details of the maximum preliminary charge and the maximum Distribution Fee that may be applied to specific Classes are also set out in the table below.

<b>Share Class</b>	<b>Maximum Preliminary Charge</b>	<b>Fund Management Fee</b>	<b>Maximum Distribution Fee</b>
A	5.00%	See footnote *	0.00%
A Hedged	5.00%	See footnote *	0.00%
M	0.00%	0.40%	0.00%
M Hedged	0.00%	See footnote *	0.00%
R	0.00%	0.08%	0.00%
R Hedged	0.00%	See footnote *	0.00%
S	0.00%	0.05%	0.00%
S Hedged	0.00%	See footnote *	0.00%
V	0.00%	See footnote *	0.00%
V Hedged	0.00%	See footnote *	0.00%
W	2.00%	See footnote *	1.00%
W Hedged	2.00%	See footnote *	1.00%
Z	0.00%	0.30%	0.00%
Z Hedged	0.00%	0.35%	0.00%

\*The Fund Management Fee is up to 2.5%,but may be lower in practice. Please contact the Investment Manager for further information. Confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator.

The Distribution Fee shown above in the table is the maximum that can be charged. This fee (where applicable) is paid to the Distributor for providing distribution-related services to the Fund and Shareholders.

Where the Annual Expenses exceed the Fund Management Fee for the relevant Class, the excess will be discharged by the Investment Manager from its own assets.

The Annual Expenses are the following fees and expenses set out in the section headed “FEES AND EXPENSES” in the Prospectus: (i) Management Fees of the Management Company (ii) Investment Management Fees; (iii) Administration Fees; (iv) Depositary Fees; (v) Director’s Fees; and (vi) Operating Expenses. Investors should refer to the section headed “FEES AND EXPENSES” in the Prospectus.

All other fees and expenses of the Fund (such as such extraordinary or exceptional costs and expenses not included above) will be borne by the Fund and will be charged at normal commercial rates.

Class R Shares and Class S Shares may be subject to a periodic charge payable outside the Fund as agreed between the Investment Manager and the relevant investor.

The Management Company and the Investment Manager shall also be entitled to all reasonable out of pocket costs and expenses incurred in the proper performance of their respective duties.

### **Redemption Charge**

The Company does not intend to make a redemption charge.

### **Swing Pricing**

The actual cost of purchasing investments may be higher or lower than the value used in calculating the Net Asset Value. These costs may include dealing charges, commission and transaction charges and the dealing spread and may have a materially disadvantageous effect on a Shareholder’s interest in the Fund. To prevent this effect, known as “dilution”, the Management Company in consultation with the Company may determine, at their discretion, to adjust (“swing”) the Net Asset Value per Share of the Fund, in the circumstances set out in the “Fees and Expenses” section of the Prospectus.

### **Establishment Costs of the Fund**

The establishment costs of the Fund were borne by the Investment Manager.

The Directors of the Company accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information. The Directors accept responsibility accordingly.

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## **ROYAL LONDON GLOBAL BOND OPPORTUNITIES FUND**

**(A sub-fund of Royal London Asset Management Funds plc which is an investment company (with segregated liability between sub-funds) with variable capital constituted as an umbrella fund under the laws of Ireland and authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended))**

**DATE: 25 March 2024**

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This Supplement forms part of, and should be read in the context of and together with, the prospectus dated 25 March 2024 (the “Prospectus”) in relation to Royal London Asset Management Funds plc (the “Company”) and contains information relating to the Royal London Global Bond Opportunities Fund (the “Fund”) which is a separate portfolio of the Company. The other portfolios established by the Company are the Royal London Sterling Extra Yield Bond Fund, the Royal London Global High Yield Bond Fund, the Royal London Short Duration Global High Yield Bond Fund, the Royal London Absolute Return Government Bond Fund and the Royal London Sterling Liquidity Money Market Fund, the Royal London Global Equity Diversified Fund (IRL), the Royal London Global Sustainable Equity Fund (IRL), the Royal London European Sustainable Credit Fund, the Royal London Multi Asset Balanced Fund (IRL), the Royal London Multi Asset Growth Fund (IRL), the Royal London Multi Asset Defensive Fund (IRL), the Royal London Multi Asset Adventurous Fund (IRL), the Royal London Global Equity Select Fund (IRL), the Royal London Global Equity Enhanced Fund, the Royal London Global Equity Transitions Fund, the Royal London Emerging Markets Corporate Bond Fund, the Royal London Short Duration Emerging Markets Corporate Bond Fund and the Royal London US Equity Fund, information in respect of which is to be found in the Relevant Supplements.

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## DEFINITIONS

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein.

<b>“Base Currency”</b>	For the purposes of this Supplement, the base currency shall be Sterling;
<b>“Business Day”</b>	a day on which banks are open in London or such other day or days as may be determined by the Company and agreed with the Administrator, provided there shall be at least two Business Days in each calendar month;
<b>“Dealing Day”</b>	shall mean each Business Day except for any day on which an underlying market or markets on which at least 15% of the Fund's assets are exposed or traded are closed, for example for public holidays, or such other day or days as may be determined by the Company and notified in advance to the Shareholders provided that, there shall be at least two dealing days in each calendar month. In circumstances where the threshold for closed underlying markets has been met or exceeded, dealing in the Fund's Shares will take place on the next Business Day on which such underlying market or markets are open. A list of the closed market days in respect of the Fund is available on the Investment Manager's website at <a href="http://www.rlam.com">www.rlam.com</a> ;
<b>“Dealing Deadline”</b>	5.00 p.m. Irish time on each Dealing Day or such other day or time as may be determined by the Company and notified to the Shareholders;
<b>“Emerging Markets”</b>	means the markets listed in Appendix I of the Prospectus for Bahrain, Brazil, Chile, Colombia, Costa Rica, Croatia, Ghana, India, Indonesia, Israel, Kazakhstan, Kenya, Korea (South), Kuwait, Mexico, Morocco, Namibia, Nigeria, Oman, Peru, Philippines, Qatar, Russia, Saudi Arabia, Serbia and Montenegro, South Africa, Taiwan (Republic of China), Thailand, Turkey, United Arab Emirates, Uruguay and Vietnam; and the following markets for Bulgaria (Bulgarian Stock Exchange), Czech Republic (Prague Stock Exchange), Estonia (NASDAQ OMX Tallinn), Hungary (Budapest Stock Exchange Zrt.), Latvia (NASDAQ OMX Riga), Lithuania (NASDAQ OMX Vilnius), Poland (Warsaw Stock Exchange and BondSpot S.A.), Romania (Bucharest Stock Exchange), Slovenia (Ljubljana Stock Exchange) and United Republic of Tanzania (Dar es Salaam Stock Exchange).
<b>“Valuation Point”</b>	means the close of business in the relevant market on each Dealing Day, being the time at which the last traded price is made available on the relevant stock exchanges or markets used for the purpose of the valuation of assets and liabilities of the Fund (or such other time as the Directors may in their discretion determine and notify to Shareholders). For the avoidance of doubt, the Valuation Point for a particular Dealing Day shall not be before the Dealing Deadline relevant to such Dealing Day.



## INVESTMENT OBJECTIVE AND POLICIES

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Fund invests primarily in transferable securities listed or traded on Recognised Markets in accordance with the restrictions listed in the “Investment Restrictions” section of the Prospectus and below. In addition, the Fund may employ for the purpose of efficient portfolio management, the investment techniques and instruments described in the “Fund Investment Techniques” and “Investment Risks” sections of the Prospectus.

This Prospectus has been prepared solely for, and is being made available to investors for the purposes of evaluating an investment in Shares in the Fund. Investors should only consider investing in the Fund if they understand the risks involved, including the risk of losing all capital invested.

### Investment Objective and Policies

The investment objective of the Fund is to achieve a high level of income with the opportunity for capital growth, the Fund will seek to achieve its objective on an active basis.

The Fund seeks to achieve its investment objective by investing predominantly in non-Sterling and Sterling denominated fixed income securities, as described further below, issued globally, including in Emerging Markets. The Fund seeks to achieve its investment objective by investing its assets in a diversified portfolio of global fixed or floating rate debt securities (rated or non-rated), including investment grade, sub-investment grade or high yield. The Fund may also invest in preference shares.

The Long Term Issue Credit Rating Definitions used by S&P, Moody's and Fitch and other recognised rating agencies describe investment grade bonds as exhibiting “adequate protection parameters” but note that “adverse economic conditions or changing circumstances may lead to a weakened capacity of the obligor to meet its financial commitment”. However, the obligor's capacity to meet the financial commitment is deemed adequate. The Fund may invest up to 100% of its assets in investment grade bonds.

Sub-investment grade bonds are obligations that are regarded as having significant speculative characteristics. While such obligations will likely have some protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions. These bonds may be highly vulnerable to non-payment of interest and principal. The Fund may invest up to 100% of its assets in sub-investment grade bonds located globally.

Non-rated bonds are not rated by any rating agency but may have characteristics of either investment grade or sub-investment grade bonds. The Fund may invest up to 100% of its assets in non-rated bonds.

The Fund will aim to invest a minimum of 50% of its Net Asset Value in non-Sterling denominated fixed income securities. The Fund may invest up to 10% of its Net Asset Value in securities issued in Emerging Markets.

The Fund will not invest in any collective investment schemes.

The Fund may invest up to 10% of its assets in aggregate in common equity stocks and / or warrants. The Fund may invest in common equity stocks when consistent with its investment objective, for example, where an equity position will offer more value than the bond of a company in which the Fund seeks exposure to, or where the dividend yield of an equity position would be more in line with the Fund's investment objective, or where positions are subject to a debt to equity conversion and the Fund continues to hold those equity positions. The Fund may invest in warrants when consistent with its investment objective and may also receive warrants as a result of corporate actions.

The fixed and floating rate debt securities may include all types of debt obligations including bonds (corporate and sovereign), debentures, loan notes (including freely transferable promissory notes listed or traded on Recognised Markets), convertible bonds, hybrid securities (as described below), payment in kind bonds (which are bonds on which the interest is payable in the form of additional bonds of the same kind), credit-linked notes, Euro medium term notes, preferred securities and asset backed securities. An asset backed security is a financial security that is backed by a claim on a company's assets or cash flows. A hybrid or preferred security is a security which has features of both equities and bonds, such as the ability of the issuers to defer coupon payments. The Fund may also invest to a limited extent in private placements (which are securities sold through private offerings) which are consistent with its objective.

The Fund will follow a bottom-up stock selection process which seeks to exploit market inefficiencies to identify attractive investment opportunities by using a long established in-house credit research framework which focuses on credit opportunities and risks, and an emphasis on security selection rather than benchmark driven investing. The Fund will also invest in different geographies including Emerging Markets. Rather than being driven by rating agencies, benchmark and liquidity, the Investment Manager's security selection process is focused on analysing covenants, security and recovery. This analysis aims to identify undervalued securities through reviewing a lender's position (considering the lending structure, other liabilities and liquidity), balance sheet volatility analysis and credit enhancements (such as financial covenants, seniority, coupon step-up mechanisms and Spens redemption clauses, a potentially strong form of protection which makes it prohibitively expensive for the issuer to take an early redemption). The security selection process will be applied across all geographies and all fixed income asset classes as described above.

Pending investment of subscription proceeds or where market or other factors so warrant, the Fund may, subject to the investment restrictions set out in the Prospectus, hold cash and/or ancillary liquid assets such as money market instruments (including, without limitation, certificates of deposit, commercial paper and bankers' acceptances) and cash deposits.

Derivative instruments may be used by the Fund for (i) hedging purposes and/or (ii) investment purposes in accordance with the requirements of the Central Bank. Currency forward contracts and currency swaps may be used to hedge the non-Base Currency positions in the Fund back to the Base Currency in order to reduce currency risk. Interest rate futures and interest rate swaps may be used to manage duration of the Fund's portfolio. Credit default swaps may be used to hedge the credit risk of a position within the Fund i.e. to hedge against the potential default of a single reference entity which the Fund holds. Index credit default swaps may be used to hedge against market risk. Warrants, as described above, may be used for investment purposes.

The Fund may employ for the purpose of efficient portfolio management, the investment techniques and instruments described under "Fund Investment Techniques" and "Investment Restrictions – Financial Derivative Instruments" in the Prospectus. Such financial derivative instruments include currency forward contracts, currency swaps, interest rate futures, interest rate swaps and credit default swaps.

It is intended that the Fund shall only employ techniques and instruments for efficient portfolio management purposes to the extent that such techniques and instruments are consistent with the Fund's investment policies. The use of financial derivative instruments by the Fund may affect the return on an Investor's investment. Any financial derivative instruments not included in the risk management process statement of the Company will not be utilised until such time as a revised submission has been cleared by the Central Bank.

The Fund will not have any exposure to repurchase agreements or stock-lending transactions. The Fund's exposure to swaps is as set out below (in each case as a percentage of Net Asset Value).

	Expected	Maximum
Swaps	10%	50%

Investors should note that the Fund may use currency forward contracts and currency swaps as detailed below and in “Share Currency Designation Risk” in the “Investment Risks” section of the Prospectus to hedge currency exposure arising from the Fund's investments in assets denominated in currencies other than the Base Currency and to hedge currency exposure arising in respect of non-Base Currency Share classes. The Fund will only take active positions in foreign currency for the purposes of hedging. A risk management process which enables the Company to accurately measure, monitor and manage the various risks associated with financial derivative instruments used by the Fund has been submitted to the Central Bank in accordance with the Central Bank UCITS Regulations.

The Fund's global exposure is the incremental exposure and leverage generated by it through the use of financial derivative instruments such as its purchase of futures or swaps. The global exposure of the Fund is calculated using the commitment approach, whereby positions in financial derivative instruments are calculated, based in the case of both futures or swaps (using the conversion methodologies set out in the risk management process for the Company), on the market value of the underlying reference instrument. As the Fund is using the commitment approach to calculate its global exposure, it must ensure that such global exposure does not exceed its total Net Asset Value. The Fund will be deemed to be leveraged where it has a global exposure of greater than zero and as provided above, the calculation of such global exposure also includes incremental exposure generated through the use of financial derivative instruments including the purchase of futures or swaps. In that context, the Fund will not be leveraged in excess of 100% of Net Asset Value.

Investors should note that there is no guarantee that the Fund will achieve its investment objective.

### **Financial Derivative Instruments**

#### **Futures**

The Fund may use interest rate futures. The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price.

The underlying assets for futures shall be instruments in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the “Investment Objective and Policies” section.

#### **Currency Forward Contracts**

Currency forward contracts are agreements to exchange one currency for another - for example, to exchange a certain amount of Sterling for a certain amount of US Dollars - at a future date. The date (which may be any agreed-upon fixed number of days in the future), the amount of currency to be exchanged and the price at which the exchange will take place are negotiated and fixed for the term of the contract at the time that the contract is entered into. Currency forward contracts may be bought or sold in either deliverable or non-deliverable form.

The underlying assets for currency forward contracts shall be currencies in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the “Investment Objective and Policies” section.

The Fund intends to attempt to hedge out the currency risk of the non-Base Currency Shares by hedging them back to Base Currency by using any of the efficient portfolio management techniques and instruments set out in the Prospectus within the conditions and limits imposed by the Central Bank. In terms of use of derivative instruments for these purposes, the Fund shall only use currency forward contracts and currency swaps. Save as specified in this paragraph, a class of Shares may not be leveraged as a result of the use of such techniques and instruments. Such hedging shall be limited to the extent of the relevant class of Share's currency exposure. Investors in such classes of hedged shares will bear any currency risk associated with fluctuations between the non-Base Currency Classes

and the Base Currency to the extent that share class hedging fails to eliminate such risk. Please refer to “Share Currency Designation Risk” in the Prospectus. All Share classes of the Fund which are designated other than in the Base Currency will be hedged against the Base Currency, unless this policy is changed by notice to Shareholders.

**While the costs of hedging for the benefit of hedged classes of the Fund are solely allocated to the relevant Share class, a currency conversion will take place on subscriptions, redemptions and exchanges at prevailing exchange rates and the costs of the conversion will generally be borne by the Fund as a whole. However, the Directors hold the right, in their absolute discretion, in appropriate circumstances to require the relevant applicant or Shareholder to bear the cost of the conversion.**

## **Swaps**

An interest rate swap is a foreign exchange agreement between two parties to exchange fixed or floating interest payments on a principal amount in one currency for fixed or floating interest payments on a principal amount in another currency. The parties may or may not agree to exchange the principal amounts under the swap. Under fixed/floating interest rate swaps, the parties agree to exchange a fixed interest payment for a floating interest payment, based on an agreed notional amount. Under a cross currency interest rate swap, the interest payments and principal amount legs of the swap are denominated in different currencies. A cross currency swap is a foreign exchange agreement between two parties to exchange interest payments and / or the principal amount of a loan in one currency for an equivalent amount in net terms in another currency.

The Fund may use credit default swaps and index credit default swaps. A credit default swap is a financial contract (which can trade bilateral or be centrally cleared) under which the protection buyer pays a periodic fee, usually expressed in basis points per annum on the notional amount, in return for a payment by the protection seller contingent on the occurrence of a credit event, such as a bankruptcy, default, or restructuring, with respect to a reference entity. The reference entity is not a party to the credit default swap. The credit events and applicable settlement mechanism used to determine the contingent payment are negotiated between the counterparties at time of trading. Once the credit event has been declared, the protection buyer has the right to settle the contract. Settlement is usually physical, with the protection buyer having the right to deliver bonds of the reference entity up to the notional amount of the contract. In return, the protection buyer receives the par value of those obligations. It is not necessary for the protection buyer to suffer an actual loss to be eligible for compensation if a credit event occurs. Selling protection is the synthetic equivalent of buying a bond or alternative form of debt.

The underlying assets for the swaps shall be instruments in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the “Investment Objective and Policies” section.

## **Responsible Investment**

ESG Risks are integrated into investment decisions made in relation to the Fund and the opportunities available to the Fund are in line with the RI Policy as detailed in the “RESPONSIBLE INVESTMENT” section of the Prospectus. The likely impact on returns and the risks associated with responsible investment techniques utilised by the Investment Manager are also explained in the “RESPONSIBLE INVESTMENT” and “INVESTMENT RISKS” sections of the Prospectus.

The investments underlying the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

## **PROFILE OF A TYPICAL INVESTOR**

The Fund is suitable for investors who are seeking provision of income over the medium term. This typically means a minimum time horizon of 3 years but this could vary depending upon individual risk profile.

## **INVESTMENT RESTRICTIONS**

The assets of the Fund will be invested in accordance with the concentration limits and other restrictions imposed under the UCITS Regulations and summarised in the “Investment Restrictions” section of the Prospectus.

In addition to the restrictions set out under “Investment Restrictions” in the Prospectus, the Company may from time to time impose such further investment restrictions as shall be compatible with or in the interest of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders of the Fund are located.

## **INVESTMENT RISKS**

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the “Investment Risks” section of the Prospectus and in particular the specific risk factors listed below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making an application for Shares. There is no guarantee that the Fund will achieve its investment objective.

Basis Risk

Change in Economic Climate

Counterparty Risk

Credit Risk

Diversification Risk

Emerging Markets Risk

Fund Currency Risk

Investment Grade Securities and Instruments

Investor Currency Risk

Market Risk

Portfolio Risk

Risks associated with Forward Currency Contracts

Settlement Mechanisms / Custodial Risk

Share Currency Designation Risk

Sub-Investment Grade Securities

Unrated Securities and Instruments

## **APPLICATION FOR SHARES**

Unlaunched Shares in the Fund will initially be available for subscription from 9.00 a.m. (Irish time) on 26 March 2024 up to 5.00 p.m. (Irish time) on 25 September 2024 (or such earlier or later Business Day as the Directors determine and notify to the Central Bank). The initial offer price per Share for each unlaunched Share Class will be in its respective Class Currency: AUD1, CAD1, CHF1, DKK1, EUR1,

GBP1, NOK1, SEK1, SGD1 or USD1. Thereafter, Shares in any launched Class will be available on each Dealing Day at the Net Asset Value per Share.

Shares will be issued at the next determined Net Asset Value per Share after receipt and acceptance by the Administrator of an application form ("Application Form"). In the case of a new investor, the Administrator must receive the original Application Form within five Business Days.

Investors must complete an Application Form. Application Forms must be received by the Administrator by the Dealing Deadline, or such other time as the Management Company in consultation with the Company may from time to time determine, in exceptional circumstances and prior to the Valuation Point on any Dealing Day, in order to be issued as of the next Net Asset Value per Share. Telephone instructions may be accepted with the prior agreement of the Administrator pending receipt of the Application Form and election to avail of this facility by the investor. A faxed Application Form will be accepted, with the original Application Form to follow. The Company will deny a subsequent request to redeem shares if the relevant investor fails to submit an original executed Application Form. The Company may, in its absolute discretion, refuse to accept any application for Shares. Application monies must be received by the Administrator on the relevant Dealing Day or such other time as the Management Company in consultation with the Company may determine and in any event within three Business Days. Pending the receipt of application monies, the Fund may, subject to the borrowing restrictions set out under the heading "BORROWING POLICY" in the Prospectus, temporarily borrow an amount equal to the application monies and invest such monies in accordance with the investment objectives and policies of the Fund. Once the monies are received, the Fund will use such monies to repay the relevant borrowings and reserves the right to charge that investor interest on such outstanding application monies at normal commercial rates. In addition the Company reserves the right to cancel provisional allotment of the relevant Shares where application monies are not received by the Administrator within three Business Days. Requests for investments received after the Valuation Point on any Dealing Day will be treated as being received on the next Dealing Day. The Company reserves the right to compulsorily redeem the Shares where the original Application Form used on initial subscription or documentation relating to the applicants has not been received within five Business Days. In such circumstances, the Company, the Management Company and Administrator may require to be reimbursed for expenses incurred.

Applications for Shares received during any period when the Share dealings have been temporarily suspended in the circumstances described in the "Temporary Suspension of Dealings" section of the Prospectus will be treated as received on the Dealing Day on which dealings recommence, unless such request has been withdrawn during the period of suspension.

#### Share Class Information

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
A	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
			USD	1,000	100	1,000
M	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000	2,000	200,000
			CAD	200,000	2,000	200,000
			CHF	100,000	1,000	100,000
			DKK	1,000,000	10,000	1,000,000
			EUR	100,000	1,000	100,000
			GBP	100,000	1,000	100,000
			NOK	1,000,000	10,000	1,000,000
			SEK	1,000,000	10,000	1,000,000
			SGD	200,000	2,000	200,000
			USD	100,000	1,000	100,000
R	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
S	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
V	Income and Accumulation	Hedged and	AUD	200,000,000	20,000,000	200,000,000
			CAD	200,000,000	20,000,000	200,000,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
	Shares are available	unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	CHF	100,000,000	10,000,000	100,000,000
			DKK	1,000,000,000	100,000,000	1,000,000,000
			EUR	100,000,000	10,000,000	100,000,000
			GBP	100,000,000	10,000,000	100,000,000
			NOK	1,000,000,000	100,000,000	1,000,000,000
			SEK	1,000,000,000	100,000,000	1,000,000,000
			SGD	200,000,000	20,000,000	200,000,000
			USD	100,000,000	10,000,000	100,000,000
W	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
Z	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	6,000,000	100,000	6,000,000
			CAD	6,000,000	100,000	6,000,000
			CHF	3,000,000	50,000	3,000,000
			DKK	30,000,000	500,000	30,000,000
			EUR	3,000,000	50,000	3,000,000
			GBP	3,000,000	50,000	3,000,000
			NOK	30,000,000	500,000	30,000,000
			SEK	30,000,000	500,000	30,000,000
			SGD	6,000,000	100,000	6,000,000
			USD	3,000,000	50,000	3,000,000

Whilst shares are available in the categories as listed in the above table, confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator. Other currencies may be made available as determined by the Directors, in which case this Supplement will be updated.

The Directors may for each relevant Class waive such minimum amounts in their absolute discretion. The Company may compulsorily redeem holdings in any Class of Shares if such holding is below the minimum holding as set out in the above table for a period of three months or more.

Application proceeds must be paid in the currency in which the relevant Class is denominated or by transfer of assets in accordance with the provisions specified in the Prospectus. Application for Shares by new investors



Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
<p>should be made on the Application Form and sent in original form or by facsimile to the number indicated on the Application Form (with the original copy sent by post immediately thereafter) to the Administrator.</p> <p>Telephone calls may be recorded by the Company's delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes.</p> <p><b>Class A Shares</b> are available to all investors. Retail investors wishing to purchase Class A Shares should do so via their financial intermediary.</p> <p><b>Class M Shares</b> are available for investment by platforms and institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners.</p> <p><b>Class R Shares</b> are available only to affiliates of the Investment Manager.</p> <p><b>Class S Shares</b> are available only to institutional investors who have entered into a separate fee arrangement with the Investment Manager or the Distributor.</p> <p><b>Class V Shares</b> are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.</p> <p><b>Class W Shares</b> are available to all investors. Retail investors wishing to purchase Class W Shares should do so via their financial intermediary.</p> <p><b>Class Z Shares</b> are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.</p>						

## REDEMPTIONS

The Fund redeems Shares at their Net Asset Value per Share on each Dealing Day following due receipt of a redemption request. Redemption requests must be received in proper form and are only effective upon acceptance by the Administrator. Redemption requests will not be acted upon until the Administrator has received the original Application Form used on initial subscription.

Shares may be redeemed on any Dealing Day by way of facsimile or other written communication to the Administrator provided that the relevant redemption request is received by the Administrator no later than the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine, in exceptional circumstances on the relevant Dealing Day provided it is before the Valuation Point. Redemption requests received after the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine on the relevant Dealing Day, will be treated as being received on the following Dealing Day. Redemption proceeds will be paid to the account outlined in the Application Form used on original subscription. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

There are no minimum redemption amounts in respect of the Classes of Shares. Redemption requests must specify the Shareholder's full name, address and Shareholder number and the number or value of Shares to be redeemed. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption proceeds, which are paid by way of electronic transfer, will be sent within three days of the Dealing Day on which the redemption is effected.

### **DIVIDEND POLICY**

The Directors may declare a dividend, for the benefit of the Shareholders invested in the Fund, arising out of net income (including dividend and interest income) and the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund.

Currently the Directors anticipate continuing making dividend distributions in respect of the Fund out of the net income (including dividend and interest income) from its investments and may from time to time distribute the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund. Accordingly, any net income arising in respect of the Fund will be distributed to investors in the Fund in accordance with their respective shareholdings.

For each accumulating Class, the Directors have determined to reinvest all net income and net realised capital gains of the relevant accumulating Class. Accordingly, no dividends will be paid in respect of accumulating Classes and all net income and net realised capital gains of the accumulating Classes will be reflected in the Net Asset Value per Share of the accumulating Classes.

The Directors may, however, at their discretion, change the dividend policy and, upon advance notification to Shareholders, amend this Supplement to reflect such change.

Dividend distributions in respect of the Fund will be automatically re-invested in further Shares in the Fund unless the Shareholder shall have elected that dividends be paid by wire transfer to their account outlined in the original Application Form. Dividend distributions will be paid within four months of the date of declaration of such dividends by the Directors.

Proposed Distribution Dates for “Inc” Share Classes:

<b>Period for which income will be distributed</b>	<b>Accounting end date</b>	<b>Ex-Dividend Date</b>	<b>Pay Date</b>
1 July – Sep 30	30 September	Oct 1	30 November
1 Oct – Dec 31	31 December	Jan 1	28 February
1 Jan – Mar 31	31 March	Apr 1	31 May
1 Apr – June 30	30 June	July 1	31 August

### **BORROWING POLICY**

Under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company, subject to any limitations under the UCITS Regulations, and the Depositary is empowered to charge the assets of the Company as security for any such borrowings.

The Company intends that the Fund may incur temporary borrowings in an amount not exceeding 10% of its net assets. However, the amount of outstanding borrowings and repurchase agreements will not exceed 10% of the net assets of the Fund.

### **FEES AND EXPENSES**

The Company will pay the Fund Management Fee per Class at the rate set out in the table below. The Fund Management Fee will accrue daily and be payable monthly in arrears. Details of the maximum

preliminary charge and the maximum Distribution Fee that may be applied to specific Classes are also set out in the table below

Share Class	Maximum Preliminary Charge	Fund Management Fee	Maximum Distribution Fee
A	5.00%	See footnote *	0.00%
A Hedged	5.00%	See footnote *	0.00%
M	0.00%	0.77%	0.00%
M Hedged	0.00%	See footnote *	0.00%
R	0.00%	0.12%	0.00%
R Hedged	0.00%	See footnote *	0.00%
S	0.00%	0.12%	0.00%
S Hedged	0.00%	See footnote *	0.00%
V	0.00%	See footnote *	0.00%
V Hedged	0.00%	See footnote *	0.00%
W	2.00%	See footnote *	1.00%
W Hedged	2.00%	See footnote *	1.00%
Z	0.00%	0.40%	0.00%
Z Hedged	0.00%	0.40%	0.00%

\*The Fund Management Fee is up to 2.5%,but may be lower in practice. Please contact the Investment Manager for further information. Confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator.

The Distribution Fee shown above in the table is the maximum that can be charged. This fee (where applicable) is paid to the Distributor for providing distribution-related services to the Fund and Shareholders.

Where the Annual Expenses exceed the Fund Management Fee for the relevant Class, the excess will be discharged by the Investment Manager from its own assets.

The Annual Expenses are the following fees and expenses set out in the section headed “FEES AND EXPENSES” in the Prospectus: (i) Management Fees of the Management Company (ii) Investment Management Fees; (iii) Administration Fees; (iv) Depositary Fees; (v) Director’s Fees; and (vi) Operating Expenses. Investors should refer to the section headed “FEES AND EXPENSES” in the Prospectus.

All other fees and expenses of the Fund (such as such extraordinary or exceptional costs and expenses not included above) will be borne by the Fund and will be charged at normal commercial rates.

Class R Shares and Class S Shares may be subject to a periodic charge payable outside the Fund as agreed between the Investment Manager and the relevant investor.

The Management Company and the Investment Manager shall also be entitled to all reasonable out of pocket costs and expenses incurred in the proper performance of their respective duties.

### **Redemption Charge**

The Company does not intend to apply a redemption charge in respect of any class of Shares.

### **Swing Pricing**

The actual cost of purchasing investments may be higher or lower than the value used in calculating the Net Asset Value. These costs may include dealing charges, commission and transaction charges and the dealing spread and may have a materially disadvantageous effect on a Shareholder's interest in the Fund. To prevent this effect, known as "dilution", the Management Company in consultation with the Company may determine, at their discretion, to adjust ("swing") the Net Asset Value per Share of the Fund, in the circumstances set out in the "Fees and Expenses" section of the Prospectus.

### **Establishment Costs of the Fund**

The establishment costs of the Fund were borne by the Investment Manager.

The Directors of the Company accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information. The Directors accept responsibility accordingly.

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## **ROYAL LONDON GLOBAL SUSTAINABLE CREDIT FUND**

**(A sub-fund of Royal London Asset Management Funds plc which is an investment company (with segregated liability between sub-funds) with variable capital constituted as an umbrella fund under the laws of Ireland and authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended))**

**DATE: 25 March 2024**

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**This Supplement forms part of, and should be read in the context of and together with, the prospectus dated 25 March 2024 (the “Prospectus”) in relation to Royal London Asset Management Funds plc (the “Company”) and contains information relating to the Royal London Global Sustainable Credit Fund (the “Fund”) which is a separate portfolio of the Company. The other portfolios established by the Company are the Royal London Sterling Extra Yield Bond Fund, the Royal London Global High Yield Bond Fund, the Royal London Short Duration Global High Yield Bond Fund, the Royal London Absolute Return Government Bond Fund, the Royal London Global Bond Opportunities Fund, the Royal London Sterling Liquidity Money Market Fund, the Royal London Global Equity Diversified Fund (IRL), the Royal London Global Sustainable Equity Fund (IRL), the Royal London European Sustainable Credit Fund, the Royal London Multi Asset Balanced Fund (IRL), the Royal London Multi Asset Growth Fund (IRL), the Royal London Multi Asset Defensive Fund (IRL), the Royal London Multi Asset Adventurous Fund (IRL), the Royal London Global Equity Select Fund (IRL), the Royal London Global Equity Enhanced Fund, the Royal London Global Equity Transitions Fund, the Royal London Emerging Markets Corporate Bond Fund, the Royal London Short Duration Emerging Markets Corporate Bond Fund and the Royal London US Equity Fund, information in respect of which is to be found in the Relevant Supplements.**

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## DEFINITIONS

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein.

<b>“Base Currency”</b>	For the purposes of this Supplement, the base currency shall be USD;
<b>“Business Day”</b>	a day on which banks are open in London or such other day or days as may be determined by the Company and agreed with the Administrator, provided there shall be at least two Business Days in each calendar month;
<b>“Dealing Day”</b>	shall mean each Business Day except for any day on which an underlying market or markets on which at least 15% of the Fund's assets are exposed or traded are closed, for example for public holidays, or such other day or days as may be determined by the Company and notified in advance to the Shareholders provided that, there shall be at least two dealing days in each calendar month. In circumstances where the threshold for closed underlying markets has been met or exceeded, dealing in the Fund's Shares will take place on the next Business Day on which such underlying market or markets are open. A list of the closed market days in respect of the Fund is available on the Investment Manager's website at <a href="http://www.rlam.com">www.rlam.com</a> ;
<b>“Dealing Deadline”</b>	5.00 p.m. Irish time on each Dealing Day or such other day or time as may be determined by the Company and notified to the Shareholders;
<b>“Valuation Point”</b>	means the close of business in the relevant market on each Dealing Day, being the time at which the last traded price is made available on the relevant stock exchanges or markets used for the purpose of the valuation of assets and liabilities of the Fund (or such other time as the Directors may in their discretion determine and notify to Shareholders). For the avoidance of doubt, the Valuation Point for a particular Dealing Day shall not be before the Dealing Deadline relevant to such Dealing Day.

## INVESTMENT OBJECTIVES AND POLICIES

The Fund invests primarily in transferable securities listed or traded on Recognised Markets in accordance with the restrictions listed in the “Investment Restrictions” section of the Prospectus and below. In addition, the Fund may employ for the purpose of efficient portfolio management, certain of the investment techniques and instruments described in the “Fund Investment Techniques” and “Investment Risks” sections of the Prospectus, as detailed further below.

This Supplement has been prepared solely for, and is being made available to investors for the purposes of evaluating an investment in Shares in the Fund. Investors should only consider investing in the Fund if they understand the risks involved, including the risk of losing all capital invested.

### Investment Objective and Policies

The Fund’s investment objective is to outperform the Bloomberg Global Aggregate Corporate Total Return Index Hedged USD (the “**Benchmark**”) by 0.75% per annum over rolling three year periods (gross of fees).

The Benchmark is a flagship measure of global investment grade, fixed-rate corporate debt. This multi-currency Benchmark includes bonds from developed and emerging markets issuers within a wide variety of sectors. Further information in respect of the Benchmark is available on request from the Distributor. Investors should note that the Benchmark is being used by the Fund for performance comparison purposes only and the Fund does not intend to track the Benchmark. While the Fund may invest in investments which are constituents of the Benchmark, the Fund will be actively managed and its portfolio will not be constrained by reference to any index. The Investment Manager may use its discretion to invest in instruments which are not included in the Benchmark.

Investments in the Fund will adhere to its ethical and sustainable investment policy, as detailed further below.

The Fund will invest at least 80% of its Net Asset Value in fixed and floating rate investment grade corporate bonds which are listed or dealt on Recognised Markets and which are deemed to make a positive contribution to society.

The Long Term Issue Credit Rating Definitions used by S&P, Moody’s and Fitch and other recognised rating agencies describe investment grade bonds as exhibiting “adequate protection parameters” but note that “adverse economic conditions or changing circumstances may lead to a weakened capacity of the obligor to meet its financial commitment. However, the obligor’s capacity to meet the financial commitment is deemed adequate.

The Fund may also invest up to 20% of its Net Asset Value in fixed and floating rate sub-investment grade and non-rated debt securities (which will primarily include corporate bonds) and fixed and floating rate investment grade and sub-investment grade government bonds which are listed or dealt on Recognised Markets.

The Fund may also invest in investment grade and non-investment grade fixed-income or floating rate securities that include zero coupon bonds.

The fixed and floating rate debt securities in which the Fund will invest will include all types of debt obligations including bonds (corporate and sovereign), structured bonds and other products such as hybrid or preferred securities as detailed below in this paragraph. The Fund will also invest in notes of varying maturities, treasury bills, index-linked notes (which is a note for which the amounts of the coupon payments are linked to the movements of an index), floating rate notes issued by corporate and financial issuers, asset backed securities and mortgage backed securities and up to 5% of its Net Asset Value in private placements (which are securities sold through private offerings) which are consistent with its objective. An asset backed security is a type of corporate bond that is backed by a diverse range of assets which may include residential mortgages, commercial property and affordable housing, leases, credit card debt, a company’s receivables and royalties. A hybrid or preferred security is a security which has the characteristics of a bond in terms of a fixed maturity date but where the coupon payments can be deferred at the issuer’s discretion.



No more than 10% of the Net Asset Value of the Fund will be invested in emerging markets.

The Fund will not invest in other collective investment schemes.

Pending investment of subscription proceeds or where market or other factors so warrant, the Fund may, subject to the investment restrictions set out in the Prospectus, hold cash and/or ancillary liquid assets such as money market instruments (including, without limitation, certificates of deposit, floating rate certificates of deposit, zero coupon certificates of deposit, commercial paper, term deposits and cash deposits).

#### *Sustainable Investment Selection and Asset Allocation*

The Fund focuses on the sustainability of the products and services of the companies it invests in, as well as their standards of environmental, social and governance ("**ESG**") management, alongside financial analysis. The Investment Manager has a Responsible Investment team of dedicated professionals whose role is to analyse and understand the ESG profile of securities across the Royal London range of investment portfolios, which includes the Fund's portfolio. A bespoke positive screen is conducted which proactively assesses global credit issuers against the Investment Manager's sustainability criteria and process, including certain environmental (climate change strategy, waste management, water management, pollution etc), social (human rights, social inclusion, staff benefits and training, supply chain management etc) and governance (board independence, remuneration, diversity, audit and accounting, historic fraudulent activity etc) considerations to determine whether the company, through its products and services, provides a net benefit to society and/or whether it is a sector leader in terms of its ESG management.

In addition to the positive screen, a negative screen is also conducted. The Fund will avoid investing in tobacco and armament manufacturers, nuclear-power generators and companies that conduct animal testing (other than for purposes of human or animal health and/or where it is required by law or regulation). This means that the Fund can invest in companies that undertake animal testing where it is undertaken for one of these reasons. This exclusion policy helps to avoid investment in companies which the Investment Manager believes expose investors to unacceptable financial risk resulting from poor management of ESG issues.

The Fund's ethical and sustainable investment policy may change from time to time to reflect new developments and research in the field of sustainable investment. Investors in the Fund will be notified of any material changes to this policy. Investors can view the current policy at [www.rlam.com](http://www.rlam.com).

The Investment Manager has an established sustainable investment universe, where issuers have been screened in line with the Fund's ethical and sustainable investment policy, as detailed above. Potential new issuers who are not part of the existing sustainable investment universe are subject to the screening process in the first instance. Following the screening process, the remaining opportunity set of proposed issuers is analysed on a more fundamental and technical basis as part of the second stage of the investment process by the Investment Manager's Global Credit team in line with existing processes. An assessment of the relative ESG performance of issuers is an important part of the Investment Manager's technical analysis of bonds at the second stage of its investment process. The Fund will be managed using the Investment Manager's disciplined credit investment process focusing on security selection combined with top-down macroeconomic analysis. The Investment Manager's value-orientated approach seeks to exploit the inefficiencies within credit markets. At the macro level, the Investment Manager's analysis starts with a quarterly economic review which covers all major economic regions and focuses upon key variables such as growth rates and inflation. This strategy is also used to formulate the Investment Manager's outlook scenarios, including long-term yield and interest rate forecasts which helps to shape its investment strategy. The Investment Manager also undertakes internal research on companies, which is supplemented by research from rating agencies and brokers. The Investment Manager's internal rating methodology looks at the probability of default (where credit ratings agencies place their focus). As part of the Investment Manager's rigorous internal search process, a number of company visits will be undertaken to help it assess the quality of companies within the Fund's portfolio. Overall, the Investment Manager aims to construct a diversified portfolio that will deliver consistent alpha from multiple sources.

Investors should note that there can be no guarantee that the Fund will achieve its investment objective.

Investors should note that the Fund may use currency forward contracts as detailed below and in the “Efficient Portfolio Management” section and “Share Currency Designation Risk” in the “Investment Risks” section of the Prospectus to hedge currency exposure arising from the Fund's investments in assets denominated in currencies other than the Base Currency and to hedge currency exposure arising in respect of non-Base Currency Share classes. The global exposure of the Fund will be calculated through the use of the commitment approach. With respect to the use of currency forward contracts for the purpose of hedging, a risk management process which enables the Company to accurately measure, monitor and manage the various risks associated with financial derivative instruments has been submitted to the Central Bank in accordance with the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015.

The Fund's global exposure is the incremental exposure and leverage generated by it through the use of financial derivative instruments such as its purchase of futures or forwards. The global exposure of the Fund is calculated using the commitment approach, whereby positions in financial derivative instruments are calculated, based in the case of both futures or forwards (using the conversion methodologies set out in the risk management process for the Company), on the market value of the underlying reference instrument. As the Fund is using the commitment approach to calculate its global exposure, it must ensure that such global exposure does not exceed its total Net Asset Value. The Fund will be deemed to be leveraged where it has a global exposure of greater than zero and as provided above, the calculation of such global exposure also includes incremental exposure generated through the use of financial derivative instruments including the purchase of futures or forwards. In that context, the Fund will not be leveraged in excess of 100% of Net Asset Value.

#### **Efficient Portfolio Management**

The Fund may use financial derivative instruments for efficient portfolio management and hedging purposes only. Investors should refer to the investment techniques and instruments described under “Fund Investment Techniques” and “Investment Risks” in the Prospectus.

In particular, the Fund may use spot and currency forward contracts to hedge the non-Base Currency positions in the Fund back to the Base Currency in order to reduce currency risk. Index futures and bond futures contracts may also be used for the purpose of efficient portfolio management.

The Fund intends to attempt to hedge out the currency risk of the non-Base Currency Shares by hedging them back to the Base Currency by using any of the efficient portfolio management techniques and instruments set out in the Prospectus within the conditions and limits imposed by the Central Bank. In terms of use of derivative instruments for these purposes, the Fund shall only use currency forward contracts. Save as specified in this paragraph, a class of Shares may not be leveraged as a result of the use of such techniques and instruments. Such hedging shall be limited to the extent of the relevant class of Share's currency exposure. Investors in such classes of hedged shares will bear any currency risk associated with fluctuations between the non Base Currency Classes and the Base Currency to the extent that share class hedging fails to eliminate such risk. Please refer to “Share Currency Designation Risk” in the Prospectus. All Share classes of the Fund which are designated other than in the Base Currency will be hedged against the Base Currency, unless this policy is changed by notice to Shareholders.

While the costs of hedging for the benefit of hedged Share classes of the Fund are solely allocated to the relevant Share class, a currency conversion will take place on subscriptions, redemptions and exchanges at prevailing exchange rates and the costs of the conversion will generally be borne by the Fund as a whole. However, the Directors reserve the right, in their absolute discretion, in appropriate circumstances to require the relevant applicant or Shareholder to bear the cost of the conversion.

## **Currency Forward Contracts**

Currency forward contracts are agreements to exchange one currency for another - for example, to exchange a certain amount of US Dollars for a certain amount of Sterling - at a future date. The date (which may be any agreed-upon fixed number of days in the future), the amount of currency to be exchanged and the price at which the exchange will take place are negotiated and fixed for the term of the contract at the time that the contract is entered into. Currency forward contracts may be bought or sold in either deliverable or non-deliverable form.

The underlying assets for currency forward contracts shall be currencies in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the "Investment Objective and Policies" section.

## **Futures**

The Fund may use index futures and bond futures. The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price.

Index futures are based on the value of the basket of securities that comprise an index. These contracts obligate the buyer or seller to pay cash to settle the futures transaction, based on the fluctuation of the index's value in response to the change in the relative values of the underlying securities that are included in the index over the term of the contract. No delivery of the underlying securities is made to settle the futures contract. The buyer or seller of an index future is obligated to pay cash to settle the transaction, based on the fluctuation of the index's value in response to the changes in the relative values of the underlying securities that are included in the index over the term of the contract. Either party may also settle the transaction by entering into an offsetting contract. An index cannot be purchased or sold directly.

The underlying assets for futures shall be instruments in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the "Investment Objective and Policies" section.

It is intended that the Fund shall only employ techniques and instruments for efficient portfolio management purposes to the extent that such techniques and instruments are consistent with the Fund's investment policies. The use of financial derivative instruments by the Fund may affect the return on an Investor's investment. Any financial derivative instruments not included in the risk management process statement of the Company will not be utilised until such time as a revised submission has been cleared by the Central Bank.

The Fund will not have any exposure to total return swaps, Repo Contracts or stock-lending transactions.

## **Responsible Investment**

The Fund aims to invest in holdings that provide a net benefit to society and contribute to positive social and environmental sustainability outcomes. The opportunities available to the Fund are in line with the Investment Manager's Ethical and Sustainable Investment Policy and the RI Policy as detailed in the "RESPONSIBLE INVESTMENT" section of the Prospectus. The likely impact on returns and the risks associated with responsible investment techniques utilised by the Investment Manager are also explained in the "RESPONSIBLE INVESTMENT" and "INVESTMENT RISKS" sections of the Prospectus.

The Investment Manager has developed a unique Ethical and Sustainable Investment Policy incorporating stringent ESG criteria to determine the eligibility of holdings for investment by the Fund. The Investment Manager's analysis may vary from holding to holding; certain absolute exclusions are always applied but analysis may be determined through the Investment Manager's governance process and qualitative judgement. The Ethical and Sustainable Investment Policy applied to the Fund seeks to serve and advance the sustainable investment objective of the Fund described above. The criteria and

indicators are reviewed on a regular basis to ensure they reflect evolving responses to critical issues, emerging issues and changes in regulation, among others.

Please refer to Appendix 1 to this Supplement for further information about the sustainable investment of the Fund.

### **PROFILE OF A TYPICAL INVESTOR**

The Fund is suitable for both retail and institutional investors who are seeking a total return over the medium term. This typically means a minimum time horizon of 3 to 5 years but this could vary depending upon individual risk profiles.

### **INVESTMENT RESTRICTIONS**

The assets of the Fund will be invested in accordance with the concentration limits and other restrictions imposed under the UCITS Regulations and summarised in the “Investment Restrictions” section of the Prospectus.

In addition to the restrictions set out under “Investment Restrictions” in the Prospectus, the Company may from time to time impose such further investment restrictions as shall be compatible with or in the interest of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders of the Fund are located.

### **INVESTMENT RISKS**

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the “Investment Risks” section of the Prospectus and in particular the specific risk factors listed below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making an application for Shares. There is no guarantee that the Fund will achieve its investment objective.

Basis Risk

Change in Economic Climate

Counterparty Risk

Credit Risk

Diversification Risk

Fund Currency Risk

Investment Grade Securities and Instruments

Investor Currency Risk

Market Risk

Portfolio Risk

Risks Associated with Forward Currency Contracts

Settlement Mechanisms/Custodial Risk

Share Currency Designation Risk

Sub-Investment Grade Securities

Unrated Securities and Instruments

## APPLICATION FOR SHARES

Unlaunched Shares in the Fund will initially be available for subscription from 9.00 a.m. (Irish time) on 26 March 2024 up to 5.00 p.m. (Irish time) on 25 September 2024 (or such earlier or later Business Day as the Directors determine and notify to the Central Bank). The initial offer price per Share for each unlaunched Share Class will be in its respective Class Currency: AUD1, CAD1, CHF1, DKK1, EUR1, GBP1, NOK1, SEK1, SGD1 or USD1.

Shares in any launched Class will be available on each Dealing Day at the Net Asset Value per Share.

Shares will be issued at the next determined Net Asset Value per Share after receipt and acceptance by the Administrator of an application form ("**Application Form**").

Investors must complete an Application Form. Application Forms must be received by the Administrator by the Dealing Deadline, or such other time as the Management Company in consultation with the Company may from time to time determine in exceptional circumstances and prior to the Valuation Point on any Dealing Day, in order to be issued as of the next Net Asset Value per Share. Telephone instructions may be accepted with the prior agreement of the Administrator pending receipt of the Application Form and election to avail of this facility by the investor. A faxed Application Form will be accepted, with the original Application Form to follow. Application Forms may also be accepted via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank). In the case of a new investor, the Administrator must receive the original Application Form and AML documentation promptly or in advance of any dealing taking place to avoid delays with processing payments. The Company will deny a subsequent request to redeem shares if the relevant investor fails to submit an original executed Application Form. The Company may, in its absolute discretion, refuse to accept any application for Shares. Application monies must be received by the Administrator on the relevant Dealing Day or such other time as the Management Company in consultation with the Company may determine and in any event within three Business Days. Pending the receipt of application monies, the Fund may, subject to the borrowing restrictions set out under the heading "Borrowing Policy" in the Prospectus, temporarily borrow an amount equal to the application monies and invest such monies in accordance with the investment objective and policies of the Fund. Once the monies are received, the Fund will use such monies to repay the relevant borrowings and reserves the right to charge that investor interest on such outstanding application monies at normal commercial rates. In addition, the Company reserves the right to cancel provisional allotment of the relevant Shares where application monies are not received by the Administrator within three Business Days. Requests for investments received after the Valuation Point on any Dealing Day will be treated as being received on the next Dealing Day. The Company reserves the right to compulsorily redeem the Shares where the original Application Form used on initial subscription or documentation relating to the applicants has not been received within five Business Days. In such circumstances, the Company, the Management Company and Administrator may require to be reimbursed for expenses incurred.

Applications for Shares received during any period when the Share dealings have been temporarily suspended in the circumstances described in the "Temporary Suspension of Dealings" section of the Prospectus will be treated as received on the Dealing Day on which dealings recommence, unless such request has been withdrawn during the period of suspension.

## Share Class Information

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
A			AUD	2,000	200	2,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
M	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000	2,000	200,000
			CAD	200,000	2,000	200,000
			CHF	100,000	1,000	100,000
			DKK	1,000,000	10,000	1,000,000
			EUR	100,000	1,000	100,000
			GBP	100,000	1,000	100,000
			NOK	1,000,000	10,000	1,000,000
			SEK	1,000,000	10,000	1,000,000
			SGD	200,000	2,000	200,000
			USD	100,000	1,000	100,000
R	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
S	Income and Accumulation Shares are available	Hedged and unhedged Shares are	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
		available except for the Base Currency, where only unhedged Shares are available	DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
V	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000,000	20,000,000	200,000,000
			CAD	200,000,000	20,000,000	200,000,000
			CHF	100,000,000	10,000,000	100,000,000
			DKK	1,000,000,000	100,000,000	1,000,000,000
			EUR	100,000,000	10,000,000	100,000,000
			GBP	100,000,000	10,000,000	100,000,000
			NOK	1,000,000,000	100,000,000	1,000,000,000
			SEK	1,000,000,000	100,000,000	1,000,000,000
			SGD	200,000,000	20,000,000	200,000,000
			USD	100,000,000	10,000,000	100,000,000
W	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
Z	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged	AUD	6,000,000	100,000	6,000,000
			CAD	6,000,000	100,000	6,000,000
			CHF	3,000,000	50,000	3,000,000
			DKK	30,000,000	500,000	30,000,000
			EUR	3,000,000	50,000	3,000,000
			GBP	3,000,000	50,000	3,000,000
			NOK	30,000,000	500,000	30,000,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
		Shares are available	SEK	30,000,000	500,000	30,000,000
			SGD	6,000,000	100,000	6,000,000
			USD	3,000,000	50,000	3,000,000

Whilst shares are available in the categories as listed in the above table, confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator. Other currencies may be made available as determined by the Directors, in which case this Supplement will be updated.

The Directors may for each relevant Class waive such minimum amounts in their absolute discretion. The Company may compulsorily redeem holdings in any Class of Shares if such holding is below the minimum holding as set out in the above table for a period of three months or more.

Application proceeds must be paid in the currency in which the relevant Class is denominated or by transfer of assets in accordance with the provisions specified in the Prospectus. Application for Shares by new investors should be made on the Application Form and sent in original form or by facsimile to the number indicated on the Application Form (with the original copy sent by post immediately thereafter) to the Administrator.

Telephone calls may be recorded by the Company's delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes.

**Class A Shares** are available to all investors. Retail investors wishing to purchase Class A Shares should do so via their financial intermediary.

**Class M Shares** are available for investment by platforms and institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners.

**Class R Shares** are available only to affiliates of the Investment Manager.

**Class S Shares** are available only to institutional investors who have entered into a separate fee arrangement with the Investment Manager or the Distributor.

**Class V Shares** are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.

**Class W Shares** are available to all investors. Retail investors wishing to purchase Class W Shares should do so via their financial intermediary.

**Class Z Shares** are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.

## REDEMPTIONS

The Fund redeems Shares at their Net Asset Value per Share on each Dealing Day following due receipt of a redemption request. Redemption requests must be received in proper form and are only effective upon acceptance by the Administrator. Redemption requests will not be acted upon until the Administrator has received the original Application Form used on initial subscription.



Shares may be redeemed on any Dealing Day by way of facsimile, other written communication, via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank) to the Administrator provided that the relevant redemption request is received by the Administrator no later than the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine, in exceptional circumstances on the relevant Dealing Day provided it is before the Valuation Point. Redemption requests received after the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine on the relevant Dealing Day, will be treated as being received on the following Dealing Day. Redemption proceeds will be paid to the account outlined in the Application Form used on original subscription. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

There are no minimum redemptions in respect of the Classes of Shares. Redemption requests must specify the Shareholder's full name, address and Shareholder number and the number or value of Shares to be redeemed. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption proceeds, which are paid by way of electronic transfer, will be sent within three days of the Dealing Day on which the redemption is effected.

### **DIVIDEND POLICY**

The Directors may declare a dividend, for the benefit of the Shareholders invested in the Fund, arising out of net income (including dividend and interest income) and the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund.

Currently the Directors anticipate making dividend distributions in respect of the Fund out of the net income (including dividend and interest income) from its investments and may from time to time distribute the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund. Accordingly, any net income arising in respect of the Fund will be distributed to investors in the Fund in accordance with their respective shareholdings.

For each accumulating Class, the Directors have determined to reinvest all net income and net realised capital gains of the relevant accumulating Class. Accordingly, no dividends will be paid in respect of accumulating Classes and all net income and net realised capital gains of the accumulating Classes will be reflected in the Net Asset Value per Share of the accumulating Classes.

The Directors may, however, at their discretion, change the dividend policy and, upon advance notification to Shareholders, amend this Supplement to reflect such change.

Dividend distributions in respect of the Fund will be automatically re-invested in further Shares in the Fund unless the Shareholder shall have elected that dividends be paid by wire transfer to their account outlined in the original Application Form. Dividend distributions will be paid within four months of the date of declaration of such dividends by the Directors.

#### Proposed Distribution Dates for "Inc" Share Classes:

Period for which income will be distributed	Accounting end date	Ex-Dividend Date	Pay Date
1 July – 31 December	31 December	1 January	28 February
1 January – 30 June	30 June	1 July	31 August

## **BORROWING POLICY**

Under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company, subject to any limitations under the UCITS Regulations, and the Depositary is empowered to charge the assets of the Company as security for any such borrowings.

The Company intends that the Fund may incur temporary borrowings in an amount not exceeding 10% of its net assets. However, the amount of outstanding borrowings and repurchase agreements will not exceed 10% of the net assets of the Fund.

## **FEES AND EXPENSES**

The Company will pay the Fund Management Fee per Class at the rate set out in the table below. The Fund Management Fee will accrue daily and be payable monthly in arrears. Details of the maximum preliminary charge and the maximum Distribution Fee that may be applied to specific Classes are also set out in the table below.

<b>Share Class</b>	<b>Maximum Preliminary Charge</b>	<b>Fund Management Fee</b>	<b>Maximum Distribution Fee</b>
A	5.00%	See footnote *	0.00%
A Hedged	5.00%	See footnote *	0.00%
M	0.00%	0.53%	0.00%
M Hedged	0.00%	0.53%	0.00%
R	0.00%	0.12%	0.00%
R Hedged	0.00%	0.12%	0.00%
S	0.00%	0.12%	0.00%
S Hedged	0.00%	0.12%	0.00%
V	0.00%	See footnote *	0.00%
V Hedged	0.00%	See footnote *	0.00%
W	2.00%	See footnote *	1.00%
W Hedged	2.00%	See footnote *	1.00%
Z	0.00%	0.40%	0.00%
Z Hedged	0.00%	0.40%	0.00%

\*The Fund Management Fee is up to 2.5%,but may be lower in practice. Please contact the Investment Manager for further information. Confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator.

The Distribution Fee shown above in the table is the maximum that can be charged. This fee (where applicable) is paid to the Distributor for providing distribution-related services to the Fund and Shareholders.

Where the Annual Expenses exceed the Fund Management Fee for the relevant Class, the excess will be discharged by the Investment Manager from its own assets.

The Annual Expenses are the following fees and expenses set out in the section headed “FEES AND EXPENSES” in the Prospectus: (i) Management Fees of the Management Company (ii) Investment Management Fees; (iii) Administration Fees; (iv) Depositary Fees; (v) Director’s Fees; and (vi) Operating Expenses. Investors should refer to the section headed “FEES AND EXPENSES” in the Prospectus.

All other fees and expenses of the Fund (such as such extraordinary or exceptional costs and expenses not included above) will be borne by the Fund and will be charged at normal commercial rates.

Class R Shares and Class S Shares may be subject to a periodic charge payable outside the Fund as agreed between the Investment Manager and the relevant investor.

The Management Company and the Investment Manager shall also be entitled to all reasonable out of pocket costs and expenses incurred in the proper performance of their respective duties.

### **Redemption Charge**

The Company does not intend to apply a redemption charge in respect of any Class of Shares.

### **Swing Pricing**

The actual cost of purchasing investments may be higher or lower than the value used in calculating the Net Asset Value. These costs may include dealing charges, commission and transaction charges and the dealing spread and may have a materially disadvantageous effect on a Shareholder’s interest in the Fund. To prevent this effect, known as “dilution”, the Management Company in consultation with the Company may determine, at their discretion, to adjust (“swing”) the Net Asset Value per Share of the Fund, in the circumstances set out in the “Fees and Expenses” section of the Prospectus.

### **Establishment Costs of the Fund**

The establishment costs of the Fund were borne by the Investment Manager.

## APPENDIX 1

### ANNEX III

#### Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Product name** Royal London Global Sustainable Credit Fund (the "Fund")

**Legal entity identifier:** 213800ACBG2K7TJ6FW12

#### Sustainable investment objective

##### Does this financial product have a sustainable investment objective?

☒ ☒ ☒ **Yes**

- ☒ It will make a minimum of **sustainable investments with an environmental objective**: 0%
  - ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - ☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ It will make a minimum of **sustainable investments with a social objective**: 0%

☐ ☐ ☐ **No**

- ☐ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments
  - ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - ☐ with a social objective
- ☐ It promotes E/S characteristics, but **will not make any sustainable investments**

##### What is the sustainable investment objective of this financial product?

The sustainable investment objective of the Fund is to invest in issuers that provide a positive contribution to society. This can either be achieved through the issuer demonstrating a net benefit via its products and services or through environmental, social and governance ("ESG") leadership. The Fund focuses on the sustainability of the products and services of the issuers it invests in, as well as their ESG

management, alongside financial analysis. Therefore, the Fund is not constrained to a minimum percentage of holdings in either an Environmental or Social objective and has the flexibility to construct a diversified portfolio of sustainable investments from an established screened universe that can meet both the Sustainable and financial objectives. No reference benchmark has been designated for the purpose of attaining the sustainable investment objective.

***What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

The Fund adheres to the Investment Manager's Ethical and Sustainable Investment Policy and only invests in securities classified as fit for 'inclusion'. To be classified as fit for 'inclusion', individual securities must demonstrate that they provide a net benefit to society, either through being an ESG leader and/or through their products and services.

Given the subjective and ever evolving nature of sustainability, the Investment Manager believes that indicators alone are insufficient to measure attainment of such an objective. As a result, the investment process is qualitative based. This qualitative approach allows for issuer level nuances to be appropriately assessed, which requires desk deep-dive research to be undertaken. Issuer level nuances may for example be due to the sector, specifics of a product or the governance structure of that particular issuer, among others.

The research process utilises a wide array of sustainability metrics as inspired by the Ethical and Sustainable Investment Policy in the beginning of the screening process. These may include but are not limited to: (1) governance related indicators (2) reputational issues flagged by well accepted watchlists (UN Global Compact, UN Human Rights) and by other third-party metrics and environmental indicators. These indicators are subject to change as the Investment Manager deems appropriate, with a view to ensuring the metrics reflect evolving responses to critical/emerging issues and changes in regulation. Indicators used and applied to the Fund are set out in full in the Ethical and Sustainable Investment Policy available on the policy section of the website <https://www.rlam.com>.

The Investment Manager recognises that sustainability risks and opportunities are different for each issuer and therefore does not apply a set template but instead assesses each issuer's specific risks and opportunities through the Sustainable Accounting Standards Board ("SASB") materiality matrix. The SASB is largely concerned with the operational focus of a company and the impacts of its outputs.

These indicators inform the Investment Manager's additional desk-based research and help assess an issuer's net benefit to society.

Consideration of the Organisation of Economic Cooperation and Development ("OECD") Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights is included via the 'Do No Significant Harm' ("DNSH") criteria. Furthermore, the Fund's exclusions align the application of the DNSH principle with international environmental and human rights good practice standards. Exclusions include but are not limited to:

- i. issuers involved in the production of controversial weapons;
- ii. issuers involved in the production or sale of torture equipment, landmines or nuclear weapons;
- iii. issuers which produce tobacco products or engage in the sale of tobacco products; and
- iv. issuers who cause harm to stakeholders through unacceptable corporate governance practices.

Principal Adverse Impact ("PAI") indicators on sustainability factors are also considered as part of the investment process.

***How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

The Investment Manager's Ethical and Sustainable Investment Policy requires all issuers held in the Fund to demonstrate that they provide a positive contribution to society either through their products and services and/or through their operations. An important building block in assessing an issuer's net benefit to society is the DNSH principle. The process enables the Investment Manager to gain comfort that issuers held contribute to and do not significantly harm any environmental or social sustainable investment objectives.

Pursuant to the Investment Manager's definition of DNSH, an issuer would be deemed as doing significant harm based on the following criteria:

- The issuer is found to breach any of the negative screens associated with the Fund, either through the products and services which it provides or the nature of its operations.
- The issuer operates in an industry which cannot systematically mitigate the adverse impacts of its products, services or operations on the environment or society. E.g. cement, fishing, mining, palm oil, timber.
- The issuer is found not to be compliant with the 10 principles of the UN Global Compact (which covers impacts including human rights, labour, environmental and anti-corruption).
- The issuer is materially reliant on customers deemed to carry out significant harm.
- The issuer operates in a manner which explicitly supports oppressive regime.

The Investment Manager will assess the avoidance of harm using the following data sources:

- The UN Global Compact's lists of signatories and violations.
- Data on an issuer's revenue and operational exposure to harmful activities.
- A qualitative assessment of the issuer's net benefits to society through its products and services or the ESG leadership of its operations. Various points of relevance for each of the ESG factors, including but not limited to:
  - i. Governance – Board independence, remuneration policies and structures, diversity, audit and accounting practices, historic fraudulent activity;
  - ii. Environmental – Climate change strategy, waste management, water management and pollution; and
  - iii. Social – Human rights, social inclusion, staff benefits, and training, supply chain management.

Ensuring that the investment philosophy and processes are aligned with current regulation and best practices is a consistent and ongoing endeavour for the Investment Manager. In this view, the Investment Manager relies on the in-house, purpose-built technological solution to consider and report principle adverse impact indicators at Fund level. The data is updated on a monthly basis, allowing investment decisions to be made on timely and accurate information.

As a result, PAI indicators on sustainability factors are considered as part of the investment process of the Fund, alongside other material sustainability

indicators. This forms a final assessment of DNSH and whether the issuer passes the net benefit test and ultimately influences the composition of the Fund.

The Investment Manager's internal advisory committee has ultimate responsibility for approving the decision to include or exclude a security for investment, however, the Investment Manager may, where appropriate, seek counsel from an independent external advisory committee on the decision to include or exclude a security for investment. The external advisory committee may provide comments where relevant on this outcome, which may be considered by the Investment Manager who at all times retains investment discretion and authority with respect to the Fund. The external advisory committee adds an impartial layer of governance to the Ethical and Sustainable Investment Policy.

The Investment Manager's Ethical and Sustainable Investment Policy, individual investment desk procedures and employment of the DNSH principle all work together to integrate an effective set of safeguards, which align the Investment Manager's process with the recommendation of existing regulation.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

--- *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The Investment Manager has built an in-house technological solution for the consideration and reporting of PAIs. Detailed analysis of this data is carried out as an input into investment decisions.

--- *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are considered in the research process as part of the DNSH criteria. More information is provided above.



**Does this financial product consider principal adverse impacts on sustainability factors?**

☒ Yes

☐ No

PAIs are considered as part of the investment process of the Fund. The Investment Manager has direct access to PAI data at both Fund and individual company level through the proprietary in-house data base. Reporting on PAIs can be found in the annual report.

The PAI factors provided are as follows:

#### **Indicators Applicable to Corporate Issuers**

##### **Environmental**

1. Greenhouse gas emissions
2. Carbon footprint
3. Greenhouse gas intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity-sensitive areas
8. Emissions to water

9. Hazardous waste ratio

#### **Social**

10. Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)

#### **Indicators Applicable to Sovereigns and Supranationals**

#### **Environmental**

15. Greenhouse gas intensity

#### **Social**

16. Investee countries subject to social violations

#### **Additional Indicators**

#### **Environmental**

17. Investments in companies without carbon reduction initiatives

#### **Social**

18. Number of identified cases of severe human rights issues and incidents
19. Incidents of discrimination



#### **What investment strategy does this financial product follow?**

The Fund invests at least 80% of its Net Asset Value in a portfolio of global investment grade, fixed and floating rate corporate bonds which adhere to the Investment Manager's Ethical and Sustainable Investment Policy. Focus is on the sustainability of the products and services of the issuers it invests in, as well as their standards of ESG management, alongside financial analysis.

The Benchmark is a multi-currency flagship measure of global investment grade, fixed-rate corporate debt including bonds from developed and emerging markets issuers within a wide variety of sectors. The Fund uses the Benchmark for performance comparison purposes only, does not intend to track the Benchmark and may invest in investments which are not constituents of the Benchmark.

Further details of the Fund's investment strategy are set out below.

#### ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

A bespoke positive screen is conducted which proactively assesses global credit issuers against the Investment Manager's sustainability criteria and process, including certain environmental (climate change strategy, waste management, water management, pollution etc), social (human rights, social inclusion, staff benefits and training, supply chain management etc) and governance (board independence, remuneration, diversity, audit and accounting, historic fraudulent activity etc) considerations to determine whether the issuer, through its products and services, provides a net benefit to society and/or whether it is a sector leader in terms of its ESG management.

In addition to the positive screen, a negative screen is also conducted. The Fund will avoid investing in tobacco and armament manufacturers,

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.



nuclear-power generators and issuers that conduct animal testing (other than for purposes of human or animal health and/or where it is required by law or regulation). This means that the Fund can invest in issuers that undertake animal testing where it is undertaken for one of these reasons.

This exclusion policy helps to avoid investment in issuers which the Investment Manager believes expose investors to unacceptable financial risk resulting from poor management of ESG issues.

An assessment of the relative ESG performance of issuers is an important part of the Investment Manager's technical analysis of bonds at the second stage of its investment process. The Fund will be managed using the Investment Manager's disciplined credit investment process focusing on security selection combined with top-down macroeconomic analysis. The Investment Manager's value-orientated approach seeks to exploit the inefficiencies within credit markets. At the macro level, the Investment Manager's analysis starts with a quarterly economic review which covers all major economic regions and focuses upon key variables such as growth rates and inflation. This strategy is also used to formulate the Investment Manager's outlook scenarios, including long-term yield and interest rate forecasts which helps to shape its investment strategy. The Investment Manager also undertakes internal research on issuers, which is supplemented by research from rating agencies and brokers. The Investment Manager's internal rating methodology looks at the probability of default (where credit ratings agencies place their focus). As part of the Investment Manager's rigorous internal search process, a number of issuer visits will be undertaken to help it assess the quality of issuers within the Fund's portfolio. Overall, the Investment Manager aims to construct a diversified portfolio that will deliver consistent alpha from multiple sources.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

#### ***What is the policy to assess good governance practices of the investee companies?***

The Fund operates in line with the Investment Manager's good governance policy. Good governance practices are a fundamental prerequisite for demonstrating they are fit for inclusion within the investment universe and constitute one of the negative screening indicators in the first instance of the screening and research process.

While factors will be dependent on issuer-specific characteristics issuer fundamentals are subject to analysis based on governance indicators, including but not limited to:

- (i) Board composition, structure and diversity
- (ii) Remuneration policies and implementation
- (iii) Stakeholder relations, including shareholders and bondholders
- (iv) Audit and accounting practices
- (v) Business ethics, including corruption and fraud

As part of the Fund's investment process, within the qualitative research process, issuer governance will be considered and assessed to determine whether it is good enough to warrant inclusion in the Fund. The assessment of good governance is tailored to the specific sector and geographic region the issuer is based in, though the assessment does align with the Investment Manager's good governance policy in terms of what it is aiming to assess.

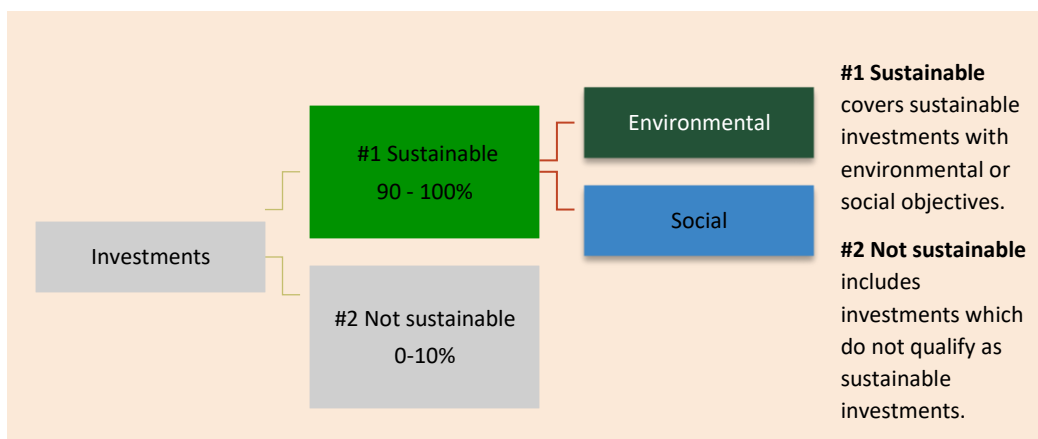
#### **What is the asset allocation and the minimum share of sustainable investments?**

**Asset allocation** describes the share of investments in specific assets.

To warrant inclusion in the Fund, an issuer must demonstrate that it provides a positive contribution to society. This can be achieved via its products and services or through being an ESG leader. The overall net benefit objectives must lead to a cleaner, healthier, safer and more inclusive society. As a result, the Investment Manager seeks to build a portfolio which contributes towards both environmental and social objectives.

As noted above, the Fund's minimum commitment to sustainable investments can be achieved through any mix of such environmental and / or social sustainable investments and there is no prioritisation of one category over the other, as such there is no minimum commitment to each sub-category of sustainable investments. The investments included under "#2 Not Sustainable" are cash, cash equivalents and hedging instruments.

Due to the nature of the investment process, and the fact that there are no requirements for issuers held in the Fund to contribute towards a specific environmental objective, the Fund is not deemed to be Taxonomy aligned.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

## How does the use of derivatives attain the sustainable investment objective?

Derivatives are not used to achieve the sustainable investment objective.

## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?



The sustainable objective of the Fund is to provide a positive contribution to society and therefore, as an output of the Investment Manager's investment process, a number of the Fund's holdings contribute positively to the environment. However, the Fund does not aim to achieve a specific environmental objective and does not therefore seek to align with the EU Taxonomy. As a result, there is no minimum extent.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**
  - ☐ Yes
    - ☐ In fossil gas
    - ☐ In nuclear energy
  - ☒ No

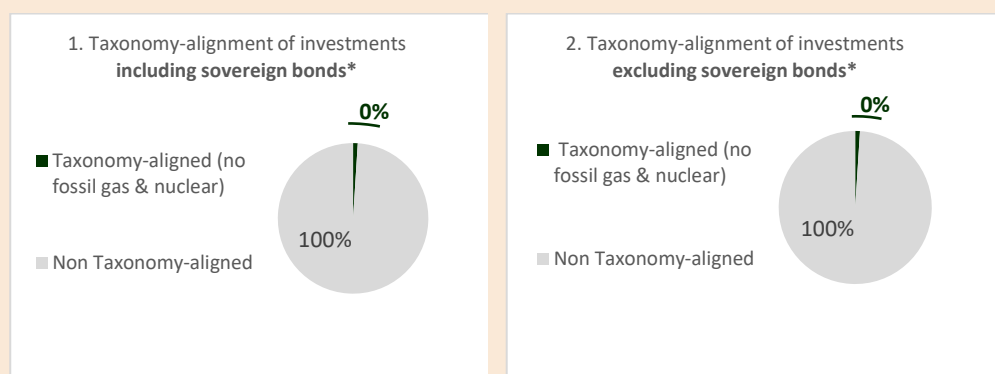
**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



are environmentally

**The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

<sup>1</sup>

Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214

sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

***What is the minimum share of investments in transitional and enabling activities?***

Not applicable. The Fund doesn't have a minimum investment in transitioning and enabling activities.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sustainable objective of the Fund is to provide a positive contribution to society and therefore, as an output of the Investment Manager's investment process, a number of the Fund's holdings contribute positively to the environment. However, the Fund does not aim to achieve a specific environmental objective. As a result, there is no minimum share.



**What is the minimum share of sustainable investments with a social objective?**

The sustainable objective of the Fund is to provide a positive contribution to society and therefore, as an output of the Investment Manager's investment process, a number of the Fund's holdings contribute positively to the society. However, the Fund does not aim to achieve a specific social objective. As a result, there is no minimum share.



**What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under “#2 Not Sustainable” are cash, cash equivalents and hedging instruments. Cash and cash equivalents do not affect the sustainable objective of the Fund. The assessment of issuers and of counterparties for cash and hedging instruments focusses on the creditworthiness of these parties, which can be impacted by sustainability risks



**Is a specific index designated as a reference benchmark to meet the sustainable investment objective?**

Not Applicable – the Fund does not have a specific reference benchmark for sustainable purposes

***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

Not Applicable – the Fund does not have a specific reference benchmark for sustainable purposes.

***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not Applicable – the Fund does not have a specific reference benchmark for sustainable purposes.

***How does the designated index differ from a relevant broad market index?***

Not Applicable – the Fund does not have a specific reference benchmark for sustainable purposes.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

***Where can the methodology used for the calculation of the designated index be found?***

Not Applicable – the Fund does not have a specific reference benchmark for sustainable purposes.



**Where can I find more product specific information online?**

More product-specific information can be found on the Fund information and Factsheets section of the website: <https://www.rlam.com>

The Directors of the Company accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information. The Directors accept responsibility accordingly.

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## **ROYAL LONDON GLOBAL EQUITY DIVERSIFIED FUND (IRL)**

**(A sub-fund of Royal London Asset Management Funds plc which is an investment company (with segregated liability between sub-funds) with variable capital constituted as an umbrella fund under the laws of Ireland and authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended))**

**DATE: 25 March 2024**

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**This Supplement forms part of, and should be read in the context of and together with, the prospectus dated 25 March 2024 (the “Prospectus”) in relation to Royal London Asset Management Funds plc (the “Company”) and contains information relating to the Royal London Global Equity Diversified Fund (IRL) (the “Fund”) which is a separate portfolio of the Company. The other portfolios established by the Company are the Royal London Sterling Extra Yield Bond Fund, the Royal London Global High Yield Bond Fund, the Royal London Short Duration Global High Yield Bond Fund, the Royal London Absolute Return Government Bond Fund, the Royal London Global Bond Opportunities Fund, the Royal London Sterling Liquidity Money Market Fund, the Royal London Global Sustainable Credit Fund, the Royal London Global Sustainable Equity Fund (IRL), the Royal London European Sustainable Credit Fund, the Royal London Multi Asset Defensive Fund (IRL), the Royal London Multi Asset Balanced Fund (IRL), the Royal London Multi Asset Growth Fund (IRL), the Royal London Multi Asset Adventurous Fund (IRL), the Royal London Global Equity Select Fund (IRL), the Royal London Global Equity Enhanced Fund, the Royal London Global Equity Transitions Fund, the Royal London Emerging Markets Corporate Bond Fund, the Royal London Short Duration Emerging Markets Corporate Bond Fund and the Royal London US Equity Fund, information in respect of which is to be found in the Relevant Supplements.**

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## DEFINITIONS

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein.

<b>“Base Currency”</b>	For the purposes of this Supplement, the base currency shall be USD;
<b>“Business Day”</b>	a day on which banks are open in London or such other day or days as may be determined by the Company and agreed with the Administrator, provided there shall be at least two Business Days in each calendar month;
<b>“Dealing Day”</b>	shall mean each Business Day except for any day on which an underlying market or markets on which at least 50% of the Fund's assets are exposed or traded are closed, for example for public holidays, or such other day or days as may be determined by the Company and notified in advance to the Shareholders provided that, there shall be at least two dealing days in each calendar month. In circumstances where the threshold for closed underlying markets has been met or exceeded, dealing in the Fund's Shares will take place on the next Business Day on which such underlying market or markets are open. A list of the closed market days in respect of the Fund is available on the Investment Manager's website at <a href="http://www.rlam.com">www.rlam.com</a> ;
<b>“Dealing Deadline”</b>	5.00 p.m. Irish time on each Dealing Day or such other day or time as may be determined by the Company and notified to the Shareholders;
<b>“Environmental Objective”</b>	means an environmental objective set out in the EU Taxonomy Regulation;
<b>“EU Taxonomy Regulation”</b>	means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment;
<b>“Valuation Point”</b>	means the close of business in the relevant market on each Dealing Day, being the time at which the last traded price is made available on the relevant stock exchanges or markets used for the purpose of the valuation of assets and liabilities of the Fund (or such other time as the Directors may in their discretion determine and notify to Shareholders). For the avoidance of doubt, the Valuation Point for a particular Dealing Day shall not be before the Dealing Deadline relevant to such Dealing Day.



## INVESTMENT OBJECTIVES AND POLICIES

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Fund invests primarily in transferable securities listed or traded on Recognised Markets in accordance with the restrictions listed in the "Investment Restrictions" section of the Prospectus and below. In addition, the Fund may employ for the purpose of efficient portfolio management, certain of the investment techniques and instruments described in the "Fund Investment Techniques" and "Investment Risks" sections of the Prospectus, as detailed further below.

This Supplement has been prepared solely for, and is being made available to investors for the purposes of evaluating an investment in Shares in the Fund. Investors should only consider investing in the Fund if they understand the risks involved, including the risk of losing all capital invested.

### Investment Objective and Policies

The Fund's investment objective is to achieve capital growth (1) over the long term, which should be considered as a period of 7-plus years. The Fund's performance target is to outperform, after the deduction of charges, the MSCI All Countries World Net Total Return Index USD (the "**Benchmark**") by 0.4 – 0.8% per annum over rolling three year periods (2).

The Fund will seek to achieve its investment objective by investing predominantly in the shares of companies globally that are listed on Recognised Markets.

The Benchmark is a flagship global equity index designed to represent performance of the full opportunity set of large- and mid-cap stocks across 23 developed and 27 emerging markets. Further information in respect of the Benchmark is available on request from the Investment Manager. Investors should note that the Benchmark is being used by the Fund for performance comparison purposes only and the Fund does not intend to track the Benchmark. While the Fund may invest in investments which are constituents of the Benchmark, the Fund will be actively managed and its portfolio will not be constrained by reference to any index. The Investment Manager may use its discretion to invest in instruments which are not included in the Benchmark. The Fund will typically be invested in a diversified portfolio of 175-225 holdings.

The Fund will invest at least 90% of its Net Asset Value in shares of companies globally, both in Developed Markets and Emerging Markets. These will be businesses that are listed on stock exchanges in their respective countries.

There are no restrictions on the Fund in terms of sector and market capitalisation (3). The Fund's country and sector weights, including its investment in Emerging Markets, will however be broadly in line with those of the Benchmark. The Fund may invest up to 25% of its Net Asset Value in Emerging Markets. It is intended that the Fund will maintain a low tracking error of 1-2%, which is the difference between the return of the Fund and its Benchmark. This should provide clients with a lower level of relative risk compared to global funds that are more concentrated. Investments by the Fund in securities listed or traded in Russia will only be made in securities that are listed or traded on the Russian markets detailed in Appendix 1 to the Prospectus and are not expected to exceed 5% of the Net Asset Value of the Fund.

The Fund may also invest up to 10% in other investment funds, known as collective investment schemes ("**CIS**"), including funds managed by the Investment Manager or another Royal London group company, which will be regulated, and may be leveraged or unleveraged, as well as eligible exchange traded funds (4). Such CIS will be domiciled globally. The Fund may invest in such CIS for the purposes of achieving its investment objective and policy.

The Fund may receive warrants as a result of corporate actions. No more than 5% of the Net Asset Value of the Fund will be held in warrants.

A limited amount of assets (around 5% or less) may be held in cash for efficient portfolio management (5) purposes and to manage the flow of investors' money in and out of the Fund.

## *Investment Selection and Asset Allocation*

The Fund invests in companies that the Investment Manager believes can create wealth for shareholders, but are currently undervalued. An undervalued company is one priced at a level that does not reflect the strength of its underlying business. Suitable companies are identified for investment by first using in-house screening tools (based on a company's cashflow, return on capital and growth), to reduce the investment universe of 3,000+ shares to around 600 that the Investment Manager believes have the potential to create shareholder wealth. The Investment Manager then performs "deeper-dive" analysis to identify what it believes to be companies with the strongest evidence of long-term wealth creation. This involves researching the information published by the companies the Investment Manager is interested in (including annual and quarterly financial reports and sector analysis), which is supplemented with direct company contact, where needed and possible. The output from this process is approximately 300 companies on which the Investment Manager performs a valuation analysis to assess the intrinsic value of the stock. The very best, attractively priced companies provide the source of potential investments for the Fund.

**Investors should note that there can be no guarantee that the Fund will achieve its investment objective.**

**Investors should note that the Fund may use currency forward contracts as detailed below and in the "Efficient Portfolio Management" section and "Share Currency Designation Risk" in the "Investment Risks" section of the Prospectus to hedge currency exposure arising from the Fund's investments in assets denominated in currencies other than the Base Currency and to hedge currency exposure arising in respect of the hedged Share Classes. The global exposure of the Fund will be calculated through the use of the commitment approach. With respect to the use of currency forward contracts for the purpose of hedging, a risk management process which enables the Company to accurately measure, monitor and manage the various risks associated with financial derivative instruments has been submitted to the Central Bank in accordance with the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019.**

**The Fund's global exposure is the incremental exposure and leverage generated by it through the use of financial derivative instruments such as its purchase of futures or forwards. The global exposure of the Fund is calculated using the commitment approach, whereby positions in financial derivative instruments are calculated, based in the case of both futures or forwards (using the conversion methodologies set out in the risk management process for the Company), on the market value of the underlying reference instrument. As the Fund is using the commitment approach to calculate its global exposure, it must ensure that such global exposure does not exceed its total Net Asset Value. The Fund will be deemed to be leveraged where it has a global exposure of greater than zero and as provided above, the calculation of such global exposure also includes incremental exposure generated through the use of financial derivative instruments including the purchase of futures or forwards. In that context, the Fund will not be leveraged in excess of 100% of Net Asset Value.**

## *Notes*

- (1) Capital growth is defined as the rise in an investment's value over time.
- (2) A rolling three year period is any period of three years, no matter which day you start on.
- (3) Market capitalisation is the number of a company's shares multiplied by their value.
- (4) An exchange-traded fund (ETF) is a fund that is tradeable on an index in a similar way to individual shares. ETFs track other indices and provide a lower-cost method of diversifying a portfolio.
- (5) Efficient portfolio management is a list of approved investment techniques, including the use of derivatives, used to protect against excessive risk, reduce cost or generate extra income or growth.

## **Efficient Portfolio Management**

The Fund may use financial derivative instruments for efficient portfolio management and hedging purposes only. Investors should refer to the investment techniques and instruments described under “Fund Investment Techniques” and “Investment Risks” in the Prospectus.

In particular, the Fund may use spot and currency forward contracts to hedge the non-Base Currency positions in the Fund back to the Base Currency in order to reduce currency risk. Index futures may also be used for the purpose of efficient portfolio management.

The Fund intends to attempt to hedge out the currency risk of the hedged Shares by hedging them back to the Base Currency by using any of the efficient portfolio management techniques and instruments set out in the Prospectus within the conditions and limits imposed by the Central Bank. In terms of use of derivative instruments for these purposes, the Fund shall only use currency forward contracts. Save as specified in this paragraph, a class of Shares may not be leveraged as a result of the use of such techniques and instruments. Such hedging shall be limited to the extent of the relevant class of Share’s currency exposure. Investors in such classes of unhedged Shares (and hedged Shares to the extent that Share class hedging fails to eliminate such risk) will bear any currency risk associated with fluctuations between the unhedged Shares (and hedged Shares to the extent that Share class hedging fails to eliminate such risk) and the Base Currency. Please refer to “Share Currency Designation Risk” in the Prospectus. Share classes of the Fund which are designated other than in the Base Currency may be hedged or unhedged against the Base Currency, unless this policy is changed by notice to Shareholders.

**While the costs of hedging for the benefit of hedged Share classes of the Fund are solely allocated to the relevant Share class, a currency conversion will take place on subscriptions, redemptions and exchanges at prevailing exchange rates and the costs of the conversion will generally be borne by the Fund as a whole. However, the Directors reserve the right, in their absolute discretion, in appropriate circumstances to require the relevant applicant or Shareholder to bear the cost of the conversion.**

### **Currency Forward Contracts**

Currency forward contracts are agreements to exchange one currency for another - for example, to exchange a certain amount of US Dollars for a certain amount of Sterling - at a future date. The date (which may be any agreed-upon fixed number of days in the future), the amount of currency to be exchanged and the price at which the exchange will take place are negotiated and fixed for the term of the contract at the time that the contract is entered into. Currency forward contracts may be bought or sold in either deliverable or non-deliverable form.

The underlying assets for currency forward contracts shall be currencies in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the “Investment Objective and Policies” section.

### **Futures**

The Fund may use index futures. The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price.

Index futures are based on the value of the basket of securities that comprise an index. These contracts obligate the buyer or seller to pay cash to settle the futures transaction, based on the fluctuation of the index’s value in response to the change in the relative values of the underlying securities that are included in the index over the term of the contract. No delivery of the underlying securities is made to settle the futures contract. The buyer or seller of an index future is obligated to pay cash to settle the transaction, based on the fluctuation of the index’s value in response to the changes in the relative values of the underlying securities that are included in the index over the term of the contract. Either party may also settle the transaction by entering into an offsetting contract. An index cannot be purchased or sold directly.

The underlying assets for futures shall be instruments in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the “Investment Objective and Policies” section.

It is intended that the Fund shall only employ techniques and instruments for efficient portfolio management purposes to the extent that such techniques and instruments are consistent with the Fund's investment policies. The use of financial derivative instruments by the Fund may affect the return on an Investor's investment. Any financial derivative instruments not included in the risk management process statement of the Company will not be utilised until such time as a revised submission has been cleared by the Central Bank.

The Fund will not have any exposure to total return swaps, Repo Contracts or stock-lending transactions.

### **PROFILE OF A TYPICAL INVESTOR**

The Fund is suitable for both retail and institutional investors who are seeking capital growth over the medium to long term. This typically means a minimum time horizon of 5 years but this could vary depending upon individual risk profiles.

### **RESPONSIBLE INVESTMENT**

The Fund seeks to promote environmental and social characteristics and the opportunities available to the Fund are in line with the ESG Characteristics Policy and the RI Policy as detailed in the “RESPONSIBLE INVESTMENT” section of the Prospectus. The likely impact on returns and the risks associated with responsible investment techniques utilised by the Investment Manager are also explained in the “RESPONSIBLE INVESTMENT” and “INVESTMENT RISKS” sections of the Prospectus.

The Benchmark is not used by the Fund as a reference benchmark to assist in the promotion of environmental and social characteristics and is solely used to measure the performance of the Fund.

The Fund does not commit to any minimum level of alignment with the EU criteria for environmentally sustainable economic activities under the EU Taxonomy Regulation in its underlying investments; as such, 0% of the Net Asset Value of the Fund shall be invested in such investments. The “do no significant harm” principle applies only to those investments underlying the Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

Please refer to Appendix 1 of this Supplement for further information in respect of the Fund's promotion of ESG characteristics.

### **INVESTMENT RESTRICTIONS**

The assets of the Fund will be invested in accordance with the concentration limits and other restrictions imposed under the UCITS Regulations and summarised in the “Investment Restrictions” section of the Prospectus.

In addition to the restrictions set out under “Investment Restrictions” in the Prospectus, the Company may from time to time impose such further investment restrictions as shall be compatible with or in the interest of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders of the Fund are located.

### **INVESTMENT RISKS**

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the “Investment Risks” section of the Prospectus and in particular the specific risk factors listed below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making an application for Shares. There is no guarantee that the Fund will achieve its investment objective.

Basis Risk  
 Counterparty Risk  
 Diversification Risk  
 Emerging Markets Risk  
 Equity Markets Risk  
 Exchange Traded Funds Risk  
 Fund Currency Risk  
 Investing in Russia  
 Investor Currency Risk  
 Market Risk  
 Risks associated with Forward Currency Contracts  
 Settlement Mechanisms/Custodial Risk  
 Share Currency Designation Risk  
 Smaller Companies Risk

## APPLICATION FOR SHARES

Unlaunched Shares in the Fund will initially be available for subscription from 9.00 a.m. (Irish time) on 26 March 2024 up to 5.00 p.m. (Irish time) on 25 September 2024 (or such earlier or later Business Day as the Directors determine and notify to the Central Bank). The initial offer price per Share for each unlaunched Share Class will be in its respective Class Currency: AUD1, CAD1, CHF1, DKK1, EUR1, GBP1, NOK1, SEK1, SGD1 or USD1.

Shares in any launched Class will be available on each Dealing Day at the Net Asset Value per Share.

Shares will be issued at the next determined Net Asset Value per Share after receipt and acceptance by the Administrator of an application form (“**Application Form**”).

Investors must complete an Application Form. Application Forms must be received by the Administrator by the Dealing Deadline, or such other time as the Management Company in consultation with the Company may from time to time determine in exceptional circumstances and prior to the Valuation Point on any Dealing Day, in order to be issued as of the next Net Asset Value per Share. Telephone instructions may be accepted with the prior agreement of the Administrator pending receipt of the Application Form and election to avail of this facility by the investor. A faxed Application Form will be accepted, with the original Application Form to follow. Application Forms may also be accepted via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank). In the case of a new investor, the Administrator must receive the original Application Form and AML documentation promptly or in advance of any dealing taking place to avoid delays with processing payments. The Company will deny a subsequent request to redeem shares if the relevant investor fails to submit an original executed Application Form. The Company may, in its absolute discretion, refuse to accept any application for Shares. Application monies must be received by the Administrator on the relevant Dealing Day or such other time as the Management Company in consultation with the Company may determine and in any event within three Business Days. Pending the receipt of application monies, the Fund may, subject to the borrowing restrictions set out under the heading “Borrowing Policy” in the Prospectus, temporarily borrow an amount equal to the

application monies and invest such monies in accordance with the investment objective and policies of the Fund. Once the monies are received, the Fund will use such monies to repay the relevant borrowings and reserves the right to charge that investor interest on such outstanding application monies at normal commercial rates. In addition, the Company reserves the right to cancel provisional allotment of the relevant Shares where application monies are not received by the Administrator within three Business Days. Requests for investments received after the Valuation Point on any Dealing Day will be treated as being received on the next Dealing Day. The Company reserves the right to compulsorily redeem the Shares where the original Application Form used on initial subscription or documentation relating to the applicants has not been received within five Business Days. In such circumstances, the Company, the Management Company and Administrator may require to be reimbursed for expenses incurred.

Applications for Shares received during any period when the Share dealings have been temporarily suspended in the circumstances described in the “Temporary Suspension of Dealings” section of the Prospectus will be treated as received on the Dealing Day on which dealings recommence, unless such request has been withdrawn during the period of suspension.

#### Share Class Information

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
A	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
M	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000	2,000	200,000
			CAD	200,000	2,000	200,000
			CHF	100,000	1,000	100,000
			DKK	1,000,000	10,000	1,000,000
			EUR	100,000	1,000	100,000
			GBP	100,000	1,000	100,000
			NOK	1,000,000	10,000	1,000,000
			SEK	1,000,000	10,000	1,000,000
			SGD	200,000	2,000	200,000
			USD	100,000	1,000	100,000
R			AUD			

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	CAD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
S	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
V	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000,000	20,000,000	200,000,000
			CAD	200,000,000	20,000,000	200,000,000
			CHF	100,000,000	10,000,000	100,000,000
			DKK	1,000,000,000	100,000,000	1,000,000,000
			EUR	100,000,000	10,000,000	100,000,000
			GBP	100,000,000	10,000,000	100,000,000
			NOK	1,000,000,000	100,000,000	1,000,000,000
			SEK	1,000,000,000	100,000,000	1,000,000,000
			SGD	200,000,000	20,000,000	200,000,000
			USD	100,000,000	10,000,000	100,000,000
W	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
		Currency, where only unhedged Shares are available	GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
Z	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	6,000,000	100,000	6,000,000
			CAD	6,000,000	100,000	6,000,000
			CHF	3,000,000	50,000	3,000,000
			DKK	30,000,000	500,000	30,000,000
			EUR	3,000,000	50,000	3,000,000
			GBP	3,000,000	50,000	3,000,000
			NOK	30,000,000	500,000	30,000,000
			SEK	30,000,000	500,000	30,000,000
			SGD	6,000,000	100,000	6,000,000
			USD	3,000,000	50,000	3,000,000

Whilst shares are available in the categories as listed in the above table, confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator. Other currencies may be made available as determined by the Directors, in which case this Supplement will be updated.

The Directors may for each relevant Class waive such minimum amounts in their absolute discretion. The Company may compulsorily redeem holdings in any Class of Shares if such holding is below the minimum holding as set out in the above table for a period of three months or more.

Application proceeds must be paid in the currency in which the relevant Class is denominated or by transfer of assets in accordance with the provisions specified in the Prospectus. Application for Shares by new investors should be made on the Application Form and sent in original form or by facsimile to the number indicated on the Application Form (with the original copy sent by post immediately thereafter) to the Administrator.

Telephone calls may be recorded by the Company's delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes.

**Class A Shares** are available to all investors. Retail investors wishing to purchase Class A Shares should do so via their financial intermediary.

**Class M Shares** are available for investment by platforms and institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners.

**Class R Shares** are available only to affiliates of the Investment Manager.

**Class S Shares** are available only to institutional investors who have entered into a separate fee arrangement with the Investment Manager or the Distributor.

**Class V Shares** are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment



Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
<p>into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.</p> <p><b>Class W Shares</b> are available to all investors. Retail investors wishing to purchase Class W Shares should do so via their financial intermediary.</p> <p><b>Class Z Shares</b> are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.</p>						

## REDEMPTIONS

The Fund redeems Shares at their Net Asset Value per Share on each Dealing Day following due receipt of a redemption request. Redemption requests must be received in proper form and are only effective upon acceptance by the Administrator. Redemption requests will not be acted upon until the Administrator has received the original Application Form used on initial subscription.

Shares may be redeemed on any Dealing Day by way of facsimile, other written communication, via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank) to the Administrator provided that the relevant redemption request is received by the Administrator no later than the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine, in exceptional circumstances on the relevant Dealing Day provided it is before the Valuation Point. Redemption requests received after the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine on the relevant Dealing Day, will be treated as being received on the following Dealing Day. Redemption proceeds will be paid to the account outlined in the Application Form used on original subscription. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

There are no minimum redemptions in respect of the Classes of Shares. Redemption requests must specify the Shareholder's full name, address and Shareholder number and the number or value of Shares to be redeemed. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption proceeds, which are paid by way of electronic transfer, will be sent within three days of the Dealing Day on which the redemption is effected.

## DIVIDEND POLICY

The Directors may declare a dividend, for the benefit of the Shareholders invested in the Fund, arising out of net income (including dividend and interest income) and the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund.

Currently the Directors anticipate making dividend distributions in respect of the Fund out of the net income (including dividend and interest income) from its investments and may from time to time distribute the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund. Accordingly, any net income arising in respect of the Fund will be distributed to investors in the Fund in accordance with their respective shareholdings.

For each accumulating Class, the Directors have determined to reinvest all net income and net realised capital gains of the relevant accumulating Class. Accordingly, no dividends will be paid in respect of

accumulating Classes and all net income and net realised capital gains of the accumulating Classes will be reflected in the Net Asset Value per Share of the accumulating Classes.

The Directors may, however, at their discretion, change the dividend policy and, upon advance notification to Shareholders, amend this Supplement to reflect such change.

Dividend distributions in respect of the Fund will be automatically re-invested in further Shares in the Fund unless the Shareholder shall have elected that dividends be paid by wire transfer to their account outlined in the original Application Form. Dividend distributions will be paid within four months of the date of declaration of such dividends by the Directors.

Proposed Distribution Dates for “Inc” Share Classes:

<b>Period for which income will be distributed</b>	<b>Accounting end date</b>	<b>Ex-Dividend Date</b>	<b>Pay Date</b>
1 July – 31 December	31 December	1 January	28 February
1 January – 30 June	30 June	1 July	31 August

## **BORROWING POLICY**

Under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company, subject to any limitations under the UCITS Regulations, and the Depositary is empowered to charge the assets of the Company as security for any such borrowings.

The Company intends that the Fund may incur temporary borrowings in an amount not exceeding 10% of its net assets. However, the amount of outstanding borrowings and repurchase agreements will not exceed 10% of the net assets of the Fund.

## **FEES AND EXPENSES**

The Company will pay the Fund Management Fee per Class at the rate set out in the table below. The Fund Management Fee will accrue daily and be payable monthly in arrears. Details of the maximum preliminary charge and the maximum Distribution Fee that may be applied to specific Classes are also set out in the table below.

<b>Share Class</b>	<b>Maximum Preliminary Charge</b>	<b>Fund Management Fee</b>	<b>Maximum Distribution Fee</b>
A	5.00%	See footnote *	0.00%
A Hedged	5.00%	See footnote *	0.00%
M	0.00%	0.43%	0.00%
M Hedged	0.00%	See footnote *	0.00%
R	0.00%	0.11%	0.00%
R Hedged	0.00%	See footnote *	0.00%
S	0.00%	0.11%	0.00%

S Hedged	0.00%	See footnote *	0.00%
V	0.00%	See footnote *	0.00%
V Hedged	0.00%	See footnote *	0.00%
W	2.00%	See footnote *	1.00%
W Hedged	2.00%	See footnote *	1.00%
Z	0.00%	0.33%	0.00%
Z Hedged	0.00%	See footnote *	0.00%

\*The Fund Management Fee is up to 2.5%,but may be lower in practice. Please contact the Investment Manager for further information. Confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator.

The Distribution Fee shown above in the table is the maximum that can be charged. This fee (where applicable) is paid to the Distributor for providing distribution-related services to the Fund and Shareholders.

Where the Annual Expenses exceed the Fund Management Fee for the relevant Class, the excess will be discharged by the Investment Manager from its own assets.

The Annual Expenses are the following fees and expenses set out in the section headed “FEES AND EXPENSES” in the Prospectus: (i) Management Fees of the Management Company (ii) Investment Management Fees; (iii) Administration Fees; (iv) Depositary Fees; (v) Director’s Fees; and (vi) Operating Expenses. Investors should refer to the section headed “FEES AND EXPENSES” in the Prospectus.

All other fees and expenses of the Fund (such as such extraordinary or exceptional costs and expenses not included above) will be borne by the Fund and will be charged at normal commercial rates.

Class R Shares and Class S Shares may be subject to a periodic charge payable outside the Fund as agreed between the Investment Manager and the relevant investor.

The Management Company and the Investment Manager shall also be entitled to all reasonable out of pocket costs and expenses incurred in the proper performance of their respective duties.

### **Redemption Charge**

The Company does not intend to apply a redemption charge in respect of any Class of Shares.

### **Swing Pricing**

The actual cost of purchasing investments may be higher or lower than the value used in calculating the Net Asset Value. These costs may include dealing charges, commission and transaction charges and the dealing spread and may have a materially disadvantageous effect on a Shareholder’s interest in the Fund. To prevent this effect, known as “dilution”, the Management Company in consultation with the Company may determine, at their discretion, to adjust (“**swing**”) the Net Asset Value per Share of the Fund, in the circumstances set out in the “Fees and Expenses” section of the Prospectus.

### **Establishment Costs of the Fund**

The establishment costs of the Fund were borne by the Investment Manager.

## ANNEX II

**Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Product name:** Royal London Global Equity Diversified Fund (IRL) (the “Fund”) **Legal entity identifier:** 213800MTQ9D1OFIIV519

### Environmental and/or social characteristics

#### Does this financial product have a sustainable investment objective?

☒ ☒ ☐ **Yes**

☒ ☐ ☒ **No**

☐ It will make a minimum of **sustainable investments with an environmental objective**: \_\_\_\_%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective**: \_\_\_\_%

☐ **It promotes Environmental/ Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☐ with a social objective

☒ It promotes E/S characteristics, but **will not make any sustainable investments**

#### What environmental and/or social characteristics are promoted by this financial product?

The Investment Manager believes climate change represents the greatest challenge to global sustainability, as it has the potential to destroy future generations' ability to meet their own needs. Therefore, the Fund promotes environmental characteristics relating to climate change mitigation.

No reference benchmark has been designated for the purposes of attaining the environmental or social characteristics promoted by the Fund.

***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The Investment Manager takes a principles-based approach to assessing climate risk and evaluate a company's willingness and ability to either transition themselves or enable someone else's transition, or both emphasising qualitative forward-looking analysis supported by rigorous quantitative datasets.

Indicators to measure willingness and ability to transition include:

1. Sector and business product exposure

2. Business involvement with hard to transition activities e.g. thermal coal mining and generation, oil & gas related
3. Ownership of fossil fuel reserves
4. Scope 1+2 absolute emissions and intensity
5. Scope 3 absolute emissions and intensity
6. % reduction of emissions from their business-as-usual required to achieve Net Zero by 2050
7. Past performance in reducing absolute and intensity of scope 1&2 emissions
8. Free cash flow
9. Break-even carbon price
10. % of revenue from climate solutions

***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not Applicable – the Fund promotes E/S characteristics but will not make any sustainable investments.

***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not Applicable – the Fund promotes E/S characteristics but will not make any sustainable investments.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

The Investment Manager has built an in-house technological solution for the consideration and reporting of Principal Adverse Impacts (“PAIs”). Detailed analysis of this data is carried out as an input into investment decisions.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not Applicable – the Fund promotes E/S characteristics but will not make any sustainable investments.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

☒ **Yes**

☐ **No**

PAIs are considered as part of the investment process of the Fund. The Investment Manager has direct access to PAI data at both Fund and individual company level through the proprietary in-house data base. Reporting on PAIs can be found in the annual report. The PAI factors provided are as follows:

#### **Indicators Applicable to Corporate Issuers**

##### **Environmental**

1. Greenhouse gas emissions
2. Carbon footprint
3. Greenhouse gas intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity-sensitive areas
8. Emissions to water
9. Hazardous waste ratio

##### **Social**

10. Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)

#### **Indicators Applicable to Sovereigns and Supranationals**

##### **Environmental**

15. Greenhouse gas intensity

##### **Social**

16. Investee countries subject to social violations

#### **Additional Indicators**

##### **Environmental**

17. Investments in companies without carbon reduction initiatives

##### **Social**

18. Number of identified cases of severe human rights issues and incidents
19. Incidents of discrimination

#### **What investment strategy does this financial product follow?**

The Fund invests in companies that the Investment Manager believes can create wealth for shareholders, but are currently undervalued. An undervalued company is one priced at a level that does not reflect the strength of its underlying business. Suitable companies are identified for investment by first using in-house screening tools (based on a company's cashflow, return on capital and growth), to reduce the investment universe of 3,000+ shares to around 600 that the Investment Manager believes have the potential to create shareholder wealth. The Investment Manager then performs "deeper-dive" analysis to identify what it believes to be companies with the strongest evidence of long-term wealth creation. This involves researching the information published by the companies the Investment Manager is interested in (including annual and quarterly financial reports and sector analysis), which is supplemented with direct company contact, where needed and possible. The output from this process is approximately 300 companies on which the Investment Manager performs a valuation analysis to assess the intrinsic value of the stock. The very best, attractively priced companies provide the source of potential investments for the Fund. Further details on the Investment Manager's process are set out below.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

All holdings in the Fund need to be consistent with the climate mitigation promotion objective. As such, the Investment Manager selects only those companies with willingness and ability to transition to net zero by 2050. The Investment Manager considers these mitigation efforts to be most credible if there are tangible improvements by 2030.

***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Investment Manager does not apply a minimum committed rate and will manage the Fund in alignment with the investment strategy and its ESG processes.

***What is the policy to assess good governance practices of the investee companies?***

The Fund operates in line with the Investment Manager's good governance policy. The Investment Manager believes good governance practices promote better long-term shareholder wealth creation and as a result has applied a minimum level in the Fund's investments. The Investment Manager takes a principles-based approach including opportunity to engage for improved practices.

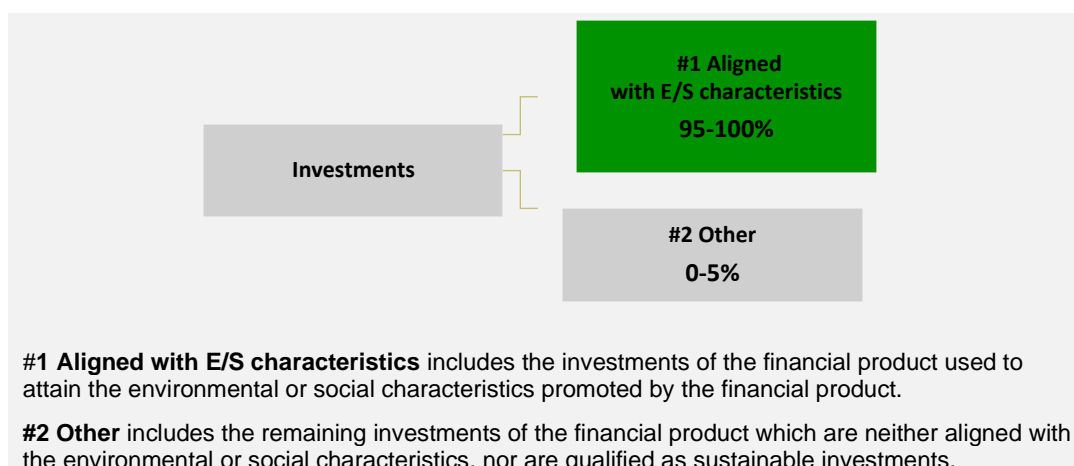
The Investment Manager will allocate scores on the following elements, all of which should be considered in regional context. These are aligned with the Investment Manager's principles of good governance and consistent with the currently disclosed SFDR definitions of good governance. Each of the 5 "elements" listed below is considered within the scoring framework.

Elements	Components
Board	Composition, structure, independence, diversity
Internal Alignment	Remuneration policies and implementation, insider ownership
External Alignment	External ownership structure
Business Ethics	Corruption and fraud, audit and accounting practices, tax compliance
Stakeholders	Relations with shareholders, bondholders, employees

***What is the asset allocation planned for this financial product?***

The Investment Manager employs a binding proprietary ESG methodology, as described in detail above. 95-100% of the Fund's Net Asset Value will be invested in securities which will be aligned with the environmental and/or social characteristics promoted by the Fund. The Fund does not commit to invest in Taxonomy aligned investments.

**Asset allocation** describes the share of investments in specific assets.



Taxonomy-aligned activities are expressed as a share of:

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

**turnover** reflecting the share of revenue from green activities of investee companies

**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

**operational expenditure** (OpEx) reflecting green operational activities of investee companies.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

Derivatives are not used to attain the environmental or social characteristics promoted by the Fund.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable - the Fund does not commit to invest in Taxonomy aligned investments.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?***

☐ Yes

☐ In fossil gas

☐ In nuclear energy

☒ No

<sup>1</sup>

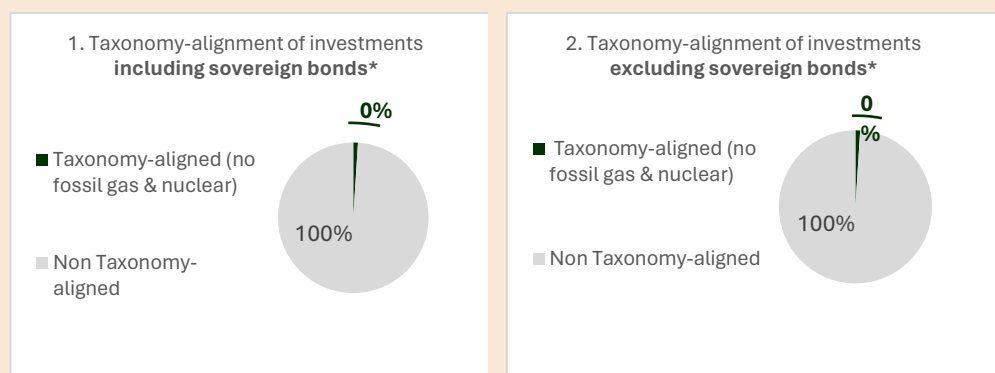
Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214



**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

### What is the minimum share of investments in transitional and enabling activities?

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.



### What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.



### What is the minimum share of socially sustainable investments?

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.



### What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The investments included under "#2 Other" are cash, cash equivalents and hedging instruments which are not subject to any minimum environmental or social safeguards. Cash and cash equivalents do not affect the promoted environmental and / or social characteristics of the Fund. The assessment of issuers and of counterparties for cash and hedging instruments focusses on the creditworthiness of these parties, which can be impacted by sustainability risks.

### Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?



**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

***How does the designated index differ from a relevant broad market index?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

***Where can the methodology used for the calculation of the designated index be found?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

**Where can I find more product specific information online?**

More product-specific information can be found on the Fund information and Factsheets section of the website: <https://www.rlam.com>



The Directors of the Company accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information. The Directors accept responsibility accordingly.

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## **ROYAL LONDON GLOBAL SUSTAINABLE EQUITY FUND (IRL)**

**(A sub-fund of Royal London Asset Management Funds plc which is an investment company (with segregated liability between sub-funds) with variable capital constituted as an umbrella fund under the laws of Ireland and authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended))**

**DATE: 25 March 2024**

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**This Supplement forms part of, and should be read in the context of and together with, the prospectus dated 25 March 2024 (the “Prospectus”) in relation to Royal London Asset Management Funds plc (the “Company”) and contains information relating to the Royal London Global Sustainable Equity Fund (IRL) (the “Fund”) which is a separate portfolio of the Company. The other portfolios established by the Company are the Royal London Sterling Extra Yield Bond Fund, the Royal London Global High Yield Bond Fund, the Royal London Short Duration Global High Yield Bond Fund, the Royal London Absolute Return Government Bond Fund, the Royal London Global Bond Opportunities Fund, the Royal London Sterling Liquidity Money Market Fund, the Royal London Global Sustainable Credit Fund, the Royal London Global Equity Diversified Fund (IRL), the Royal London European Sustainable Credit Fund, the Royal London Multi Asset Defensive Fund (IRL), the Royal London Multi Asset Balanced Fund (IRL), the Royal London Multi Asset Growth Fund (IRL), the Royal London Multi Asset Adventurous Fund (IRL), the Royal London Global Equity Select Fund (IRL), the Royal London Global Equity Enhanced Fund, the Royal London Global Equity Transitions Fund, the Royal London Emerging Markets Corporate Bond Fund, the Royal London Short Duration Emerging Markets Corporate Bond Fund and the Royal London US Equity Fund, information in respect of which is to be found in the Relevant Supplements.**

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## DEFINITIONS

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein.

<b>“Base Currency”</b>	For the purposes of this Supplement, the base currency shall be USD;
<b>“Business Day”</b>	a day on which banks are open in London or such other day or days as may be determined by the Company and agreed with the Administrator, provided there shall be at least two Business Days in each calendar month;
<b>“Dealing Day”</b>	shall mean each Business Day except for any day on which an underlying market or markets on which at least 50% of the Fund's assets are exposed or traded are closed, for example for public holidays, or such other day or days as may be determined by the Company and notified in advance to the Shareholders provided that, there shall be at least two dealing days in each calendar month. In circumstances where the threshold for closed underlying markets has been met or exceeded, dealing in the Fund's Shares will take place on the next Business Day on which such underlying market or markets are open. A list of the closed market days in respect of the Fund is available on the Investment Manager's website at <a href="http://www.rlam.com">www.rlam.com</a> ;
<b>“Dealing Deadline”</b>	5.00 p.m. Irish time on each Dealing Day or such other day or time as may be determined by the Company and notified to the Shareholders;
<b>“Valuation Point”</b>	means the close of business in the relevant market on each Dealing Day, being the time at which the last traded price is made available on the relevant stock exchanges or markets used for the purpose of the valuation of assets and liabilities of the Fund (or such other time as the Directors may in their discretion determine and notify to Shareholders). For the avoidance of doubt, the Valuation Point for a particular Dealing Day shall not be before the Dealing Deadline relevant to such Dealing Day.

## INVESTMENT OBJECTIVES AND POLICIES

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Fund invests primarily in transferable securities listed or traded on Recognised Markets in accordance with the restrictions listed in the “Investment Restrictions” section of the Prospectus and below. In addition, the Fund may employ for the purpose of efficient portfolio management, certain of the investment techniques and instruments described in the “Fund Investment Techniques” and “Investment Risks” sections of the Prospectus, as detailed further below.

This Supplement has been prepared solely for, and is being made available to investors for the purposes of evaluating an investment in Shares in the Fund. Investors should only consider investing in the Fund if they understand the risks involved, including the risk of losing all capital invested.

### **Investment Objective and Policies**

The Fund's investment objective is to achieve capital growth (1) over the medium term, which should be considered as a period of 3-5 years by predominantly investing globally in the shares of companies listed on Recognised Markets that are deemed to make a positive contribution to society. The Fund's performance target is to outperform, after the deduction of charges, the MSCI All Countries World Net Total Return Index USD (the “**Benchmark**”) by 2.5% per annum over rolling three year periods (2). Investments in the Fund will adhere to the Investment Manager's Ethical and Sustainable Investment Policy, as detailed further below and in the “RESPONSIBLE INVESTMENT” section of the Prospectus.

The Benchmark is a flagship global equity index designed to represent performance of the full opportunity set of large- and mid-cap stocks across 23 developed and 27 emerging markets. Further information in respect of the Benchmark is available on request from the Investment Manager. Investors should note that the Benchmark is being used by the Fund for performance comparison purposes only and the Fund does not intend to track the Benchmark. While the Fund may invest in investments which are constituents of the Benchmark, the Fund will be actively managed and its portfolio will not be constrained by reference to any index. The Investment Manager may use its discretion to invest in instruments which are not included in the Benchmark. The Investment Manager may also use its discretion with respect to the Fund's regional weightings, but typically they will be +/- 15% of the Benchmark. The Fund will be invested in a concentrated portfolio of approximately 30-50 holdings.

The Fund will invest at least 80% of its Net Asset Value in shares of companies globally, both in Developed Markets and Emerging Markets. The Fund may invest up to 25% of its Net Asset Value in Emerging Markets. Investments by the Fund in securities listed or traded in Russia will only be made in securities that are listed or traded on the Russian markets detailed in Appendix 1 to the Prospectus and are not expected to exceed 5% of the Net Asset Value of the Fund.

The Fund will not invest in other collective investment schemes.

The Fund may receive warrants as a result of corporate actions. No more than 5% of the Net Asset Value of the Fund will be held in warrants.

A limited amount of assets (around 5% or less) may be held in cash for efficient portfolio management (3) purposes and to manage the flow of investors' money in and out of the Fund.

### *Sustainable Investment Selection and Asset Allocation*

The Fund focuses on the sustainability of the products and services of the companies it invests in, as well as their standards of environmental, social and governance (“**ESG**”) management (4), alongside financial analysis. The Investment Manager has a Responsible Investment team of dedicated professionals whose role is to analyse and understand the ESG profile of securities across the Royal London range of investment portfolios, which includes the Fund's portfolio. A bespoke positive screen is conducted which proactively assesses global companies against the Investment Manager's sustainability criteria and process, including certain environmental (climate change strategy, waste management, water management, pollution etc), social (human rights, social inclusion, staff benefits

and training, supply chain management etc) and governance (board independence, remuneration, diversity, audit and accounting, historic fraudulent activity etc) considerations to determine whether the company, through its products and services, provides a net benefit to society and/or whether it is a sector leader in terms of its ESG management.

In addition to the positive screen, a negative screen is also conducted. The Fund will avoid investing in tobacco and armament manufacturers, nuclear-power generators and companies that conduct animal testing (other than for purposes of human or animal health and/or where it is required by law or regulation). This means that the Fund can invest in companies that undertake animal testing where it is undertaken for one of these reasons. This exclusion policy helps to avoid investment in companies which the Investment Manager believes expose investors to unacceptable financial risk resulting from poor management of ESG issues.

The Investment Manager's Ethical and Sustainable Investment Policy may change from time to time to reflect new developments and research in the field of sustainable investment. Investors in the Fund will be notified of any material changes to this policy. Investors can view the current policy at <https://www.rlam.com/policies-and-regulatory/>.

The Investment Manager has an established sustainable investment universe, where companies have been screened in line with the its Ethical and Sustainable Investment Policy. Potential new companies who are not part of the existing sustainable investment universe are subject to the screening process in the first instance. Following the screening process, the remaining opportunity set of proposed companies is analysed on a more fundamental and technical basis as part of the second stage of the investment process in line with existing processes. An assessment of the relative ESG performance of companies is an important part of the Investment Manager's technical analysis of companies at the second stage of its investment process. The Fund invests in a limited number of companies that the Investment Manager believes can create wealth for shareholders, but are currently undervalued. An undervalued company is one priced at a level that does not reflect the strength of its underlying business. Suitable companies are identified for investment by using in-house screening tools, MSCI (ESG ratings) and CSFB Holt (a financial tool which highlights value creation within a business) help with this initial filtering exercise to reduce the investment universe of 3,000+ shares to around 600 that the Investment Manager believes have the potential to create shareholder wealth. The Investment Manager then performs "deeper-dive" analysis to identify what it believes to be companies with the strongest evidence of long-term wealth creation. This involves researching the information published by the companies the Investment Manager is interested in (including annual and quarterly financial and sustainable reports), which is supplemented with direct company contact, where needed and possible. The Investment Manager scores every company a sustainable score out of 50 and a financial score out of 50, with scores being directly linked to position sizing and portfolio construction. High scoring stocks the Investment Manager believes to be the very best, attractively priced companies provide the source of potential investments for the Fund.

**Investors should note that there can be no guarantee that the Fund will achieve its investment objective.**

**Investors should note that the Fund may use currency forward contracts as detailed below and in the "Efficient Portfolio Management" section and "Share Currency Designation Risk" in the "Investment Risks" section of the Prospectus to hedge currency exposure arising from the Fund's investments in assets denominated in currencies other than the Base Currency and to hedge currency exposure arising in respect of the hedged Share classes. The global exposure of the Fund will be calculated through the use of the commitment approach. With respect to the use of currency forward contracts for the purpose of hedging, a risk management process which enables the Company to accurately measure, monitor and manage the various risks associated with financial derivative instruments has been submitted to the Central Bank in accordance with the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019.**

**The Fund's global exposure is the incremental exposure and leverage generated by it through the use of financial derivative instruments such as its purchase of futures or forwards. The global exposure of the Fund is calculated using the commitment approach, whereby positions in financial derivative instruments are calculated, based in the case of both futures or forwards**

(using the conversion methodologies set out in the risk management process for the Company), on the market value of the underlying reference instrument. As the Fund is using the commitment approach to calculate its global exposure, it must ensure that such global exposure does not exceed its total Net Asset Value. The Fund will be deemed to be leveraged where it has a global exposure of greater than zero and as provided above, the calculation of such global exposure also includes incremental exposure generated through the use of financial derivative instruments including the purchase of futures or forwards. In that context, the Fund will not be leveraged in excess of 100% of Net Asset Value.

#### *Notes*

- (1) Capital growth is defined as the rise in an investment's value over time.
- (2) A rolling three year period is any period of three years, no matter which day you start on.
- (3) Efficient portfolio management is a list of approved investment techniques, including the use of derivatives, used to protect against excessive risk, reduce cost or generate extra income or growth.
- (4) Environmental, social and governance is a list of predefined criteria that determines how a company operates in terms of sustainability and overall corporate governance.

### **Efficient Portfolio Management**

The Fund may use financial derivative instruments for efficient portfolio management and hedging purposes only. Investors should refer to the investment techniques and instruments described under "Fund Investment Techniques" and "Investment Risks" in the Prospectus.

In particular, the Fund may use spot and currency forward contracts to hedge the non-Base Currency positions in the Fund back to the Base Currency in order to reduce currency risk. Index futures may also be used for the purpose of efficient portfolio management.

The Fund intends to attempt to hedge out the currency risk of the hedged Shares by hedging them back to the Base Currency by using any of the efficient portfolio management techniques and instruments set out in the Prospectus within the conditions and limits imposed by the Central Bank. In terms of use of derivative instruments for these purposes, the Fund shall only use currency forward contracts. Save as specified in this paragraph, a class of Shares may not be leveraged as a result of the use of such techniques and instruments. Such hedging shall be limited to the extent of the relevant class of Share's currency exposure. Investors in such classes of unhedged Shares (and hedged Shares to the extent that Share class hedging fails to eliminate such risk) will bear any currency risk associated with fluctuations between the unhedged Shares (and hedged Shares to the extent that Share class hedging fails to eliminate such risk) and the Base Currency. Please refer to "Share Currency Designation Risk" in the Prospectus. Share classes of the Fund which are designated other than in the Base Currency may be hedged or unhedged against the Base Currency, unless this policy is changed by notice to Shareholders.

**While the costs of hedging for the benefit of hedged Share classes of the Fund are solely allocated to the relevant Share class, a currency conversion will take place on subscriptions, redemptions and exchanges at prevailing exchange rates and the costs of the conversion will generally be borne by the Fund as a whole. However, the Directors reserve the right, in their absolute discretion, in appropriate circumstances to require the relevant applicant or Shareholder to bear the cost of the conversion.**

### **Currency Forward Contracts**

Currency forward contracts are agreements to exchange one currency for another - for example, to exchange a certain amount of US Dollars for a certain amount of Sterling - at a future date. The date (which may be any agreed-upon fixed number of days in the future), the amount of currency to be exchanged and the price at which the exchange will take place are negotiated and fixed for the term of the contract at the time that the contract is entered into. Currency forward contracts may be bought or sold in either deliverable or non-deliverable form.



The underlying assets for currency forward contracts shall be currencies in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the “Investment Objective and Policies” section.

## **Futures**

The Fund may use index futures. The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price.

Index futures are based on the value of the basket of securities that comprise an index. These contracts obligate the buyer or seller to pay cash to settle the futures transaction, based on the fluctuation of the index's value in response to the change in the relative values of the underlying securities that are included in the index over the term of the contract. No delivery of the underlying securities is made to settle the futures contract. The buyer or seller of an index future is obligated to pay cash to settle the transaction, based on the fluctuation of the index's value in response to the changes in the relative values of the underlying securities that are included in the index over the term of the contract. Either party may also settle the transaction by entering into an offsetting contract. An index cannot be purchased or sold directly.

The underlying assets for futures shall be instruments in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the “Investment Objective and Policies” section.

It is intended that the Fund shall only employ techniques and instruments for efficient portfolio management purposes to the extent that such techniques and instruments are consistent with the Fund's investment policies. The use of financial derivative instruments by the Fund may affect the return on an Investor's investment. Any financial derivative instruments not included in the risk management process statement of the Company will not be utilised until such time as a revised submission has been cleared by the Central Bank.

The Fund will not have any exposure to total return swaps, Repo Contracts or stock-lending transactions.

## **PROFILE OF A TYPICAL INVESTOR**

The Fund is suitable for both retail and institutional investors who are seeking capital growth over the medium term. This typically means a minimum time horizon of 3 to 5 years but this could vary depending upon individual risk profiles.

## **RESPONSIBLE INVESTMENT**

The Fund aims to invest in holdings that provide a net benefit to society and contribute to positive social and environmental sustainability outcomes. The opportunities available to the Fund are in line with the Investment Manager's Ethical and Sustainable Investment Policy and the RI Policy as detailed above and in the “RESPONSIBLE INVESTMENT” section of the Prospectus. The likely impact on returns and the risks associated with responsible investment techniques utilised by the Investment Manager are also explained in the “RESPONSIBLE INVESTMENT” and “INVESTMENT RISKS” sections of the Prospectus.

The Investment Manager has developed a unique Ethical and Sustainable Investment Policy incorporating stringent ESG criteria to determine the eligibility of holdings for investment by the Fund. The Investment Manager's analysis may vary from holding to holding; certain absolute exclusions are always applied but analysis may be determined through the Investment Manager's governance process and qualitative judgement. The Ethical and Sustainable Investment Policy applied to the Fund seeks to serve and advance the sustainable investment objective of the Fund described above. The criteria and indicators are reviewed on a regular basis to ensure they reflect evolving responses to critical issues, emerging issues and changes in regulation, among others.

Please refer to Appendix 1 to this Supplement for further information about the sustainable investment of the Fund.

### **INVESTMENT RESTRICTIONS**

The assets of the Fund will be invested in accordance with the concentration limits and other restrictions imposed under the UCITS Regulations and summarised in the “Investment Restrictions” section of the Prospectus.

In addition to the restrictions set out under “Investment Restrictions” in the Prospectus, the Company may from time to time impose such further investment restrictions as shall be compatible with or in the interest of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders of the Fund are located.

### **INVESTMENT RISKS**

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the “Investment Risks” section of the Prospectus and in particular the specific risk factors listed below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making an application for Shares. There is no guarantee that the Fund will achieve its investment objective.

Basis Risk

Counterparty Risk

Diversification Risk

Emerging Markets Risk

Equity Markets Risk

Fund Currency Risk

Fund Portfolio Concentration Risk

Investing in Russia

Investor Currency Risk

Market Risk

Risks associated with Forward Currency Contracts

Settlement Mechanisms/Custodial Risk

Share Currency Designation Risk

Smaller Companies Risk

### **APPLICATION FOR SHARES**

Unlaunched Shares in the Fund will initially be available for subscription from 9.00 a.m. (Irish time) on 26 March 2024 up to 5.00 p.m. (Irish time) on 25 September 2024 (or such earlier or later Business Day as the Directors determine and notify to the Central Bank). The initial offer price per Share for each unlaunched Share Class will be in its respective Class Currency: AUD1, CAD1, CHF1, DKK1, EUR1, GBP1, NOK1, SEK1, SGD1 or USD1.

Shares in any launched Class will be available on each Dealing Day at the Net Asset Value per Share.

Shares will be issued at the next determined Net Asset Value per Share after receipt and acceptance by the Administrator of an application form ("**Application Form**").

Investors must complete an Application Form. Application Forms must be received by the Administrator by the Dealing Deadline, or such other time as the Management Company in consultation with the Company may from time to time determine in exceptional circumstances and prior to the Valuation Point on any Dealing Day, in order to be issued as of the next Net Asset Value per Share. Telephone instructions may be accepted with the prior agreement of the Administrator pending receipt of the Application Form and election to avail of this facility by the investor. A faxed Application Form will be accepted, with the original Application Form to follow. Application Forms may also be accepted via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank). In the case of a new investor, the Administrator must receive the original Application Form and AML documentation promptly or in advance of any dealing taking place to avoid delays with processing payments. The Company will deny a subsequent request to redeem shares if the relevant investor fails to submit an original executed Application Form. The Company may, in its absolute discretion, refuse to accept any application for Shares. Application monies must be received by the Administrator on the relevant Dealing Day or such other time as the Management Company in consultation with the Company may determine and in any event within three Business Days. Pending the receipt of application monies, the Fund may, subject to the borrowing restrictions set out under the heading "Borrowing Policy" in the Prospectus, temporarily borrow an amount equal to the application monies and invest such monies in accordance with the investment objective and policies of the Fund. Once the monies are received, the Fund will use such monies to repay the relevant borrowings and reserves the right to charge that investor interest on such outstanding application monies at normal commercial rates. In addition, the Company reserves the right to cancel provisional allotment of the relevant Shares where application monies are not received by the Administrator within three Business Days. Requests for investments received after the Valuation Point on any Dealing Day will be treated as being received on the next Dealing Day. The Company reserves the right to compulsorily redeem the Shares where the original Application Form used on initial subscription or documentation relating to the applicants has not been received within five Business Days. In such circumstances, the Company, the Management Company and Administrator may require to be reimbursed for expenses incurred.

Applications for Shares received during any period when the Share dealings have been temporarily suspended in the circumstances described in the "Temporary Suspension of Dealings" section of the Prospectus will be treated as received on the Dealing Day on which dealings recommence, unless such request has been withdrawn during the period of suspension.

#### Share Class Information

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
A	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
M	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000	2,000	200,000
			CAD	200,000	2,000	200,000
			CHF	100,000	1,000	100,000
			DKK	1,000,000	10,000	1,000,000
			EUR	100,000	1,000	100,000
			GBP	100,000	1,000	100,000
			NOK	1,000,000	10,000	1,000,000
			SEK	1,000,000	10,000	1,000,000
			SGD	200,000	2,000	200,000
			USD	100,000	1,000	100,000
R	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
S	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
V			AUD	200,000,000	20,000,000	200,000,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	CAD	200,000,000	20,000,000	200,000,000
			CHF	100,000,000	10,000,000	100,000,000
			DKK	1,000,000,000	100,000,000	1,000,000,000
			EUR	100,000,000	10,000,000	100,000,000
			GBP	100,000,000	10,000,000	100,000,000
			NOK	1,000,000,000	100,000,000	1,000,000,000
			SEK	1,000,000,000	100,000,000	1,000,000,000
			SGD	200,000,000	20,000,000	200,000,000
			USD	100,000,000	10,000,000	100,000,000
W	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
Z	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	6,000,000	100,000	6,000,000
			CAD	6,000,000	100,000	6,000,000
			CHF	3,000,000	50,000	3,000,000
			DKK	30,000,000	500,000	30,000,000
			EUR	3,000,000	50,000	3,000,000
			GBP	3,000,000	50,000	3,000,000
			NOK	30,000,000	500,000	30,000,000
			SEK	30,000,000	500,000	30,000,000
			SGD	6,000,000	100,000	6,000,000
			USD	3,000,000	50,000	3,000,000
Whilst shares are available in the categories as listed in the above table, confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator. Other currencies may be made available as determined by the Directors, in which case this Supplement will be updated.						
The Directors may for each relevant Class waive such minimum amounts in their absolute discretion. The Company may compulsorily redeem holdings in any Class of Shares if such holding is below the minimum holding as set out in the above table for a period of three months or more.						

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
<p>Application proceeds must be paid in the currency in which the relevant Class is denominated or by transfer of assets in accordance with the provisions specified in the Prospectus. Application for Shares by new investors should be made on the Application Form and sent in original form or by facsimile to the number indicated on the Application Form (with the original copy sent by post immediately thereafter) to the Administrator.</p> <p>Telephone calls may be recorded by the Company's delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes.</p> <p><b>Class A Shares</b> are available to all investors. Retail investors wishing to purchase Class A Shares should do so via their financial intermediary.</p> <p><b>Class M Shares</b> are available for investment by platforms and institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners.</p> <p><b>Class R Shares</b> are available only to affiliates of the Investment Manager.</p> <p><b>Class S Shares</b> are available only to institutional investors who have entered into a separate fee arrangement with the Investment Manager or the Distributor.</p> <p><b>Class V Shares</b> are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.</p> <p><b>Class W Shares</b> are available to all investors. Retail investors wishing to purchase Class W Shares should do so via their financial intermediary.</p> <p><b>Class Z Shares</b> are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.</p>						

## REDEMPTIONS

The Fund redeems Shares at their Net Asset Value per Share on each Dealing Day following due receipt of a redemption request. Redemption requests must be received in proper form and are only effective upon acceptance by the Administrator. Redemption requests will not be acted upon until the Administrator has received the original Application Form used on initial subscription.

Shares may be redeemed on any Dealing Day by way of facsimile, other written communication, via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank) to the Administrator provided that the relevant redemption request is received by the Administrator no later than the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine, in exceptional circumstances on the relevant Dealing Day provided it is before the Valuation Point. Redemption requests received after the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine on the relevant Dealing Day, will be treated as being received on the following Dealing Day. Redemption proceeds will be paid to the account outlined in the Application Form used on original subscription. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

There are no minimum redemptions in respect of the Classes of Shares. Redemption requests must specify the Shareholder's full name, address and Shareholder number and the number or value of Shares to be redeemed. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption proceeds, which are paid by way of electronic transfer, will be sent within three days of the Dealing Day on which the redemption is effected.

## **DIVIDEND POLICY**

The Directors may declare a dividend, for the benefit of the Shareholders invested in the Fund, arising out of net income (including dividend and interest income) and the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund.

Currently the Directors anticipate making dividend distributions in respect of the Fund out of the net income (including dividend and interest income) from its investments and may from time to time distribute the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund. Accordingly, any net income arising in respect of the Fund will be distributed to investors in the Fund in accordance with their respective shareholdings.

For each accumulating Class, the Directors have determined to reinvest all net income and net realised capital gains of the relevant accumulating Class. Accordingly, no dividends will be paid in respect of accumulating Classes and all net income and net realised capital gains of the accumulating Classes will be reflected in the Net Asset Value per Share of the accumulating Classes.

The Directors may, however, at their discretion, change the dividend policy and, upon advance notification to Shareholders, amend this Supplement to reflect such change.

Dividend distributions in respect of the Fund will be automatically re-invested in further Shares in the Fund unless the Shareholder shall have elected that dividends be paid by wire transfer to their account outlined in the original Application Form. Dividend distributions will be paid within four months of the date of declaration of such dividends by the Directors.

### Proposed Distribution Dates for "Inc" Share Classes:

<b>Period for which income will be distributed</b>	<b>Accounting end date</b>	<b>Ex-Dividend Date</b>	<b>Pay Date</b>
1 July – 31 December	31 December	1 January	28 February
1 January – 30 June	30 June	1 July	31 August

## **BORROWING POLICY**

Under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company, subject to any limitations under the UCITS Regulations, and the Depositary is empowered to charge the assets of the Company as security for any such borrowings.

The Company intends that the Fund may incur temporary borrowings in an amount not exceeding 10% of its net assets. However, the amount of outstanding borrowings and repurchase agreements will not exceed 10% of the net assets of the Fund.

## **FEES AND EXPENSES**

The Company will pay the Fund Management Fee per Class at the rate set out in the table below. The Fund Management Fee will accrue daily and be payable monthly in arrears. Details of the maximum

preliminary charge and the maximum Distribution Fee that may be applied to specific Classes are also set out in the table below.

Share Class	Maximum Preliminary Charge	Fund Management Fee	Maximum Distribution Fee
A	5.00%	See footnote *	0.00%
A Hedged	5.00%	See footnote *	0.00%
M	0.00%	0.83%	0.00%
M Hedged	0.00%	See footnote *	0.00%
R	0.00%	0.11%	0.00%
R Hedged	0.00%	See footnote *	0.00%
S	0.00%	0.11%	0.00%
S Hedged	0.00%	See footnote *	0.00%
V	0.00%	See footnote *	0.00%
V Hedged	0.00%	See footnote *	0.00%
W	2.00%	See footnote *	1.00%
W Hedged	2.00%	See footnote *	1.00%
Z	0.00%	0.68%	0.00%
Z Hedged	0.00%	See footnote *	0.00%

\*The Fund Management Fee is up to 2.5%,but may be lower in practice. Please contact the Investment Manager for further information. Confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator.

The Distribution Fee shown above in the table is the maximum that can be charged. This fee (where applicable) is paid to the Distributor for providing distribution-related services to the Fund and Shareholders.

Where the Annual Expenses exceed the Fund Management Fee for the relevant Class, the excess will be discharged by the Investment Manager from its own assets.

The Annual Expenses are the following fees and expenses set out in the section headed “FEES AND EXPENSES” in the Prospectus: (i) Management Fees of the Management Company (ii) Investment Management Fees; (iii) Administration Fees; (iv) Depositary Fees; (v) Director’s Fees; and (vi) Operating Expenses. Investors should refer to the section headed “FEES AND EXPENSES” in the Prospectus.

All other fees and expenses of the Fund (such as such extraordinary or exceptional costs and expenses not included above) will be borne by the Fund and will be charged at normal commercial rates.



Class R Shares and Class S Shares may be subject to a periodic charge payable outside the Fund as agreed between the Investment Manager and the relevant investor. The Management Company and the Investment Manager shall also be entitled to all reasonable out of pocket costs and expenses incurred in the proper performance of their respective duties.

### **Redemption Charge**

The Company does not intend to apply a redemption charge in respect of any Class of Shares.

### **Swing Pricing**

The actual cost of purchasing investments may be higher or lower than the value used in calculating the Net Asset Value. These costs may include dealing charges, commission and transaction charges and the dealing spread and may have a materially disadvantageous effect on a Shareholder's interest in the Fund. To prevent this effect, known as "dilution", the Management Company in consultation with the Company may determine, at their discretion, to adjust ("**swing**") the Net Asset Value per Share of the Fund, in the circumstances set out in the "Fees and Expenses" section of the Prospectus.

### **Establishment Costs of the Fund**

The establishment costs of the Fund were borne by the Investment Manager.

## APPENDIX 1

### ANNEX III

#### Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

**Product name:** Royal London Global Sustainable Equity Fund (IRL) (the "Fund")

**Legal entity identifier:** 2138002GWUIQA16QJ722

#### Sustainable investment objective

##### Does this financial product have a sustainable investment objective?

☒ ☒ ☒ **Yes**

☒ It will make a minimum of **sustainable investments with an environmental objective**: 0%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☒ It will make a minimum of **sustainable investments with a social objective**: 0%

☐ ☐ ☐ **No**

☐ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☐ It promotes E/S characteristics, but **will not make any sustainable investments**

##### What is the sustainable investment objective of this financial product?

The sustainable investment objective of the Fund is to invest in companies that provide a positive contribution to society. This can either be achieved through the company demonstrating a net benefit via its products and services or through environmental, social and governance ("ESG") leadership. The Fund focuses on the sustainability of the products and services of the companies it invests in, as well as their ESG management, alongside financial analysis. Therefore, the Fund is not constrained to a

minimum percentage of holdings in either an Environmental or Social objective and has the flexibility to construct a diversified portfolio of Sustainable investments from an established screened universe that can meet both the sustainable and financial objectives. No reference benchmark has been designated for the purpose of attaining the sustainable investment objective.

***What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

The Fund adheres to the Investment Manager's Ethical and Sustainable Investment Policy and only invests in companies classified as fit for 'inclusion'. To be classified as fit for 'inclusion', individual companies must demonstrate that they provide a net benefit to society, either through being an ESG leader and/or through their products and services.

Given the subjective and ever evolving nature of sustainability, the Investment Manager believes that indicators alone are insufficient to measure attainment of such an objective. As a result, the investment process is largely qualitative. This qualitative approach allows for company level nuances to be appropriately assessed, which requires deep-dive research to be undertaken. The sector and country context, coupled with the company's product niches may give rise to these company nuances.

The research process utilises a wide array of sustainability metrics as inspired by the Ethical and Sustainable Investment Policy in the beginning of the screening process. These may include but are not limited to: (1) governance related indicators (2) reputational issues flagged by well accepted watchlists (UN Global Compact, UN Human Rights) and by other third-party metrics and environmental indicators. These indicators are subject to change as the Investment Manager deems appropriate, with a view to ensuring the metrics reflect evolving responses to critical/emerging issues and changes in regulation. Indicators used and applied to the Fund are set out in full in the Ethical and Sustainable Investment Policy available on the policy section of the website <https://www.rlam.com>.

The Investment Manager recognises that sustainability risks and opportunities are different for each company and therefore does not apply a set template but instead assesses each company's specific risks and opportunities through the Sustainable Accounting Standards Board ("SASB") materiality matrix. The SASB is largely concerned with the operational focus of a company and the impacts of its outputs.

These indicators inform the Investment Manager's additional desk-based research and help assess a company's net benefit to society.

Consideration of the Organisation of Economic Cooperation and Development ("OECD") Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights is included via the 'Do No Significant Harm' ("DNSH") criteria. Furthermore, the Fund's exclusions align the application of the DNSH principle with international environmental and human rights good practice standards. Exclusions include but are not limited to:

- i. Companies involved in the production of controversial weapons;
- ii. Companies involved in the production or sale of torture equipment, landmines or nuclear weapons;
- iii. Companies which produce tobacco products or engage in the sale of tobacco products; and
- iv. Companies who cause harm to stakeholders through unacceptable corporate governance practices.

Principal Adverse Impact ("PAI") indicators on sustainability factors are also considered as part of the investment process.

***How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

The Investment Manager's Ethical and Sustainable Investment Policy requires all companies held in the Fund to demonstrate that they provide a positive contribution to society either through their products and services and/or through their operations. An important building block in assessing a company's net benefit to society is the DNSH principle. The process enables the Investment Manager to gain comfort that companies held contribute to and do not significantly harm any environmental or social sustainable investment objectives.

Pursuant to the Investment Manager's definition of DNSH, a company would be deemed as doing significant harm based on the following criteria:

- The company is found to breach any of the negative screens associated with the Fund, either through the products and services which it provides or the nature of its operations.
- The company operates in an industry which cannot systematically mitigate the adverse impacts of its products, services or operations on the environment or society. E.g. cement, fishing, mining, palm oil, timber.
- The company is found not to be compliant with the 10 principles of the UN Global Compact (which covers impacts including human rights, labour, environmental and anti-corruption).
- The company is materially reliant on customers deemed to carry out significant harm.
- The company operates in a manner which explicitly supports oppressive regimes.

The Investment Manager will assess the avoidance of harm using the following data sources:

- The UN Global Compact's lists of signatories and violations.
- Data on a company's revenue and operational exposure to harmful activities.
- A qualitative assessment of the company's net benefits to society through its products and services or the ESG leadership of its operations. Various points of relevance for each of the ESG factors, including but not limited to:
  - i. Governance – Board independence, remuneration policies and structures, diversity, audit and accounting practices, historic fraudulent activity;
  - ii. Environmental – Climate change strategy, waste management, water management and pollution; and
  - iii. Social – Human rights, social inclusion, staff benefits, and training, supply chain management.

Ensuring that the investment philosophy and processes are aligned with current regulation and best practices is a consistent and ongoing endeavour for the Investment Manager. In this view, the Investment Manager relies on the in-house, purpose-built technological solution to consider and report principle adverse impact indicators at Fund level. The data is updated on a monthly basis, allowing investment decisions to be made on timely and accurate information.

As a result, PAI indicators on sustainability factors are considered as part of the investment process of the Fund, alongside other material sustainability indicators. This forms a final assessment of DNSH and whether the company passes the net benefit test and ultimately influences the composition of the Fund.

The Investment Manager's internal advisory committee has ultimate responsibility for approving the decision to include or exclude a security for investment, however, the Investment Manager may, where appropriate, seek counsel from an independent external advisory committee on the decision to include or exclude a security for investment. The external advisory committee may provide comments where relevant on this outcome, which may be considered by the Investment Manager who at all times retains investment discretion and authority with respect to the Fund. The external advisory committee adds an impartial layer of governance to the Ethical and Sustainable Investment Policy.

The Investment Manager's Ethical and Sustainable Investment Policy, individual investment desk procedures and employment of the DNSH principle all work together to integrate an effective set of safeguards, which align the Investment Manager's process with the recommendation of existing regulation.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for

--- *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The Investment Manager has built an in-house technological solution for the consideration and reporting of PAIs. Detailed analysis of this data is carried out as an input into investment decisions.

--- *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

human rights, anti-corruption and anti-bribery matters.

OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are considered in the research process as part of the DNSH criteria. More information is provided above.



### Does this financial product consider principal adverse impacts on sustainability factors?

- ☒ Yes
- ☐ No

PAIs are considered as part of the investment process of the Fund. The Investment Manager has direct access to PAI data at both Fund and individual company level through the proprietary in-house data base. Reporting on PAIs can be found in the annual report. The PAI factors provided are as follows:

#### Indicators Applicable to Corporate Issuers

##### Environmental

1. Greenhouse gas emissions
2. Carbon footprint
3. Greenhouse gas intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity-sensitive areas
8. Emissions to water
9. Hazardous waste ratio

##### Social

10. Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)

#### Indicators Applicable to Sovereigns and Supranationals

##### Environmental

15. Greenhouse gas intensity

##### Social

16. Investee countries subject to social violations

#### Additional Indicators

##### Environmental

17. Investments in companies without carbon reduction initiatives

##### Social

18. Number of identified cases of severe human rights issues and incidents
19. Incidents of discrimination

### What investment strategy does this financial product follow?



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The Fund's investment objective is to achieve capital growth over the medium term, which should be considered as a period of 3-5 years by predominantly investing globally in the shares of companies listed on recognised markets that are deemed to make a positive contribution to society.

The Fund focuses on the sustainability of the products and services of the companies it invests in, as well as their standards of ESG management, alongside financial analysis. Further details of the Fund's investment strategy are set out below.

***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

The Investment Manager has an established sustainable investment universe, where companies have been screened in line with its Ethical and Sustainable Investment Policy. Potential new companies which are not part of the existing sustainable investment universe are subject to the screening process in the first instance. Following the screening process, the remaining opportunity set of proposed companies is analysed on a more fundamental and technical basis as part of the second stage of the investment process.

In the first instance, a negative screen is conducted. The Fund will avoid investing in tobacco and armament manufacturers, nuclear-power generators, fossil fuels, companies that conduct animal testing (other than for purposes of human or animal health and/or where it is required by law or regulation), companies with unacceptable corporate governance and that violate the DNSH principle. This exclusion policy helps avoid investments in companies which the Investment Manager believes expose investors to unacceptable risk resulting from poor management of ESG issues.

In the second instance, a bespoke positive screen is conducted which proactively assesses global companies against the Investment Manager's sustainability criteria as described in the sections above. The research process enables the Investment Manager to determine whether a company, through its products and services and/or through its operations, provides a net benefit to society.

The Investment Manager's Ethical and Sustainable Investment Policy may change from time to time to reflect new developments and research in the field of sustainable investment. Investors in the Fund will be notified of any material changes to this policy. Investors can view the current policy at <https://www.rlam.com>

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

#### ***What is the policy to assess good governance practices of the investee companies?***

The Fund operates in line with the Investment Manager's good governance policy. Good governance practices are a fundamental prerequisite for demonstrating they are fit for inclusion within the investment universe and constitute one of the negative screening indicators in the first instance of the screening and research process.

While factors will be dependent on company-specific characteristics, company fundamentals are subject to analysis based on governance indicators, including but not limited to:

- (vi) Board composition, structure and diversity
- (vii) Remuneration policies and implementation
- (viii) Stakeholder relations, including shareholders and bondholders
- (ix) Audit and accounting practices
- (x) Business ethics, including corruption and fraud

As part of the Fund's investment process, within the qualitative research process, corporate governance will be considered and assessed to determine whether it is good enough to warrant inclusion in the Fund. The assessment of good governance is tailored to the specific sector and geographic region the company is based in, though the assessment does align with the Investment Manager's good governance policy in terms of what it is aiming to assess.

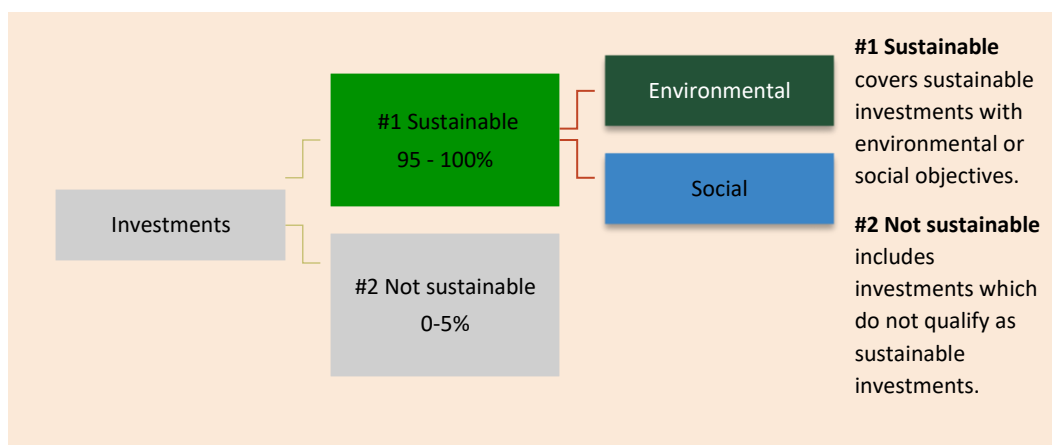
#### ***What is the asset allocation and the minimum share of sustainable investments?***

**Asset allocation** describes the share of investments in specific assets.

To warrant inclusion in the Fund, a company must demonstrate that it provides a positive contribution to society. This can be achieved via its products and services or through being an ESG leader. The overall net benefit objectives must lead to a cleaner, healthier, safer and more inclusive society. As a result, the Investment Manager seeks to build a portfolio which contributes towards both environmental and social objectives.

As noted above, the Fund's minimum commitment to sustainable investments can be achieved through any mix of such environmental and / or social sustainable investments and there is no prioritisation of one category over the other, as such there is no minimum commitment to each sub-category of sustainable investments. The investments included under "#2 Not Sustainable" are cash, cash equivalents and hedging instruments.

Due to the nature of the investment process, and the fact that there are no requirements for companies held in the Fund to contribute towards a specific environmental objective, the Fund is not deemed to be Taxonomy aligned.



#### ***How does the use of derivatives attain the sustainable investment objective?***

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



Derivatives are not used to achieve the sustainable investment objective.

### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sustainable objective of the Fund is to provide a positive contribution to society and therefore, as an output of the Investment Manager's investment process, a number of the Fund's holdings contribute positively to the environment. However, the Fund does not aim to achieve a specific environmental objective and does not therefore seek to align with the EU Taxonomy. As a result, there is no minimum extent.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

☐ Yes

☐ In fossil gas

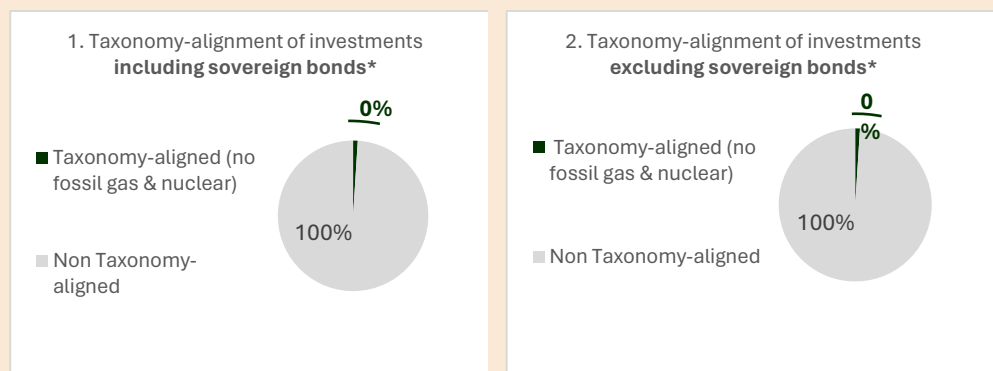
☐ In nuclear energy

☒ No

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

<sup>1</sup>

Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214





are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

### ***What is the minimum share of investments in transitional and enabling activities?***

Not applicable. The Fund doesn't have a minimum investment in transitioning and enabling activities.



### ***What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?***

The sustainable objective of the Fund is to provide a positive contribution to society and therefore, as an output of the Investment Manager's investment process, a number of the Fund's holdings contribute positively to the environment. However, the Fund does not aim to achieve a specific environmental objective. As a result, there is no minimum share.



### ***What is the minimum share of sustainable investments with a social objective?***

The sustainable objective of the Fund is to provide a positive contribution to society and therefore, as an output of the Investment Manager's investment process, a number of the Fund's holdings contribute positively to the society. However, the Fund does not aim to achieve a specific social objective. As a result, there is no minimum share.



### ***What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?***

The investments included under "#2 Not Sustainable" are cash, cash equivalents and hedging instruments. Cash and cash equivalents do not affect the sustainable objective of the Fund. The assessment of issuers and of counterparties for cash and hedging instruments focusses on the creditworthiness of these parties, which can be impacted by sustainability risks.



### ***Is a specific index designated as a reference benchmark to meet the sustainable investment objective?***

Not Applicable – the Fund does not have a specific reference benchmark for sustainable purposes.

### ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

Not Applicable – the Fund does not have a specific reference benchmark for sustainable purposes.

### ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not Applicable – the Fund does not have a specific reference benchmark for sustainable purposes.

### ***How does the designated index differ from a relevant broad market index?***

Not Applicable – the Fund does not have a specific reference benchmark for sustainable purposes.

### ***Where can the methodology used for the calculation of the designated index be found?***

Not Applicable – the Fund does not have a specific reference benchmark for sustainable purposes.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

**Where can I find more product specific information online?**

More product-specific information can be found on the Fund information and Factsheets section of the website: <https://www.rlam.com>

The Directors of the Company accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information. The Directors accept responsibility accordingly.

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## **ROYAL LONDON EUROPEAN SUSTAINABLE CREDIT FUND**

**(A sub-fund of Royal London Asset Management Funds plc which is an investment company (with segregated liability between sub-funds) with variable capital constituted as an umbrella fund under the laws of Ireland and authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended))**

**DATE: 25 March 2024**

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**This Supplement forms part of, and should be read in the context of and together with, the prospectus dated 25 March 2024 (the “Prospectus”) in relation to Royal London Asset Management Funds plc (the “Company”) and contains information relating to the Royal London European Sustainable Credit Fund (the “Fund”) which is a separate portfolio of the Company. The other portfolios established by the Company are the Royal London Sterling Extra Yield Bond Fund, the Royal London Global High Yield Bond Fund, the Royal London Short Duration Global High Yield Bond Fund, the Royal London Absolute Return Government Bond Fund, the Royal London Global Bond Opportunities Fund, the Royal London Sterling Liquidity Money Market Fund, the Royal London Global Sustainable Credit Fund, the Royal London Global Sustainable Equity Fund (IRL), the Royal London Global Equity Diversified Fund (IRL), the Royal London Multi Asset Balanced Fund (IRL), the Royal London Multi Asset Growth Fund (IRL), the Royal London Multi Asset Defensive Fund (IRL), the Royal London Multi Asset Adventurous Fund (IRL), the Royal London Global Equity Select Fund (IRL), the Royal London Global Equity Enhanced Fund, the Royal London Global Equity Transitions Fund, the Royal London Emerging Markets Corporate Bond Fund, the Royal London Short Duration Emerging Markets Corporate Bond Fund and the Royal London US Equity Fund, information in respect of which is to be found in the Relevant Supplements.**

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## DEFINITIONS

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein.

<b>“Base Currency”</b>	For the purposes of this Supplement, the base currency shall be Euro;
<b>“Business Day”</b>	a day on which banks are open in London or such other day or days as may be determined by the Company and agreed with the Administrator, provided there shall be at least two Business Days in each calendar month;
<b>“Dealing Day”</b>	shall mean each Business Day except for any day on which an underlying market or markets on which at least 15% of the Fund's assets are exposed or traded are closed, for example for public holidays, or such other day or days as may be determined by the Company and notified in advance to the Shareholders provided that, there shall be at least two dealing days in each calendar month. In circumstances where the threshold for closed underlying markets has been met or exceeded, dealing in the Fund's Shares will take place on the next Business Day on which such underlying market or markets are open. A list of the closed market days in respect of the Fund is available on the Investment Manager's website at <a href="http://www.rlam.com">www.rlam.com</a> ;
<b>“Dealing Deadline”</b>	5.00 p.m. Irish time on each Dealing Day or such other day or time as may be determined by the Company and notified to the Shareholders;
<b>“Valuation Point”</b>	means the close of business in the relevant market on each Dealing Day, being the time at which the last traded price is made available on the relevant stock exchanges or markets used for the purpose of the valuation of assets and liabilities of the Fund (or such other time as the Directors may in their discretion determine and notify to Shareholders). For the avoidance of doubt, the Valuation Point for a particular Dealing Day shall not be before the Dealing Deadline relevant to such Dealing Day.

## INVESTMENT OBJECTIVES AND POLICIES

The Fund invests primarily in transferable securities listed or traded on Recognised Markets in accordance with the restrictions listed in the "Investment Restrictions" section of the Prospectus and below. In addition, the Fund may employ for the purpose of efficient portfolio management, certain of the investment techniques and instruments described in the "Fund Investment Techniques" and "Investment Risks" sections of the Prospectus, as detailed further below.

This Supplement has been prepared solely for, and is being made available to investors for the purposes of evaluating an investment in Shares in the Fund. Investors should only consider investing in the Fund if they understand the risks involved, including the risk of losing all capital invested.

### Investment Objective and Policies

The Fund's investment objective is to outperform the ICE BofA Euro Corporate & Pfandbrief Total Return EUR Index (the "**Benchmark**") by 0.50% per annum over rolling three year periods (gross of fees) by investing in bonds that are deemed to make a positive contribution to society. Investments in the Fund will adhere to the Investment Manager's Ethical and Sustainable Investment Policy, as detailed further below and in the "RESPONSIBLE INVESTMENT" section of the Prospectus.

The Benchmark is a flagship measure of European investment grade, fixed-rate corporate debt. Further information in respect of the Benchmark is available on request from the Investment Manager. Investors should note that the Benchmark is being used by the Fund for performance comparison purposes only and the Fund does not intend to track the Benchmark. While the Fund may invest in investments which are constituents of the Benchmark, the Fund will be actively managed and its portfolio will not be constrained by reference to any index. The Investment Manager may use its discretion to invest in instruments which are not included in the Benchmark.

The Fund will invest at least 80% of its Net Asset Value in Euro denominated fixed and/or floating rate investment grade corporate debt securities, including bonds and floating rate notes which are listed or dealt on Recognised Markets.

The Investment Manager may invest the remainder, up to a maximum of 20% of its Net Asset Value in fixed and/or floating rate sub-investment grade and non-rated, corporate debt securities, investment grade government and government agency bonds, cash and index linked bonds. The Investment Manager seeks out valuation anomalies (cheaper bonds that are higher in quality than the market believes) in the bond markets. As a value investor, the Investment Manager will emphasise their own research and aim to invest in attractively valued bonds issued by companies with sound long-term business models.

The fixed and floating rate debt securities in which the Fund will invest will include all types of debt obligations including bonds (corporate and sovereign), structured bonds and other products such as hybrid or preferred securities as detailed below in this paragraph. The Fund will also invest in notes of varying maturities, treasury bills, index-linked notes (which is a note for which the amounts of the coupon payments are linked to the movements of an index), floating rate notes issued by corporate and financial issuers, asset backed securities and mortgage backed securities and up to 5% of its Net Asset Value in private placements (which are securities sold through private offerings) which are consistent with its objective. An asset backed security is a type of corporate bond that is backed by a diverse range of assets which may include residential mortgages, commercial property and affordable housing, leases, credit card debt, a company's receivables and royalties. A hybrid or preferred security is a security which has the characteristics of a bond in terms of a fixed maturity date but where the coupon payments can be deferred at the issuer's discretion.

No more than 10% of the Net Asset Value of the Fund will be invested in emerging markets.

The Fund may also invest up to 10% in other investment funds, known as collective investment schemes ("**CIS**"), including funds managed by the Investment Manager or another Royal London group company, which will be regulated, and may be leveraged or unleveraged, as well as eligible exchange traded funds. Such CIS will be domiciled in Europe. The Fund may invest in such CIS for the purposes of achieving its investment objective and policy.

Pending investment of subscription proceeds or where market or other factors so warrant, the Fund may, subject to the investment restrictions set out in the Prospectus, hold cash and/or ancillary liquid assets such as money market instruments (including, without limitation, certificates of deposit, floating rate certificates of deposit, zero coupon certificates of deposit, commercial paper, term deposits and cash deposits.

#### *Sustainable Investment Selection and Asset Allocation*

The Fund focuses on the sustainability of the products and services of the companies it invests in, as well as their standards of environmental, social and governance (“ESG”) management, alongside financial analysis. The Investment Manager has a Responsible Investment team of dedicated professionals whose role is to analyse and understand the ESG profile of securities across the Royal London range of investment portfolios, which includes the Fund’s portfolio. A bespoke positive screen is conducted which proactively assesses global credit issuers against the Investment Manager’s sustainability criteria and process, including certain environmental (climate change strategy, waste management, water management, pollution etc), social (human rights, social inclusion, staff benefits and training, supply chain management etc) and governance (board independence, remuneration, diversity, audit and accounting, historic fraudulent activity etc) considerations to determine whether the company, through its products and services, provides a net benefit to society and/or whether it is a sector leader in terms of its ESG management.

In addition to the positive screen, a negative screen is also conducted. The Fund will avoid investing in tobacco and armament manufacturers, nuclear-power generators and companies that conduct animal testing (other than for purposes of human or animal health and/or where it is required by law or regulation). This means that the Fund can invest in companies that undertake animal testing where it is undertaken for one of these reasons. This exclusion policy helps to avoid investment in companies which the Investment Manager believes expose investors to unacceptable financial risk resulting from poor management of ESG issues.

The Fund’s Ethical and Sustainable Investment Policy may change from time to time to reflect new developments and research in the field of sustainable investment. Investors in the Fund will be notified of any material changes to this policy. Investors can view the current policy at [www.rlam.com](http://www.rlam.com).

The Investment Manager has an established sustainable investment universe, where issuers have been screened in line with the Fund’s Ethical and Sustainable Investment Policy, as detailed above. Potential new issuers who are not part of the existing sustainable investment universe are subject to the screening process in the first instance. Following the screening process, the remaining opportunity set of proposed issuers is analysed on a more fundamental and technical basis as part of the second stage of the investment process by the Investment Manager’s Global Credit team in line with existing processes. An assessment of the relative ESG performance of issuers is an important part of the Investment Manager’s technical analysis of bonds at the second stage of its investment process. The Fund will be managed using the Investment Manager’s disciplined credit investment process focusing on security selection combined with top-down macroeconomic analysis. The Investment Manager’s value-orientated approach seeks to exploit the inefficiencies within credit markets. At the macro level, the Investment Manager’s analysis starts with a quarterly economic review which covers all major economic regions and focuses upon key variables such as growth rates and inflation. This strategy is also used to formulate the Investment Manager’s outlook scenarios, including long-term yield and interest rate forecasts which helps to shape its investment strategy. The Investment Manager also undertakes internal research on companies, which is supplemented by research from rating agencies and brokers. The Investment Manager’s internal rating methodology looks at the probability of default (where credit ratings agencies place their focus). As part of the Investment Manager’s rigorous internal search process, a number of company visits will be undertaken to help it assess the quality of companies within the Fund’s portfolio. Overall, the Investment Manager aims to construct a diversified portfolio that will deliver consistent alpha from multiple sources.

**Investors should note that there can be no guarantee that the Fund will achieve its investment objective.**

**Investors should note that the Fund may use currency forward contracts as detailed below and in the “Efficient Portfolio Management” section and “Share Currency Designation Risk” in the**

**“Investment Risks”** section of the Prospectus to hedge currency exposure arising from the Fund's investments in assets denominated in currencies other than the Base Currency and to hedge currency exposure arising in respect of non-Base Currency Share classes. The global exposure of the Fund will be calculated through the use of the commitment approach. With respect to the use of currency forward contracts for the purpose of hedging, a risk management process which enables the Company to accurately measure, monitor and manage the various risks associated with financial derivative instruments has been submitted to the Central Bank in accordance with the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019.

The Fund's global exposure is the incremental exposure and leverage generated by it through the use of financial derivative instruments such as its purchase of futures or forwards. The global exposure of the Fund is calculated using the commitment approach, whereby positions in financial derivative instruments are calculated, based in the case of both futures or forwards (using the conversion methodologies set out in the risk management process for the Company), on the market value of the underlying reference instrument. As the Fund is using the commitment approach to calculate its global exposure, it must ensure that such global exposure does not exceed its total Net Asset Value. The Fund will be deemed to be leveraged where it has a global exposure of greater than zero and as provided above, the calculation of such global exposure also includes incremental exposure generated through the use of financial derivative instruments including the purchase of futures or forwards. In that context, the Fund will not be leveraged in excess of 100% of Net Asset Value.

#### **Efficient Portfolio Management**

The Fund may use financial derivative instruments for efficient portfolio management and hedging purposes only. Investors should refer to the investment techniques and instruments described under “Fund Investment Techniques” and “Investment Risks” in the Prospectus.

In particular, the Fund may use spot and currency forward contracts to hedge the non-Base Currency positions in the Fund back to the Base Currency in order to reduce currency risk. Index futures and bond futures contracts may also be used for the purpose of efficient portfolio management.

The Fund intends to attempt to hedge out the currency risk of the non-Base Currency Shares by hedging them back to the Base Currency by using any of the efficient portfolio management techniques and instruments set out in the Prospectus within the conditions and limits imposed by the Central Bank. In terms of use of derivative instruments for these purposes, the Fund shall only use currency forward contracts. Save as specified in this paragraph, a class of Shares may not be leveraged as a result of the use of such techniques and instruments. Such hedging shall be limited to the extent of the relevant class of Share's currency exposure. Investors in such classes of hedged shares will bear any currency risk associated with fluctuations between non-Base Currency Classes and the Base Currency to the extent that share class hedging fails to eliminate such risk. Please refer to “Share Currency Designation Risk” in the Prospectus. All Share classes of the Fund which are designated other than in the Base Currency will be hedged against the Base Currency, unless this policy is changed by notice to Shareholders.

**While the costs of hedging for the benefit of hedged Share classes of the Fund are solely allocated to the relevant Share class, a currency conversion will take place on subscriptions, redemptions and exchanges at prevailing exchange rates and the costs of the conversion will generally be borne by the Fund as a whole. However, the Directors reserve the right, in their absolute discretion, in appropriate circumstances to require the relevant applicant or Shareholder to bear the cost of the conversion.**

#### **Currency Forward Contracts**

Currency forward contracts are agreements to exchange one currency for another - for example, to exchange a certain amount of Euro for a certain amount of Sterling - at a future date. The date (which may be any agreed-upon fixed number of days in the future), the amount of currency to be exchanged and the price at which the exchange will take place are negotiated and fixed for the term of the contract



at the time that the contract is entered into. Currency forward contracts may be bought or sold in either deliverable or non-deliverable form.

The underlying assets for currency forward contracts shall be currencies in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the “Investment Objective and Policies” section.

## **Futures**

The Fund may use index futures and bond futures. The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price.

Index futures are based on the value of the basket of securities that comprise an index. These contracts obligate the buyer or seller to pay cash to settle the futures transaction, based on the fluctuation of the index's value in response to the change in the relative values of the underlying securities that are included in the index over the term of the contract. No delivery of the underlying securities is made to settle the futures contract. The buyer or seller of an index future is obligated to pay cash to settle the transaction, based on the fluctuation of the index's value in response to the changes in the relative values of the underlying securities that are included in the index over the term of the contract. Either party may also settle the transaction by entering into an offsetting contract. An index cannot be purchased or sold directly.

The underlying assets for futures shall be instruments in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the “Investment Objective and Policies” section.

It is intended that the Fund shall only employ techniques and instruments for efficient portfolio management purposes to the extent that such techniques and instruments are consistent with the Fund's investment policies. The use of financial derivative instruments by the Fund may affect the return on an Investor's investment. Any financial derivative instruments not included in the risk management process statement of the Company will not be utilised until such time as a revised submission has been prepared and submitted to the Central Bank in accordance with Central Bank requirements.

The Fund will not have any exposure to total return swaps, Repo Contracts or stock-lending transactions.

## **Responsible Investment**

The Fund aims to invest in holdings that provide a net benefit to society and contribute to positive social and environmental sustainability outcomes. The opportunities available to the Fund are in line with the Investment Manager's Ethical and Sustainable Investment Policy and the RI Policy as detailed in the “RESPONSIBLE INVESTMENT” section of the Prospectus. The likely impact on returns and the risks associated with responsible investment techniques utilised by the Investment Manager are also explained in the “RESPONSIBLE INVESTMENT” and “INVESTMENT RISKS” sections of the Prospectus.

The Investment Manager has developed a unique Ethical and Sustainable Investment Policy incorporating stringent ESG criteria to determine the eligibility of holdings for investment by the Fund. The Investment Manager's analysis may vary from holding to holding; certain absolute exclusions are always applied but analysis may be determined through the Investment Manager's governance process and qualitative judgement. The Ethical and Sustainable Investment Policy applied to the Fund seeks to serve and advance the sustainable investment objective of the Fund described above. The criteria and indicators are reviewed on a regular basis to ensure they reflect evolving responses to critical issues, emerging issues and changes in regulation, among others.

Please refer to Appendix 1 to this Supplement for further information about the sustainable investment of the Fund.

## **PROFILE OF A TYPICAL INVESTOR**

The Fund is suitable for both retail and institutional investors who are seeking a total return over the medium to long term. This typically means a minimum time horizon of 3 to 5 years but this could vary depending upon individual risk profiles.

## **INVESTMENT RESTRICTIONS**

The assets of the Fund will be invested in accordance with the concentration limits and other restrictions imposed under the UCITS Regulations and summarised in the “Investment Restrictions” section of the Prospectus.

In addition to the restrictions set out under “Investment Restrictions” in the Prospectus, the Company may from time to time impose such further investment restrictions as shall be compatible with or in the interest of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders of the Fund are located.

## **INVESTMENT RISKS**

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the “Investment Risks” section of the Prospectus and in particular the specific risk factors listed below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making an application for Shares. There is no guarantee that the Fund will achieve its investment objective.

Basis Risk

Change in Economic Climate

Counterparty risk

Credit Risk

Diversification Risk

Fund Currency Risk

Investment Grade Securities

Investor Currency Risk

Market Risk

Portfolio Risk

Risks associated with Forward Currency Contracts

Settlement Mechanisms/Custodial Risk

Share Currency Designation Risk

Sub-Investment Grade Securities

Un-rated Securities and Instruments

## APPLICATION FOR SHARES

Unlaunched Shares in the Fund will initially be available for subscription from 9.00 a.m. (Irish time) on 26 March 2024 up to 5.00 p.m. (Irish time) on 25 September 2024 (or such earlier or later Business Day as the Directors determine and notify to the Central Bank). The initial offer price per Share for each unlaunched Share Class will be in its respective Class Currency: AUD1, CAD1, CHF1, DKK1, EUR1, GBP1, NOK1, SEK1, SGD1 or USD1.

Shares in any launched Class will be available on each Dealing Day at the Net Asset Value per Share.

Shares will be issued at the next determined Net Asset Value per Share after receipt and acceptance by the Administrator of an application form ("**Application Form**").

Investors must complete an Application Form. Application Forms must be received by the Administrator by the Dealing Deadline, or such other time as the Management Company in consultation with the Company may from time to time determine in exceptional circumstances and prior to the Valuation Point on any Dealing Day, in order to be issued as of the next Net Asset Value per Share. Telephone instructions may be accepted with the prior agreement of the Administrator pending receipt of the Application Form and election to avail of this facility by the investor. A faxed Application Form will be accepted, with the original Application Form to follow. Application Forms may also be accepted via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank). In the case of a new investor, the Administrator must receive the original Application Form and AML documentation promptly or in advance of any dealing taking place to avoid delays with processing payments. The Company will deny a subsequent request to redeem shares if the relevant investor fails to submit an original executed Application Form. The Company may, in its absolute discretion, refuse to accept any application for Shares. Application monies must be received by the Administrator on the relevant Dealing Day or such other time as the Management Company in consultation with the Company may determine and in any event within three Business Days. Pending the receipt of application monies, the Fund may, subject to the borrowing restrictions set out under the heading "Borrowing Policy" in the Prospectus, temporarily borrow an amount equal to the application monies and invest such monies in accordance with the investment objective and policies of the Fund. Once the monies are received, the Fund will use such monies to repay the relevant borrowings and reserves the right to charge that investor interest on such outstanding application monies at normal commercial rates. In addition, the Company reserves the right to cancel provisional allotment of the relevant Shares where application monies are not received by the Administrator within three Business Days. Requests for investments received after the Valuation Point on any Dealing Day will be treated as being received on the next Dealing Day. The Company reserves the right to compulsorily redeem the Shares where the original Application Form used on initial subscription or documentation relating to the applicants has not been received within five Business Days. In such circumstances, the Company, the Management Company and Administrator may require to be reimbursed for expenses incurred.

Applications for Shares received during any period when the Share dealings have been temporarily suspended in the circumstances described in the "Temporary Suspension of Dealings" section of the Prospectus will be treated as received on the Dealing Day on which dealings recommence, unless such request has been withdrawn during the period of suspension.

### Share Class Information

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
A	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
		the Base Currency, where only unhedged Shares are available	EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
M	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000	2,000	200,000
			CAD	200,000	2,000	200,000
			CHF	100,000	1,000	100,000
			DKK	1,000,000	10,000	1,000,000
			EUR	100,000	1,000	100,000
			GBP	100,000	1,000	100,000
			NOK	1,000,000	10,000	1,000,000
			SEK	1,000,000	10,000	1,000,000
			SGD	200,000	2,000	200,000
			USD	100,000	1,000	100,000
R	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
S	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency,	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
		where only unhedged Shares are available	NOK			
			SEK			
			SGD			
			USD			
V	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000,000	20,000,000	200,000,000
			CAD	200,000,000	20,000,000	200,000,000
			CHF	100,000,000	10,000,000	100,000,000
			DKK	1,000,000,000	100,000,000	1,000,000,000
			EUR	100,000,000	10,000,000	100,000,000
			GBP	100,000,000	10,000,000	100,000,000
			NOK	1,000,000,000	100,000,000	1,000,000,000
			SEK	1,000,000,000	100,000,000	1,000,000,000
			SGD	200,000,000	20,000,000	200,000,000
			USD	100,000,000	10,000,000	100,000,000
W	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
Z	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	6,000,000	100,000	6,000,000
			CAD	6,000,000	100,000	6,000,000
			CHF	3,000,000	50,000	3,000,000
			DKK	30,000,000	500,000	30,000,000
			EUR	3,000,000	50,000	3,000,000
			GBP	3,000,000	50,000	3,000,000
			NOK	30,000,000	500,000	30,000,000
			SEK	30,000,000	500,000	30,000,000
			SGD	6,000,000	100,000	6,000,000
			USD	3,000,000	50,000	3,000,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
<p>Whilst shares are available in the categories as listed in the above table, confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator. Other currencies may be made available as determined by the Directors, in which case this Supplement will be updated.</p> <p>The Directors may for each relevant Class waive such minimum amounts in their absolute discretion. The Company may compulsorily redeem holdings in any Class of Shares if such holding is below the minimum holding as set out in the above table for a period of three months or more.</p> <p>Application proceeds must be paid in the currency in which the relevant Class is denominated or by transfer of assets in accordance with the provisions specified in the Prospectus. Application for Shares by new investors should be made on the Application Form and sent in original form or by facsimile to the number indicated on the Application Form (with the original copy sent by post immediately thereafter) to the Administrator.</p> <p>Telephone calls may be recorded by the Company's delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes.</p> <p><b>Class A Shares</b> are available to all investors. Retail investors wishing to purchase Class A Shares should do so via their financial intermediary.</p> <p><b>Class M Shares</b> are available for investment by platforms and institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners.</p> <p><b>Class R Shares</b> are available only to affiliates of the Investment Manager.</p> <p><b>Class S Shares</b> are available only to institutional investors who have entered into a separate fee arrangement with the Investment Manager or the Distributor.</p> <p><b>Class V Shares</b> are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.</p> <p><b>Class W Shares</b> are available to all investors. Retail investors wishing to purchase Class W Shares should do so via their financial intermediary.</p> <p><b>Class Z Shares</b> are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.</p>						

## REDEMPTIONS

The Fund redeems Shares at their Net Asset Value per Share on each Dealing Day following due receipt of a redemption request. Redemption requests must be received in proper form and are only effective upon acceptance by the Administrator. Redemption requests will not be acted upon until the Administrator has received the original Application Form used on initial subscription.

Shares may be redeemed on any Dealing Day by way of facsimile, other written communication, via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank) to the Administrator provided that the relevant redemption request is received by the Administrator no later than the Dealing Deadline or such other time as the Management

Company in consultation with the Company may from time to time determine, in exceptional circumstances on the relevant Dealing Day provided it is before the Valuation Point. Redemption requests received after the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine on the relevant Dealing Day, will be treated as being received on the following Dealing Day. Redemption proceeds will be paid to the account outlined in the Application Form used on original subscription. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

There are no minimum redemptions in respect of the Classes of Shares. Redemption requests must specify the Shareholder's full name, address and Shareholder number and the number or value of Shares to be redeemed. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption proceeds, which are paid by way of electronic transfer, will be sent within three days of the Dealing Day on which the redemption is effected.

### **DIVIDEND POLICY**

The Directors may declare a dividend, for the benefit of the Shareholders invested in the Fund, arising out of net income (including dividend and interest income) and the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund.

Currently the Directors anticipate making dividend distributions in respect of the Fund out of the net income (including dividend and interest income) from its investments and may from time to time distribute the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund. Accordingly, any net income arising in respect of the Fund will be distributed to investors in the Fund in accordance with their respective shareholdings.

For each accumulating Class, the Directors have determined to reinvest all net income and net realised capital gains of the relevant accumulating Class. Accordingly, no dividends will be paid in respect of accumulating Classes and all net income and net realised capital gains of the accumulating Classes will be reflected in the Net Asset Value per Share of the accumulating Classes.

The Directors may, however, at their discretion, change the dividend policy and, upon advance notification to Shareholders, amend this Supplement to reflect such change.

Dividend distributions in respect of the Fund will be automatically re-invested in further Shares in the Fund unless the Shareholder shall have elected that dividends be paid by wire transfer to their account outlined in the original Application Form. Dividend distributions will be paid within four months of the date of declaration of such dividends by the Directors.

#### **Proposed Distribution Dates for "Inc" Share Classes:**

Period for which income will be distributed	Accounting end date	Ex-Dividend Date	Pay Date
1 July – 31 December	31 December	1 January	28 February
1 January – 30 June	30 June	1 July	31 August

### **BORROWING POLICY**

Under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company, subject to any limitations under the UCITS Regulations, and the Depositary is empowered to charge the assets of the Company as security for any such borrowings.

The Company intends that the Fund may incur temporary borrowings in an amount not exceeding 10% of its net assets. However, the amount of outstanding borrowings and repurchase agreements will not exceed 10% of the net assets of the Fund.

## FEES AND EXPENSES

The Company will pay the Fund Management Fee per Class at the rate set out in the table below. The Fund Management Fee will accrue daily and be payable monthly in arrears. Details of the maximum preliminary charge and the maximum Distribution Fee that may be applied to specific Classes are also set out in the table below.

Share Class	Maximum Preliminary Charge	Fund Management Fee	Maximum Distribution Fee
A	5.00%	See footnote *	0.00%
A Hedged	5.00%	See footnote *	0.00%
M	0.00%	0.40%	0.00%
M Hedged	0.00%	0.40%	0.00%
R	0.00%	0.12%	0.00%
R Hedged	0.00%	0.12%	0.00%
S	0.00%	0.12%	0.00%
S Hedged	0.00%	See footnote *	0.00%
V	0.00%	See footnote *	0.00%
V Hedged	0.00%	See footnote *	0.00%
W	2.00%	See footnote *	1.00%
W Hedged	2.00%	See footnote *	1.00%
Z	0.00%	0.32%	0.00%
Z Hedged	0.00%	0.32%	0.00%

\*The Fund Management Fee is up to 2.5%,but may be lower in practice. Please contact the Investment Manager for further information. Confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator.

The Distribution Fee shown above in the table is the maximum that can be charged. This fee (where applicable) is paid to the Distributor for providing distribution-related services to the Fund and Shareholders.

Where the Annual Expenses exceed the Fund Management Fee for the relevant Class, the excess will be discharged by the Investment Manager from its own assets.



The Annual Expenses are the following fees and expenses set out in the section headed “FEES AND EXPENSES” in the Prospectus: (i) Management Fees of the Management Company (ii) Investment Management Fees; (iii) Administration Fees; (iv) Depositary Fees; (v) Director’s Fees; and (vi) Operating Expenses. Investors should refer to the section headed “FEES AND EXPENSES” in the Prospectus.

All other fees and expenses of the Fund (such as such extraordinary or exceptional costs and expenses not included above) will be borne by the Fund and will be charged at normal commercial rates.

Class R Shares and Class S Shares may be subject to a periodic charge payable outside the Fund as agreed between the Investment Manager and the relevant investor.

The Management Company and the Investment Manager shall also be entitled to all reasonable out of pocket costs and expenses incurred in the proper performance of their respective duties.

### **Redemption Charge**

The Company does not intend to apply a redemption charge in respect of any Class of Shares.

### **Swing Pricing**

The actual cost of purchasing investments may be higher or lower than the value used in calculating the Net Asset Value. These costs may include dealing charges, commission and transaction charges and the dealing spread and may have a materially disadvantageous effect on a Shareholder’s interest in the Fund. To prevent this effect, known as “dilution”, the Management Company in consultation with the Company may determine, at their discretion, to adjust (“**swing**”) the Net Asset Value per Share of the Fund, in the circumstances set out in the “Fees and Expenses” section of the Prospectus.

### **Establishment Costs of the Fund**

The establishment costs of the Fund were borne by the Investment Manager.

## APPENDIX 1

### ANNEX III

#### Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

**Product name:** Royal London European Sustainable Credit Fund (the "Fund")

**Legal entity identifier:** 213800RC9DV1GWKD4H44

#### Sustainable investment objective

##### Does this financial product have a sustainable investment objective?

☒ ☒ ☒ **Yes**

☒ It will make a minimum of **sustainable investments with an environmental objective**: 0%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☒ It will make a minimum of **sustainable investments with a social objective**: 0%

☐ ☐ ☐ **No**

☐ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☐ It promotes E/S characteristics, but **will not make any sustainable investments**

##### What is the sustainable investment objective of this financial product?

The sustainable investment objective of the Fund is to invest in issuers that provide a positive contribution to society. This can either be achieved through the issuer demonstrating a net benefit via its products and services or through environmental, social and governance ("ESG") leadership. The Fund

focuses on the sustainability of the products and services of the issuers it invests in, as well as their ESG management, alongside financial analysis. Therefore, the Fund is not constrained to a minimum percentage of holdings in either an Environmental or Social objective and has the flexibility to construct a diversified portfolio of sustainable investments from an established screened universe that can meet both the Sustainable and financial objectives. No reference benchmark has been designated for the purpose of attaining the sustainable investment objective.

***What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

The Fund adheres to the Investment Manager's Ethical and Sustainable Investment Policy and only invests in securities classified as fit for 'inclusion'. To be classified as fit for 'inclusion' individual securities must demonstrate that they provide a net benefit to society, either through being an ESG leader and/or through their products and services.

Given the subjective and ever evolving nature of sustainability, the Investment Manager believes that indicators alone are insufficient to measure attainment of such an objective. As a result, the investment process is qualitative based. This qualitative approach allows for issuer level nuances to be appropriately assessed, which requires desk deep-dive research to be undertaken. Issuer level nuances may for example be due to the sector, specifics of a product or the governance structure of that particular issuer, among others.

The research process utilises a wide array of sustainability metrics as inspired by the Ethical and Sustainable Investment Policy in the beginning of the screening process. These may include but are not limited to: (1) governance related indicators (2) reputational issues flagged by well accepted watchlists (UN Global Compact, UN Human Rights) and by other third-party metrics and environmental indicators. These indicators are subject to change as the Investment Manager deems appropriate, with a view to ensuring the metrics reflect evolving responses to critical/emerging issues and changes in regulation. Indicators used and applied to the Fund are set out in full in the Ethical and Sustainable Investment Policy available on the policy section of the website <https://www.rlam.com>.

The Investment Manager recognises that sustainability risks and opportunities are different for each issuer and therefore does not apply a set template but instead assesses each issuer's specific risks and opportunities through the Sustainable Accounting Standards Board ("SASB") materiality matrix. The SASB is largely concerned with the operational focus of an issuer and the impacts of its outputs.

These indicators inform the Investment Manager's additional desk-based research and help assess an issuer's net benefit to society.

Consideration of the Organisation of Economic Cooperation and Development ("OECD") Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights is included via the 'Do No Significant Harm' ("DNSH") criteria. Furthermore, the Fund's exclusions align the application of the DNSH principle with international environmental and human rights good practice standards. Exclusions include but are not limited to:

- i. issuers involved in the production of controversial weapons;
- ii. issuers involved in the production or sale of torture equipment, landmines or nuclear weapons;
- iii. issuers which produce tobacco products or engage in the sale of tobacco products; and
- iv. issuers who cause harm to stakeholders through unacceptable corporate governance practices.

Principal Adverse Impact ("PAI") indicators on sustainability factors are also considered as part of the investment process.

***How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

The Investment Manager's Ethical and Sustainable Investment Policy requires all issuers held in the Fund to demonstrate that they provide a positive contribution to society either through their products and services and/or through their operations. An important building block in assessing an issuer's net benefit to society is the DNSH principle. The process enables the Investment Manager to gain comfort that

issuers held contribute to and do not significantly harm any environmental or social sustainable investment objectives.

Pursuant to the Investment Manager's definition of DNSH, an issuer would be deemed as doing significant harm based on the following criteria:

- The issuer is found to breach any of the negative screens associated with the Fund, either through the products and services which it provides or the nature of its operations.
- The issuer operates in an industry which cannot systematically mitigate the adverse impacts of its products, services or operations on the environment or society. E.g. cement, fishing, mining, palm oil, timber.
- The issuer is found not to be compliant with the 10 principles of the UN Global Compact (which covers impacts including human rights, labour, environmental and anti-corruption).
- The issuer is materially reliant on customers deemed to carry out significant harm.
- The issuer operates in a manner which explicitly supports oppressive regime.

The Investment Manager will assess the avoidance of harm using the following data sources:

- The UN Global Compact's lists of signatories and violations.
- Data on an issuer's revenue and operational exposure to harmful activities.
- A qualitative assessment of the issuer's net benefits to society through its products and services or the ESG leadership of its operations. Various points of relevance for each of the ESG factors, including but not limited to:
  - i. Governance – Board independence, remuneration policies and structures, diversity, audit and accounting practices, historic fraudulent activity;
  - ii. Environmental – Climate change strategy, waste management, water management and pollution; and
  - iii. Social – Human rights, social inclusion, staff benefits, and training, supply chain management.

Ensuring that the investment philosophy and processes are aligned with current regulation and best practices is a consistent and ongoing endeavour for the Investment Manager. In this view, the Investment Manager relies on the in-house, purpose-built technological solution to consider and report principle adverse impact indicators at Fund level. The data is updated on a monthly basis, allowing investment decisions to be made on timely and accurate information.

As a result, PAI indicators on sustainability factors are considered as part of the investment process of the Fund, alongside other material sustainability indicators. This forms a final assessment of DNSH and whether the issuer passes the net benefit test and ultimately influences the composition of the Fund.

The Investment Manager's internal advisory committee has ultimate responsibility for approving the decision to include or exclude a security for investment, however, the Investment Manager may, where appropriate, seek counsel from an independent external advisory committee on the decision to include or exclude a security for investment. The external advisory committee may provide comments where relevant on this outcome, which may be considered by the Investment Manager who at all times retains investment discretion and authority with respect to the Fund. The external advisory committee adds an impartial layer of governance to the Ethical and Sustainable Investment Policy.

The Investment Manager's Ethical and Sustainable Investment Policy, individual investment desk procedures and employment of the DNSH principle all work together to integrate an effective set of safeguards, which align the Investment Manager's process with the recommendation of existing regulation.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for

--- *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The Investment Manager has built an in-house technological solution for the consideration and reporting of PAIs. Detailed analysis of this data is carried out as an input into investment decisions.

--- *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

human rights, anti-corruption and anti-bribery matters.

OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are considered in the research process as part of the DNSH criteria. More information is provided above.



**Does this financial product consider principal adverse impacts on sustainability factors?**

- ☒ Yes
- ☐ No

PAIs are considered as part of the investment process of the Fund. The Investment Manager has direct access to PAI data at both Fund and individual issuer level through the proprietary in-house data base. Reporting on PAIs can be found in the annual report. The PAI factors provided are as follows:

**Indicators Applicable to Corporate Issuers**

**Environmental**

1. Greenhouse gas emissions
2. Carbon footprint
3. Greenhouse gas intensity of investee issuers
4. Exposure to issuers active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity-sensitive areas
8. Emissions to water
9. Hazardous waste ratio

**Social**

10. Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)

**Indicators Applicable to Sovereigns and Supranationals**

**Environmental**

15. Greenhouse gas intensity

**Social**

16. Investee countries subject to social violations

**Additional Indicators**

**Environmental**

17. Investments in issuers without carbon reduction initiatives

**Social**

18. Number of identified cases of severe human rights issues and incidents
19. Incidents of discrimination

**What investment strategy does this financial product follow?**



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The Fund invests at least 80% of its Net Asset Value in a portfolio of Euro denominated investment grade and fixed and/or floating rate corporate debt which adhere to the Investment Manager's Ethical and Sustainable Investment Policy. Focus is on the sustainability of the products and services of the issuers it invests in, as well as their standards of ESG management, alongside financial analysis.

The Benchmark is a multi-currency flagship measure of global investment grade, fixed-rate corporate debt including bonds from developed and emerging markets issuers within a wide variety of sectors. The Fund uses the Benchmark for performance comparison purposes only, does not intend to track the Benchmark and may invest in investments which are not constituents of the Benchmark.

Further details of the Fund's investment strategy are set out below.

***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

A bespoke positive screen is conducted which proactively assesses global credit issuers against the Investment Manager's sustainability criteria and process, including certain environmental (climate change strategy, waste management, water management, pollution etc), social (human rights, social inclusion, staff benefits and training, supply chain management etc) and governance (board independence, remuneration, diversity, audit and accounting, historic fraudulent activity etc) considerations to determine whether the issuer, through its products and services, provides a net benefit to society and/or whether it is a sector leader in terms of its ESG management.

In addition to the positive screen, a negative screen is also conducted. The Fund will avoid investing in tobacco and armament manufacturers, nuclear-power generators and issuers that conduct animal testing (other than for purposes of human or animal health and/or where it is required by law or regulation). This means that the Fund can invest in issuers that undertake animal testing where it is undertaken for one of these reasons.

This exclusion policy helps to avoid investment in issuers which the Investment Manager believes expose investors to unacceptable financial risk resulting from poor management of ESG issues.

An assessment of the relative ESG performance of issuers is an important part of the Investment Manager's technical analysis of bonds at the second stage of its investment process. The Fund will be managed using the Investment Manager's disciplined credit investment process focusing on security selection combined with top-down macroeconomic analysis. The Investment Manager's value-orientated approach seeks to exploit the inefficiencies within credit markets. At the macro level, the Investment Manager's analysis starts with a quarterly economic review which covers all major economic regions and focuses upon key variables such as growth rates and inflation. This strategy is also used to formulate the Investment Manager's outlook scenarios, including long-term yield and interest rate forecasts which helps to shape its investment strategy. The Investment Manager also undertakes internal research on issuers, which is supplemented by research from rating agencies and brokers. The Investment Manager's internal rating methodology looks at the probability of default (where credit ratings agencies place their focus). As part of the Investment Manager's rigorous internal search process, a number of issuer visits will be undertaken to help it assess the quality of issuers within the Fund's portfolio. Overall, the Investment Manager aims to construct a diversified portfolio that will deliver consistent alpha from multiple sources.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which do not qualify as sustainable investments.

### What is the policy to assess good governance practices of the investee companies?

The Fund operates in line with the Investment Manager's good governance policy. Good governance practices are a fundamental prerequisite for demonstrating they are fit for inclusion within the investment universe and constitute one of the negative screening indicators in the first instance of the screening and research process.

While factors will be dependent on issuer-specific characteristics issuer fundamentals are subject to analysis based on governance indicators, including but not limited to:

- (i) Board composition, structure and diversity
- (ii) Remuneration policies and implementation
- (iii) Stakeholder relations, including shareholders and bondholders
- (iv) Audit and accounting practices
- (v) Business ethics, including corruption and fraud

As part of the Fund's investment process, within the qualitative research process, issuer governance will be considered and assessed to determine whether it is good enough to warrant inclusion in the Fund. The assessment of good governance is tailored to the specific sector and geographic region the issuer is based in, though the assessment does align with the Investment Manager's good governance policy in terms of what it is aiming to assess.

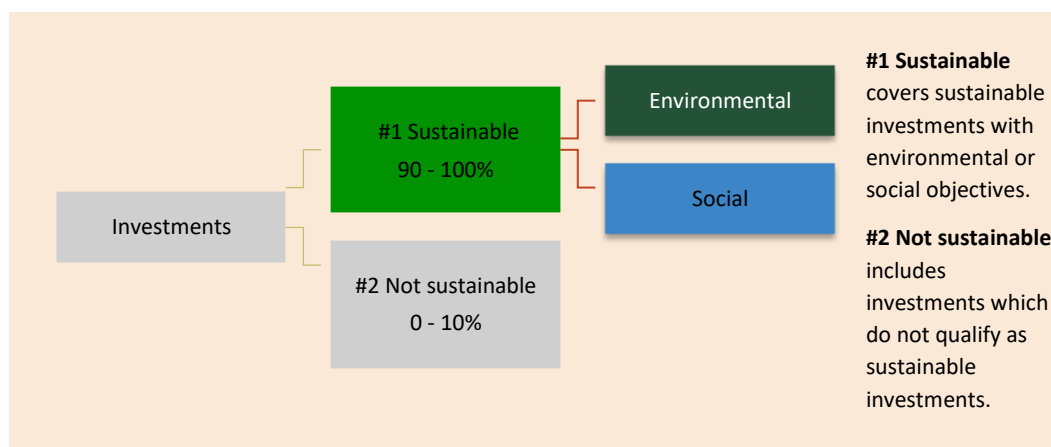
### What is the asset allocation and the minimum share of sustainable investments?

**Asset allocation** describes the share of investments in specific assets.

To warrant inclusion in the Fund, an issuer must demonstrate that it provides a positive contribution to society. This can be achieved via its products and services or through being an ESG leader. The overall net benefit objectives must lead to a cleaner, healthier, safer and more inclusive society. As a result, the Investment Manager seeks to build a portfolio which contributes towards both environmental and social objectives.

As noted above, the Fund's minimum commitment to sustainable investments can be achieved through any mix of such environmental and / or social sustainable investments and there is no prioritisation of one category over the other, as such there is no minimum commitment to each sub-category of sustainable investments. The investments included under "#2 Not Sustainable" are cash, cash equivalents and hedging instruments.

Due to the nature of the investment process, and the fact that there are no requirements for issuers held in the Fund to contribute towards a specific environmental objective, the Fund is not deemed to be Taxonomy aligned.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



are environmentally



### How does the use of derivatives attain the sustainable investment objective?

Derivatives are not used to achieve the sustainable investment objective.

### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sustainable objective of the Fund is to provide a positive contribution to society and therefore, as an output of the Investment Manager's investment process, a number of the Fund's holdings contribute positively to the environment. However, the Fund does not aim to achieve a specific environmental objective and does not therefore seek to align with the EU Taxonomy. As a result, there is no minimum extent.

- Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?

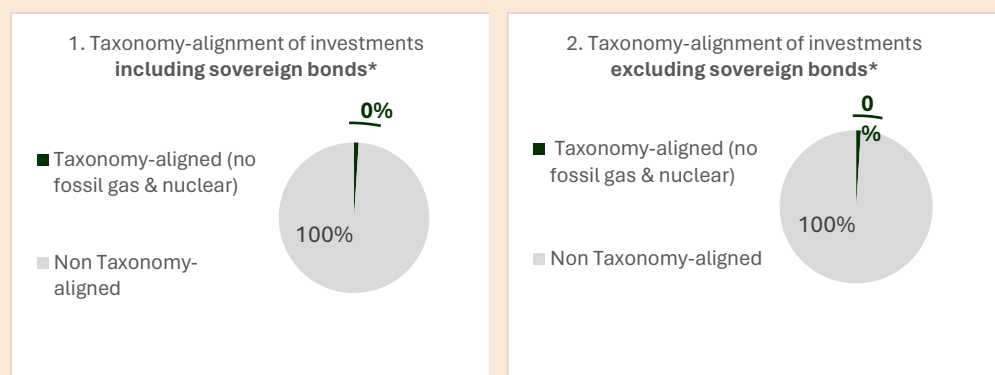
☐ Yes

☐ In fossil gas

☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

### What is the minimum share of investments in transitional and enabling activities?

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214



sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

Not applicable. The Fund doesn't have a minimum investment in transitioning and enabling activities.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The sustainable objective of the Fund is to provide a positive contribution to society and therefore, as an output of the Investment Manager's investment process, a number of the Fund's holdings contribute positively to the environment. However, the Fund does not aim to achieve a specific environmental objective. As a result, there is no minimum share.



**What is the minimum share of sustainable investments with a social objective?**

The sustainable objective of the Fund is to provide a positive contribution to society and therefore, as an output of the Investment Manager's investment process, a number of the Fund's holdings contribute positively to the society. However, the Fund does not aim to achieve a specific social objective. As a result, there is no minimum share.



**What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under “#2 Not Sustainable” are cash, cash equivalents and hedging instruments. Cash and cash equivalents do not affect the sustainable objective of the Fund. The assessment of issuers and of counterparties for cash and hedging instruments focusses on the creditworthiness of these parties, which can be impacted by sustainability risks.



**Is a specific index designated as a reference benchmark to meet the sustainable investment objective?**

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

Not Applicable – the Fund does not have a specific reference benchmark for sustainable purposes.

***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

Not Applicable – the Fund does not have a specific reference benchmark for sustainable purposes.

***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not Applicable – the Fund does not have a specific reference benchmark for sustainable purposes.

***How does the designated index differ from a relevant broad market index?***

Not Applicable – the Fund does not have a specific reference benchmark for sustainable purposes.

***Where can the methodology used for the calculation of the designated index be found?***

Not Applicable – the Fund does not have a specific reference benchmark for sustainable purposes.

**Where can I find more product specific information online?**



More product-specific information can be found on the Fund information and Factsheets section of the website: <https://www.rlam.com>

The Directors of the Company accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information. The Directors accept responsibility accordingly.

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## **ROYAL LONDON GLOBAL EQUITY SELECT FUND (IRL)**

**(A sub-fund of Royal London Asset Management Funds plc which is an investment company (with segregated liability between sub-funds) with variable capital constituted as an umbrella fund under the laws of Ireland and authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended))**

**DATE: 25 March 2024**

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This Supplement forms part of, and should be read in the context of and together with, the prospectus dated 25 March 2024 (the “Prospectus”) in relation to Royal London Asset Management Funds plc (the “Company”) and contains information relating to the Royal London Global Equity Select Fund (IRL) (the “Fund”) which is a separate portfolio of the Company. The other portfolios established by the Company are the Royal London Sterling Extra Yield Bond Fund, the Royal London Global High Yield Bond Fund, the Royal London Short Duration Global High Yield Bond Fund, the Royal London Absolute Return Government Bond Fund, the Royal London Global Bond Opportunities Fund, the Royal London Sterling Liquidity Money Market Fund, the Royal London Global Sustainable Credit Fund, the Royal London Global Sustainable Equity Fund (IRL), the Royal London Global Equity Diversified Fund (IRL), the Royal London European Sustainable Credit Fund, the Royal London Multi Asset Defensive Fund (IRL), the Royal London Multi Asset Balanced Fund (IRL), the Royal London Multi Asset Growth Fund (IRL), the Royal London Multi Asset Adventurous Fund (IRL), the Royal London Global Equity Enhanced Fund, the Royal London Global Equity Transitions Fund, the Royal London Emerging Markets Corporate Bond Fund, the Royal London Short Duration Emerging Markets Corporate Bond Fund and the Royal London US Equity Fund, information in respect of which is to be found in the Relevant Supplements.

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## DEFINITIONS

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein.

<b>“Base Currency”</b>	For the purposes of this Supplement, the base currency shall be USD;
<b>“Business Day”</b>	a day on which banks are open in London or such other day or days as may be determined by the Company and agreed with the Administrator, provided there shall be at least two Business Days in each calendar month;
<b>“Dealing Day”</b>	shall mean each Business Day except for any day on which an underlying market or markets on which at least 50% of the Fund's assets are exposed or traded are closed, for example for public holidays, or such other day or days as may be determined by the Company and notified in advance to the Shareholders provided that, there shall be at least two dealing days in each calendar month. In circumstances where the threshold for closed underlying markets has been met or exceeded, dealing in the Fund's Shares will take place on the next Business Day on which such underlying market or markets are open. A list of the closed market days in respect of the Fund is available on the Investment Manager's website at <a href="http://www.rlam.com">www.rlam.com</a> ;
<b>“Dealing Deadline”</b>	5.00 p.m. Irish time on each Dealing Day or such other day or time as may be determined by the Company and notified to the Shareholders;
<b>“Environmental Objective”</b>	means an environmental objective set out in the EU Taxonomy Regulation;
<b>“EU Taxonomy Regulation”</b>	means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment;
<b>“Valuation Point”</b>	means the close of business in the relevant market on each Dealing Day, being the time at which the last traded price is made available on the relevant stock exchanges or markets used for the purpose of the valuation of assets and liabilities of the Fund (or such other time as the Directors may in their discretion determine and notify to Shareholders). For the avoidance of doubt, the Valuation Point for a particular Dealing Day shall not be before the Dealing Deadline relevant to such Dealing Day.

## INVESTMENT OBJECTIVES AND POLICIES

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Fund invests primarily in transferable securities listed or traded on Recognised Markets in accordance with the restrictions listed in the "Investment Restrictions" section of the Prospectus and below. In addition, the Fund may employ for the purpose of efficient portfolio management, certain of the investment techniques and instruments described in the "Fund Investment Techniques" and "Investment Risks" sections of the Prospectus, as detailed further below.

This Supplement has been prepared solely for, and is being made available to investors for the purposes of evaluating an investment in Shares in the Fund. Investors should only consider investing in the Fund if they understand the risks involved, including the risk of losing all capital invested.

### **Investment Objective and Policies**

The Fund's investment objective is to achieve capital growth (1) over the long term, which should be considered as a period of 7-plus years. The Fund's performance target is to outperform, after the deduction of charges, the MSCI World Net Total Return Index USD (the "**Benchmark**") by 2.5% per annum over rolling three year periods (2).

The Fund will seek to achieve its investment objective by investing predominantly in the shares of companies globally that are listed on Recognised Markets.

The Benchmark is a flagship global equity index designed to represent performance of the full opportunity set of large- and mid-cap stocks across 23 developed markets. Further information in respect of the Benchmark is available on request from the Investment Manager. Investors should note that the Benchmark is being used by the Fund for performance comparison purposes only and the Fund does not intend to track the Benchmark. While the Fund may invest in investments which are constituents of the Benchmark, the Fund will be actively managed and its portfolio will not be constrained by reference to any index. The Investment Manager may use its discretion to invest in instruments which are not included in the Benchmark. The Fund will typically be invested in a concentrated portfolio of 25-45 holdings.

The Fund will invest at least 90% of its Net Asset Value in shares of companies globally, both in Developed Markets and Emerging Markets. These will be businesses that are listed on stock exchanges in their respective countries.

There are no restrictions on the Fund in terms of sector and market capitalisation (3). The Fund's country and sector weights, will however, be broadly in line with those of the Benchmark. The Fund may invest up to 15% of its Net Asset Value in Emerging Markets.

The Fund may also invest up to 10% in other investment funds, known as collective investment schemes ("**CIS**"), including funds managed by the Investment Manager or another Royal London group company, which will be regulated, and may be leveraged or unleveraged, as well as eligible exchange traded funds. Such CIS will be domiciled globally. The Fund may invest in such CIS for the purposes of achieving its investment objective and policy.

The Fund may receive warrants as a result of corporate actions. No more than 5% of the Net Asset Value of the Fund will be held in warrants.

A limited amount of assets (around 5% or less) may be held in cash for efficient portfolio management (5) purposes and to manage the flow of investors' money in and out of the Fund.

### *Investment Selection and Asset Allocation*

The Fund invests in companies that the Investment Manager believes can create wealth for shareholders, but are currently undervalued. An undervalued company is one priced at a level that does not reflect the strength of its underlying business. Suitable companies are identified for investment by

first using in-house screening tools (based on a company's cashflow, return on capital and growth), to reduce the investment universe of 3,000+ shares to around 600 that the Investment Manager believes have the potential to create shareholder wealth. The Investment Manager then performs "deeper-dive" analysis to identify what it believes to be companies with the strongest evidence of long-term wealth creation. This involves researching the information published by the companies the Investment Manager is interested in (including annual and quarterly financial reports and sector analysis), which is supplemented with direct company contact, where needed and possible. The output from this process is approximately 300 companies on which the Investment Manager performs a valuation analysis to assess the intrinsic value of the stock. The very best, attractively priced companies provide the source of potential investments for the Fund.

**Investors should note that there can be no guarantee that the Fund will achieve its investment objective.**

**Investors should note that the Fund may use currency forward contracts as detailed in the "Efficient Portfolio Management" section and "Share Currency Designation Risk" in the "Investment Risks" section in the Prospectus to hedge currency exposure arising from the Fund's investments in assets denominated in currencies other than the Base Currency and to hedge currency exposure arising in respect of the hedged Share classes. The global exposure of the Fund will be calculated through the use of the commitment approach. With respect to the use of currency forward contracts for the purpose of hedging, a risk management process which enables the Company to accurately measure, monitor and manage the various risks associated with financial derivative instruments has been submitted to the Central Bank in accordance with the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019.**

The Fund's global exposure is the incremental exposure and leverage generated by it through the use of financial derivative instruments such as its purchase of futures or forwards. The global exposure of the Fund is calculated using the commitment approach, whereby positions in financial derivative instruments are calculated, based in the case of both futures or forwards (using the conversion methodologies set out in the risk management process for the Company), on the market value of the underlying reference instrument. As the Fund is using the commitment approach to calculate its global exposure, it must ensure that such global exposure does not exceed its total Net Asset Value. The Fund will be deemed to be leveraged where it has a global exposure of greater than zero and as provided above, the calculation of such global exposure also includes incremental exposure generated through the use of financial derivative instruments including the purchase of futures or forwards. In that context, the Fund will not be leveraged in excess of 100% of Net Asset Value.

#### *Notes*

- (1) Capital growth is defined as the rise in an investment's value over time.
- (2) A rolling three year period is any period of three years, no matter which day you start on.
- (3) Market capitalisation is the number of a company's shares multiplied by their value.
- (4) An exchange-traded fund (ETF) is a fund that is tradeable on an index in a similar way to individual shares. ETFs track other indices and provide a lower-cost method of diversifying a portfolio.
- (5) Efficient portfolio management is a list of approved investment techniques, including the use of derivatives, used to protect against excessive risk, reduce cost or generate extra income or growth.

#### **Efficient Portfolio Management**

The Fund may use financial derivative instruments for efficient portfolio management and hedging purposes only. Investors should refer to the investment techniques and instruments described under "Fund Investment Techniques" and "Investment Risks" in the Prospectus.

In particular, the Fund may use spot and currency forward contracts to hedge the non-Base Currency positions in the Fund back to the Base Currency in order to reduce currency risk. Index futures may also be used for the purpose of efficient portfolio management.

The Fund intends to attempt to hedge out the currency risk of the hedged Shares by hedging them back to the Base Currency by using any of the efficient portfolio management techniques and instruments set out in the Prospectus within the conditions and limits imposed by the Central Bank. In terms of use of derivative instruments for these purposes, the Fund shall only use currency forward contracts. Save as specified in this paragraph, a class of Shares may not be leveraged as a result of the use of such techniques and instruments. Such hedging shall be limited to the extent of the relevant class of Share's currency exposure. Investors in such classes of unhedged Shares (and hedged Shares to the extent that Share class hedging fails to eliminate such risk) will bear any currency risk associated with fluctuations between the unhedged Shares (and hedged Shares to the extent that Share class hedging fails to eliminate such risk) and the Base Currency. Please refer to "Share Currency Designation Risk" in the Prospectus. Share classes of the Fund which are designated other than in the Base Currency may be hedged or unhedged against the Base Currency, unless this policy is changed by notice to Shareholders.

**While the costs of hedging for the benefit of hedged Share classes of the Fund are solely allocated to the relevant Share class, a currency conversion will take place on subscriptions, redemptions and exchanges at prevailing exchange rates and the costs of the conversion will generally be borne by the Fund as a whole. However, the Directors reserve the right, in their absolute discretion, in appropriate circumstances to require the relevant applicant or Shareholder to bear the cost of the conversion.**

### **Currency Forward Contracts**

Currency forward contracts are agreements to exchange one currency for another - for example, to exchange a certain amount of US Dollars for a certain amount of Sterling - at a future date. The date (which may be any agreed-upon fixed number of days in the future), the amount of currency to be exchanged and the price at which the exchange will take place are negotiated and fixed for the term of the contract at the time that the contract is entered into. Currency forward contracts may be bought or sold in either deliverable or non-deliverable form.

The underlying assets for currency forward contracts shall be currencies in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the "Investment Objective and Policies" section.

### **Futures**

The Fund may use index futures. The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price.

Index futures are based on the value of the basket of securities that comprise an index. These contracts obligate the buyer or seller to pay cash to settle the futures transaction, based on the fluctuation of the index's value in response to the change in the relative values of the underlying securities that are included in the index over the term of the contract. No delivery of the underlying securities is made to settle the futures contract. The buyer or seller of an index future is obligated to pay cash to settle the transaction, based on the fluctuation of the index's value in response to the changes in the relative values of the underlying securities that are included in the index over the term of the contract. Either party may also settle the transaction by entering into an offsetting contract. An index cannot be purchased or sold directly.

The underlying assets for futures shall be instruments in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the "Investment Objective and Policies" section.



It is intended that the Fund shall only employ techniques and instruments for efficient portfolio management purposes to the extent that such techniques and instruments are consistent with the Fund's investment policies. The use of financial derivative instruments by the Fund may affect the return on an Investor's investment. Any financial derivative instruments not included in the risk management process statement of the Company will not be utilised until such time as a revised submission has been cleared by the Central Bank.

The Fund will not have any exposure to total return swaps, Repo Contracts or stock-lending transactions.

### **PROFILE OF A TYPICAL INVESTOR**

The Fund is suitable for both retail and institutional investors who are seeking capital growth over the medium to long term. This typically means a minimum time horizon of 5 years but this could vary depending upon individual risk profiles.

### **RESPONSIBLE INVESTMENT**

The Fund seeks to promote environmental and social characteristics and the opportunities available to the Fund are in line with the ESG Characteristics Policy and the RI Policy as detailed in the "RESPONSIBLE INVESTMENT" section of the Prospectus. The likely impact on returns and the risks associated with responsible investment techniques utilised by the Investment Manager are also explained in the "RESPONSIBLE INVESTMENT" and "INVESTMENT RISKS" sections of the Prospectus.

The Benchmark is not used by the Fund as a reference benchmark to assist in the promotion of environmental and social characteristics and is solely used to measure the performance of the Fund.

The Fund does not commit to any minimum level of alignment with the EU criteria for environmentally sustainable economic activities under the EU Taxonomy Regulation in its underlying investments; as such, 0% of the Net Asset Value of the Fund shall be invested in such investments. The "do no significant harm" principle applies only to those investments underlying the Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

Please refer to Appendix 1 to this Supplement for further information in respect of the Fund's promotion of ESG characteristics.

### **INVESTMENT RESTRICTIONS**

The assets of the Fund will be invested in accordance with the concentration limits and other restrictions imposed under the UCITS Regulations and summarised in the "Investment Restrictions" section of the Prospectus.

In addition to the restrictions set out under "Investment Restrictions" in the Prospectus, the Company may from time to time impose such further investment restrictions as shall be compatible with or in the interest of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders of the Fund are located.

### **INVESTMENT RISKS**

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the "Investment Risks" section of the Prospectus and in particular the specific risk factors listed below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making an application for Shares. There is no guarantee that the Fund will achieve its investment objective.

Equity Markets Risk

Fund Portfolio Concentration Risk

Share Currency Designation Risk

Market Risk

Fund Currency Risk

Risks associated with Forward Currency Contracts

Investor Currency Risk

Smaller Companies Risk

Counterparty Risk

Basis Risk

Settlement Mechanisms/Custodial Risk

Exchange Traded Funds Risk

Diversification Risk

## APPLICATION FOR SHARES

Unlaunched Shares in the Fund will initially be available for subscription from 9.00 a.m. (Irish time) on 26 March 2024 up to 5.00 p.m. (Irish time) on 25 September 2024 (or such earlier or later Business Day as the Directors determine and notify to the Central Bank). The initial offer price per Share for each unlaunched Share Class will be in its respective Class Currency: AUD1, CAD1, CHF1, DKK1, EUR1, GBP1, NOK1, SEK1, SGD1 or USD1.

Shares in any launched Class will be available on each Dealing Day at the Net Asset Value per Share.

Shares will be issued at the next determined Net Asset Value per Share after receipt and acceptance by the Administrator of an application form ("**Application Form**").

Investors must complete an Application Form. Application Forms must be received by the Administrator by the Dealing Deadline, or such other time as the Management Company in consultation with the Company may from time to time determine in exceptional circumstances and prior to the Valuation Point on any Dealing Day, in order to be issued as of the next Net Asset Value per Share. Telephone instructions may be accepted with the prior agreement of the Administrator pending receipt of the Application Form and election to avail of this facility by the investor. A faxed Application Form will be accepted, with the original Application Form to follow. Application Forms may also be accepted via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank). In the case of a new investor, the Administrator must receive the original Application Form and AML documentation promptly or in advance of any dealing taking place to avoid delays with processing payments. The Company will deny a subsequent request to redeem shares if the relevant investor fails to submit an original executed Application Form. The Company may, in its absolute discretion, refuse to accept any application for Shares. Application monies must be received by the Administrator on the relevant Dealing Day or such other time as the Management Company in consultation with the Company may determine and in any event within three Business Days. Pending the receipt of application monies, the Fund may, subject to the borrowing restrictions set out under the heading "Borrowing Policy" in the Prospectus, temporarily borrow an amount equal to the application monies and invest such monies in accordance with the investment objective and policies of the Fund. Once the monies are received, the Fund will use such monies to repay the relevant borrowings

and reserves the right to charge that investor interest on such outstanding application monies at normal commercial rates. In addition, the Company reserves the right to cancel provisional allotment of the relevant Shares where application monies are not received by the Administrator within three Business Days. Requests for investments received after the Valuation Point on any Dealing Day will be treated as being received on the next Dealing Day. The Company reserves the right to compulsorily redeem the Shares where the original Application Form used on initial subscription or documentation relating to the applicants has not been received within five Business Days. In such circumstances, the Company, the Management Company and Administrator may require to be reimbursed for expenses incurred.

Applications for Shares received during any period when the Share dealings have been temporarily suspended in the circumstances described in the “Temporary Suspension of Dealings” section of the Prospectus will be treated as received on the Dealing Day on which dealings recommence, unless such request has been withdrawn during the period of suspension.

#### Share Class Information

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
A	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
M	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000	2,000	200,000
			CAD	200,000	2,000	200,000
			CHF	100,000	1,000	100,000
			DKK	1,000,000	10,000	1,000,000
			EUR	100,000	1,000	100,000
			GBP	100,000	1,000	100,000
			NOK	1,000,000	10,000	1,000,000
			SEK	1,000,000	10,000	1,000,000
			SGD	200,000	2,000	200,000
			USD	100,000	1,000	100,000
R	Income and Accumulation	Hedged and	AUD	N/A - at Investment	N/A - at Investment	N/A - at Investment
			CAD			

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
	Shares are available	unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	CHF	Manager's discretion	Manager's discretion	Manager's discretion
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
S	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
V	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000,000	20,000,000	200,000,000
			CAD	200,000,000	20,000,000	200,000,000
			CHF	100,000,000	10,000,000	100,000,000
			DKK	1,000,000,000	100,000,000	1,000,000,000
			EUR	100,000,000	10,000,000	100,000,000
			GBP	100,000,000	10,000,000	100,000,000
			NOK	1,000,000,000	100,000,000	1,000,000,000
			SEK	1,000,000,000	100,000,000	1,000,000,000
			SGD	200,000,000	20,000,000	200,000,000
			USD	100,000,000	10,000,000	100,000,000
W	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency,	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
		where only unhedged Shares are available	NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
Z	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	6,000,000	100,000	6,000,000
			CAD	6,000,000	100,000	6,000,000
			CHF	3,000,000	50,000	3,000,000
			DKK	30,000,000	500,000	30,000,000
			EUR	3,000,000	50,000	3,000,000
			GBP	3,000,000	50,000	3,000,000
			NOK	30,000,000	500,000	30,000,000
			SEK	30,000,000	500,000	30,000,000
			SGD	6,000,000	100,000	6,000,000
			USD	3,000,000	50,000	3,000,000

Whilst shares are available in the categories as listed in the above table, confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator. Other currencies may be made available as determined by the Directors, in which case this Supplement will be updated.

The Directors may for each relevant Class waive such minimum amounts in their absolute discretion. The Company may compulsorily redeem holdings in any Class of Shares if such holding is below the minimum holding as set out in the above table for a period of three months or more.

Application proceeds must be paid in the currency in which the relevant Class is denominated or by transfer of assets in accordance with the provisions specified in the Prospectus. Application for Shares by new investors should be made on the Application Form and sent in original form or by facsimile to the number indicated on the Application Form (with the original copy sent by post immediately thereafter) to the Administrator.

Telephone calls may be recorded by the Company's delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes.

**Class A Shares** are available to all investors. Retail investors wishing to purchase Class A Shares should do so via their financial intermediary.

**Class M Shares** are available for investment by platforms and institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners.

**Class R Shares** are available only to affiliates of the Investment Manager.

**Class S Shares** are available only to institutional investors who have entered into a separate fee arrangement with the Investment Manager or the Distributor.

**Class V Shares** are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
<p><b>Class W Shares</b> are available to all investors. Retail investors wishing to purchase Class W Shares should do so via their financial intermediary.</p> <p><b>Class Z Shares</b> are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.</p>						

## REDEMPTIONS

The Fund redeems Shares at their Net Asset Value per Share on each Dealing Day following due receipt of a redemption request. Redemption requests must be received in proper form and are only effective upon acceptance by the Administrator. Redemption requests will not be acted upon until the Administrator has received the original Application Form used on initial subscription.

Shares may be redeemed on any Dealing Day by way of facsimile, other written communication, via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank) to the Administrator provided that the relevant redemption request is received by the Administrator no later than the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine, in exceptional circumstances on the relevant Dealing Day provided it is before the Valuation Point. Redemption requests received after the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine on the relevant Dealing Day, will be treated as being received on the following Dealing Day. Redemption proceeds will be paid to the account outlined in the Application Form used on original subscription. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

There are no minimum redemptions in respect of the Classes of Shares. Redemption requests must specify the Shareholder's full name, address and Shareholder number and the number or value of Shares to be redeemed. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption proceeds, which are paid by way of electronic transfer, will be sent within three days of the Dealing Day on which the redemption is effected.

## DIVIDEND POLICY

The Directors may declare a dividend, for the benefit of the Shareholders invested in the Fund, arising out of net income (including dividend and interest income) and the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund.

Currently the Directors anticipate making dividend distributions in respect of the Fund out of the net income (including dividend and interest income) from its investments and may from time to time distribute the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund. Accordingly, any net income arising in respect of the Fund will be distributed to investors in the Fund in accordance with their respective shareholdings.

For each accumulating Class, the Directors have determined to reinvest all net income and net realised capital gains of the relevant accumulating Class. Accordingly, no dividends will be paid in respect of accumulating Classes and all net income and net realised capital gains of the accumulating Classes will be reflected in the Net Asset Value per Share of the accumulating Classes.

The Directors may, however, at their discretion, change the dividend policy and, upon advance notification to Shareholders, amend this Supplement to reflect such change.

Dividend distributions in respect of the Fund will be automatically re-invested in further Shares in the Fund unless the Shareholder shall have elected that dividends be paid by wire transfer to their account outlined in the original Application Form. Dividend distributions will be paid within four months of the date of declaration of such dividends by the Directors.

Proposed Distribution Dates for “Inc” Share Classes:

<b>Period for which income will be distributed</b>	<b>Accounting end date</b>	<b>Ex-Dividend Date</b>	<b>Pay Date</b>
1 July – 31 December	31 December	1 January	28 February
1 January – 30 June	30 June	1 July	31 August

### **BORROWING POLICY**

Under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company, subject to any limitations under the UCITS Regulations, and the Depositary is empowered to charge the assets of the Company as security for any such borrowings.

The Company intends that the Fund may incur temporary borrowings in an amount not exceeding 10% of its net assets. However, the amount of outstanding borrowings and repurchase agreements will not exceed 10% of the net assets of the Fund.

### **FEES AND EXPENSES**

The Company will pay the Fund Management Fee per Class at the rate set out in the table below. The Fund Management Fee will accrue daily and be payable monthly in arrears. Details of the maximum preliminary charge and the maximum Distribution Fee that may be applied to specific Classes are also set out in the table below.

<b>Share Class</b>	<b>Maximum Preliminary Charge</b>	<b>Fund Management Fee</b>	<b>Maximum Distribution Fee</b>
A	5.00%	See footnote *	0.00%
A Hedged	5.00%	See footnote *	0.00%
M	0.00%	0.83%	0.00%
M Hedged	0.00%	See footnote *	0.00%
R	0.00%	0.13%	0.00%
R Hedged	0.00%	See footnote *	0.00%
S	0.00%	0.13%	0.00%
S Hedged	0.00%	See footnote *	0.00%

V	0.00%	See footnote *	0.00%
V Hedged	0.00%	See footnote *	0.00%
W	2.00%	See footnote *	1.00%
W Hedged	2.00%	See footnote *	1.00%
Z	0.00%	0.68%	0.00%
Z Hedged	0.00%	See footnote *	0.00%

\*The Fund Management Fee is up to 2.5%,but may be lower in practice. Please contact the Investment Manager for further information. Confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator.

The Distribution Fee shown above in the table is the maximum that can be charged. This fee (where applicable) is paid to the Distributor for providing distribution-related services to the Fund and Shareholders.

Where the Annual Expenses exceed the Fund Management Fee for the relevant Class, the excess will be discharged by the Investment Manager from its own assets.

The Annual Expenses are the following fees and expenses set out in the section headed “FEES AND EXPENSES” in the Prospectus: (i) Management Fees of the Management Company (ii) Investment Management Fees; (iii) Administration Fees; (iv) Depositary Fees; (v) Director’s Fees; and (vi) Operating Expenses. Investors should refer to the section headed “FEES AND EXPENSES” in the Prospectus.

All other fees and expenses of the Fund (such as such extraordinary or exceptional costs and expenses not included above) will be borne by the Fund and will be charged at normal commercial rates.

Class R Shares and Class S Shares may be subject to a periodic charge payable outside the Fund as agreed between the Investment Manager and the relevant investor.

The Management Company and the Investment Manager shall also be entitled to all reasonable out of pocket costs and expenses incurred in the proper performance of their respective duties.

### **Redemption Charge**

The Company does not intend to apply a redemption charge in respect of any Class of Shares.

### **Swing Pricing**

The actual cost of purchasing investments may be higher or lower than the value used in calculating the Net Asset Value. These costs may include dealing charges, commission and transaction charges and the dealing spread and may have a materially disadvantageous effect on a Shareholder’s interest in the Fund. To prevent this effect, known as “dilution”, the Management Company in consultation with the Company may determine, at their discretion, to adjust (“**swing**”) the Net Asset Value per Share of the Fund, in the circumstances set out in the “Fees and Expenses” section of the Prospectus.

### **Establishment Costs of the Fund**

The establishment costs of the Fund were borne by the Investment Manager.



## APPENDIX 1

### ANNEX II

#### Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Product name:** Royal London Global Equity Select Fund (IRL) (the "Fund") **Legal entity identifier:** 2138005LD14RNJTS4815

### Environmental and/or social characteristics

#### Does this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> <b>Yes</b>	<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> <b>No</b>
---	--

<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective</b> : ____% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective</b> : ____%	<input type="checkbox"/> It promotes <b>Environmental/ Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <input checked="" type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b>
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#### What environmental and/or social characteristics are promoted by this financial product?

The Investment Manager believes climate change represents the greatest challenge to global sustainability, as it has the potential to destroy future generations' ability to meet their own needs. Therefore, the Fund promotes environmental characteristics relating to climate change mitigation.

No reference benchmark has been designated for the purposes of attaining the environmental or social characteristics promoted by the Fund.

#### **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The Investment Manager takes a principles-based approach to assessing climate risk and evaluate a company's willingness and ability to either transition themselves or enable someone else's transition, or both emphasising qualitative forward-looking analysis supported by rigorous quantitative datasets.

Indicators to measure willingness and ability to transition include:

- 1) Sector and business product exposure
- 2) Business involvement with hard to transition activities e.g. thermal coal mining and generation, oil & gas related

- 3) Ownership of fossil fuel reserves
- 4) Scope 1+2 absolute emissions and intensity
- 5) Scope 3 absolute emissions and intensity
- 6) % reduction of emissions from their business-as-usual required to achieve Net Zero by 2050
- 7) Past performance in reducing absolute and intensity of scope 1&2 emissions
- 8) Free cash flow
- 9) Break-even carbon price
- 10) % of revenue from climate solutions

***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not Applicable – the Fund promotes E/S characteristics but will not make any sustainable investments.

***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not Applicable – the Fund promotes E/S characteristics but will not make any sustainable investments.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

The Investment Manager has built an in-house technological solution for the consideration and reporting of Principal Adverse Impacts ("PAI's"). Detailed analysis of this data is carried out as an input into investment decisions.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not Applicable – the Fund promotes E/S characteristics but will not make any sustainable investments.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

☒ **Yes,**

☐ **No**

PAIs are considered as part of the investment process of the Fund. The Investment Manager has direct access to PAI data at both Fund and individual company level through the proprietary in-

house data base. Reporting on PAIs can be found in the annual report. The PAI factors provided are as follows:

#### **Indicators Applicable to Corporate Issuers**

##### **Environmental**

1. Greenhouse gas emissions
2. Carbon footprint
3. Greenhouse gas intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity-sensitive areas
8. Emissions to water
9. Hazardous waste ratio

##### **Social**

10. Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)

#### **Indicators Applicable to Sovereigns and Supranationals**

##### **Environmental**

15. Greenhouse gas intensity

##### **Social**

16. Investee countries subject to social violations

#### **Additional Indicators**

##### **Environmental**

17. Investments in companies without carbon reduction initiatives

##### **Social**

18. Number of identified cases of severe human rights issues and incidents
19. Incidents of discrimination

#### **What investment strategy does this financial product follow?**

The Fund invests in companies that the Investment Manager believes can create wealth for shareholders, but are currently undervalued. An undervalued company is one priced at a level that does not reflect the strength of its underlying business. Suitable companies are identified for investment by first using in-house screening tools (based on a company's cashflow, return on capital and growth), to reduce the investment universe of 3,000+ shares to around 600 that the Investment Manager believes have the potential to create shareholder wealth. The Investment Manager then performs "deeper-dive" analysis to identify what it believes to be companies with the strongest evidence of long-term wealth creation. This involves researching the information published by the companies the Investment Manager is interested in (including annual and quarterly financial reports and sector analysis), which is supplemented with direct company contact, where needed and possible. The output from this process is approximately 300 companies on which the Investment Manager performs a valuation analysis to assess the intrinsic value of the stock. The very best, attractively priced companies provide the source of potential investments for the Fund. Further details on the Investment Manager's process are set out below.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

All holdings in the Fund need to be consistent with the climate mitigation promotion objective. As such, the Investment Manager selects only those companies with willingness and ability to transition to net zero by 2050. The Investment Manager considers these mitigation efforts to be most credible if there are tangible improvements by 2030.

***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Investment Manager does not apply a minimum committed rate and will manage the Fund in alignment with the investment strategy and its ESG processes.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

***What is the policy to assess good governance practices of the investee companies?***

The Fund operates in line with the Investment Manager's good governance policy. The Investment Manager believes good governance practices promote better long-term shareholder wealth creation and as a result has applied a minimum level in the Fund's investments. The Investment Manager takes a principles-based approach including opportunity to engage for improved practices.

The Investment Manager will allocate scores on the following elements, all of which should be considered in regional context. These are aligned with the Investment Manager's principles of good governance and consistent with the currently disclosed SFDR definitions of good governance. Each of the 5 "elements" listed below is considered within the scoring framework.

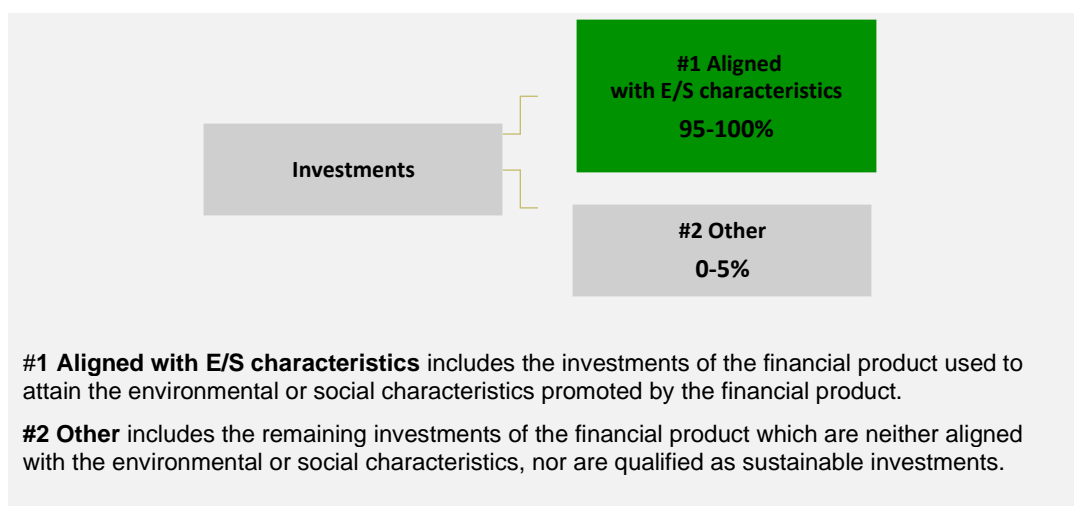
Elements	Components
Board	Composition, structure, independence, diversity
Internal Alignment	Remuneration policies and implementation, insider ownership
External Alignment	External ownership structure
Business Ethics	Corruption and fraud, audit and accounting practices, tax compliance
Stakeholders	Relations with shareholders, bondholders, employees



***What is the asset allocation planned for this financial product?***

The Investment Manager employs a binding proprietary ESG methodology, as described in detail above. 95-100% of the Fund's Net Asset Value will be invested in securities which will be aligned with the environmental and/or social characteristics promoted by the Fund. The Fund does not commit to invest in Taxonomy aligned investments.

**Asset allocation** describes the share of investments in specific assets.



Taxonomy-aligned activities are expressed as a share of:

**turnover** reflecting the share of revenue from green activities of investee companies

**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

**operational expenditure** (OpEx) reflecting green operational activities of investee companies.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

Derivatives are not used to attain the environmental or social characteristics promoted by the Fund.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable - the Fund does not commit to invest in Taxonomy aligned investments.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?***

☐ Yes

☐ In fossil gas

☐ In nuclear energy

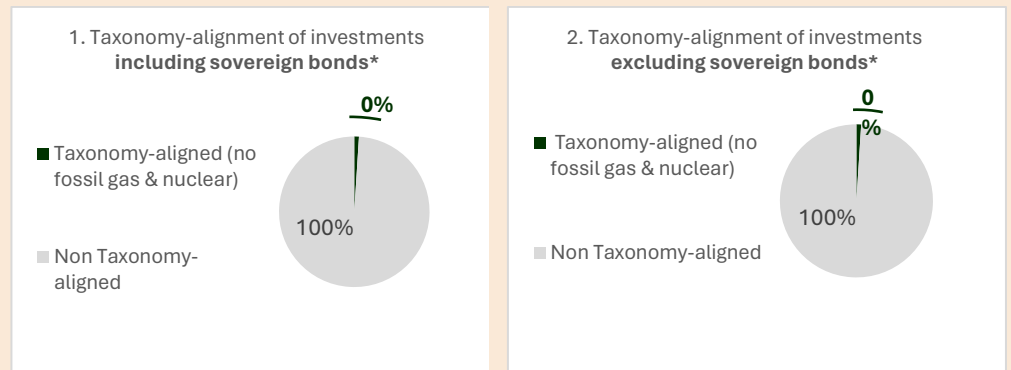
☒ No

<sup>1</sup>

Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

### What is the minimum share of investments in transitional and enabling activities?

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.



### What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.



### What is the minimum share of socially sustainable investments?

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.



### What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

The investments included under "#2 Other" are cash, cash equivalents and hedging instruments which are not subject to any minimum environmental or social safeguards. . Cash and cash equivalents do not affect the promoted environmental and / or social characteristics of the Fund. The assessment of issuers and of counterparties for cash and hedging instruments focusses on the creditworthiness of these parties, which can be impacted by sustainability risks.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

### Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

***How does the designated index differ from a relevant broad market index?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

***Where can the methodology used for the calculation of the designated index be found?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.



**Where can I find more product specific information online?**

More product-specific information can be found on the Fund information and Factsheets section of the website:  
<https://www.rlam.com>

The Directors of the Company accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information. The Directors accept responsibility accordingly.

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## **ROYAL LONDON GLOBAL EQUITY ENHANCED FUND**

**(A sub-fund of Royal London Asset Management Funds plc which is an investment company (with segregated liability between sub-funds) with variable capital constituted as an umbrella fund under the laws of Ireland and authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended))**

**DATE: 25 March 2024**

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This Supplement forms part of, and should be read in the context of and together with, the prospectus dated 25 March 2024 (the “Prospectus”) in relation to Royal London Asset Management Funds plc (the “Company”) and contains information relating to the Royal London Global Equity Enhanced Fund (the “Fund”) which is a separate portfolio of the Company. The other portfolios established by the Company are the Royal London Sterling Extra Yield Bond Fund, the Royal London Global High Yield Bond Fund, the Royal London Short Duration Global High Yield Bond Fund, the Royal London Absolute Return Government Bond Fund, the Royal London Global Bond Opportunities Fund, the Royal London Sterling Liquidity Money Market Fund, the Royal London Global Sustainable Credit Fund, the Royal London Global Sustainable Equity Fund (IRL), the Royal London European Sustainable Credit Fund, the Royal London Multi Asset Defensive Fund (IRL), the Royal London Multi Asset Balanced Fund (IRL), the Royal London Multi Asset Growth Fund (IRL), the Royal London Multi Asset Adventurous Fund (IRL), the Royal London Global Equity Diversified Fund (IRL), the Royal London Global Equity Select Fund (IRL), Royal London Global Equity Transitions Fund, the Royal London Emerging Markets Corporate Bond Fund, the Royal London Short Duration Emerging Markets Corporate Bond Fund and the Royal London US Equity Fund, information in respect of which is to be found in the Relevant Supplements.



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## DEFINITIONS

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein.

<b>“Base Currency”</b>	For the purposes of this Supplement, the base currency shall be USD;
<b>“Business Day”</b>	a day on which banks are open in London or such other day or days as may be determined by the Company and agreed with the Administrator, provided there shall be at least two Business Days in each calendar month;
<b>“Dealing Day”</b>	shall mean each Business Day except for any day on which an underlying market or markets on which at least 50% of the Fund's assets are exposed or traded are closed, for example for public holidays, or such other day or days as may be determined by the Company and notified in advance to the Shareholders provided that, there shall be at least two dealing days in each calendar month. In circumstances where the threshold for closed underlying markets has been met or exceeded, dealing in the Fund's Shares will take place on the next Business Day on which such underlying market or markets are open. A list of the closed market days in respect of the Fund is available on the Investment Manager's website at <a href="http://www.rlam.com">www.rlam.com</a> ;
<b>“Dealing Deadline”</b>	5.00 p.m. Irish time on each Dealing Day or such other day or time as may be determined by the Company and notified to the Shareholders; and
<b>“Valuation Point”</b>	means the close of business in the relevant market on each Dealing Day, being the time at which the last traded price is made available on the relevant stock exchanges or markets used for the purpose of the valuation of assets and liabilities of the Fund (or such other time as the Directors may in their discretion determine and notify to Shareholders). For the avoidance of doubt, the Valuation Point for a particular Dealing Day shall not be before the Dealing Deadline relevant to such Dealing Day.

## INVESTMENT OBJECTIVES AND POLICIES

The Fund invests primarily in transferable securities listed or traded on Recognised Markets in accordance with the restrictions listed in the "Investment Restrictions" section of the Prospectus and below. In addition, the Fund may employ for the purpose of efficient portfolio management, certain of the investment techniques and instruments described in the "Fund Investment Techniques" and "Investment Risks" sections of the Prospectus, as detailed further below.

This Supplement has been prepared solely for and is being made available to investors for the purposes of evaluating an investment in Shares in the Fund. Investors should only consider investing in the Fund if they understand the risks involved, including the risk of losing all capital invested.

### Investment Objective

The Fund's investment objective is to outperform the MSCI World Index USD (the "**Benchmark**") before fees per annum over rolling three-year periods.

### Investment Policy

The Fund invests in a broad portfolio of global companies in developed markets, which are listed on Recognised Markets, that the Investment Manager believes can create wealth for shareholders. Suitable companies are identified for investment by using proprietary screening tools and analysis to rank each of the stocks in the investment universe by their potential to create shareholder wealth. Companies with potential to create shareholder wealth are identified using quantitative screening and qualitative analysis proprietary to the Investment Manager. These tools are developed, maintained, and enhanced in-house, aiming to provide the Investment Manager with a library of high-quality data and an advantaged analytical framework which companies are then assessed against. The proprietary nature of these tools and research embed an informational and analytical advantage into the investment process and are based on the relevant company's internal business fundamentals (for example, barriers to entry), management evaluation (for example, company strategy) and external factors (for example, addressable market). The Investment Manager builds the portfolio to maximise exposure to companies with higher wealth creation potential whilst ensuring a low level of risk relative to the Benchmark.

The Benchmark is a flagship global equity index designed to represent performance of the full opportunity set of large- and mid-cap stocks across 23 developed markets. While the Fund will generally invest in companies that are constituents of the Benchmark and will broadly reflect the characteristics of the Benchmark, the Fund will invest actively in companies in different weights to the Benchmark and may invest in companies not included in the Benchmark, reflecting the Investment Manager's assessment of a company's potential to create shareholder wealth. Further information in respect of the Benchmark is available on request from the Investment Manager.

The Fund may also invest up to 10% in other investment funds, known as collective investment schemes ("**CIS**"), including funds managed by the Investment Manager or another Royal London group company, which will be regulated, and may be leveraged or unleveraged, as well as eligible exchange traded funds ("**ETFs**"). Such CIS will be domiciled in the UK or the EU.

The Fund may receive warrants as a result of corporate actions. No more than 5% of the Net Asset Value of the Fund will be held in warrants.

A limited amount of assets (around 20% or less) may be held in cash for efficient portfolio management purposes and to manage the flow of investors' money in and out of the Fund.

**Investors should note that there can be no guarantee that the Fund will achieve its investment objective.**

**Investors should note that the Fund may use currency forward contracts as detailed below and in the "Efficient Portfolio Management" section and "Share Currency Designation Risk" in the "Investment Risks" section of the Prospectus to hedge currency exposure arising from the Fund's investments in assets denominated in currencies other than the Base Currency and to hedge currency exposure arising in respect of the hedged Share Classes. The global exposure**

of the Fund will be calculated through the use of the commitment approach. With respect to the use of currency forward contracts for the purpose of hedging, a risk management process which enables the Company to accurately measure, monitor and manage the various risks associated with financial derivative instruments has been submitted to the Central Bank in accordance with the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019.

The Fund's global exposure is the incremental exposure and leverage generated by it through the use of financial derivative instruments such as its purchase of futures or forwards. The global exposure of the Fund is calculated using the commitment approach, whereby positions in financial derivative instruments are calculated, based in the case of both futures or forwards (using the conversion methodologies set out in the risk management process for the Company), on the market value of the underlying reference instrument. As the Fund is using the commitment approach to calculate its global exposure, it must ensure that such global exposure does not exceed its total Net Asset Value. The Fund will be deemed to be leveraged where it has a global exposure of greater than zero and as provided above, the calculation of such global exposure also includes incremental exposure generated through the use of financial derivative instruments including the purchase of futures or forwards. In that context, the Fund will not be leveraged in excess of 100% of Net Asset Value.

### **Efficient Portfolio Management**

The Fund may use financial derivative instruments for efficient portfolio management and hedging purposes only. Investors should refer to the investment techniques and instruments described under "Fund Investment Techniques" and "Investment Risks" in the Prospectus.

In particular, the Fund may use spot and currency forward contracts to hedge the non-Base Currency positions in the Fund back to the Base Currency in order to reduce currency risk. Index futures may also be used for the purpose of efficient portfolio management.

The Fund intends to attempt to hedge out the currency risk of the hedged Shares by hedging them back to the Base Currency by using any of the efficient portfolio management techniques and instruments set out in the Prospectus within the conditions and limits imposed by the Central Bank. In terms of use of derivative instruments for these purposes, the Fund shall only use currency forward contracts. Save as specified in this paragraph, a class of Shares may not be leveraged as a result of the use of such techniques and instruments. Such hedging shall be limited to the extent of the relevant class of Share's currency exposure. Investors in such classes of unhedged Shares (and hedged Shares to the extent that Share class hedging fails to eliminate such risk) will bear any currency risk associated with fluctuations between the unhedged Shares (and hedged Shares to the extent that Share class hedging fails to eliminate such risk) and the Base Currency. Please refer to "Share Currency Designation Risk" in the Prospectus. Share classes of the Fund which are designated other than in the Base Currency may be hedged or unhedged against the Base Currency, unless this policy is changed by notice to Shareholders.

**While the costs of hedging for the benefit of hedged Share classes of the Fund are solely allocated to the relevant Share class, a currency conversion will take place on subscriptions, redemptions and exchanges at prevailing exchange rates and the costs of the conversion will generally be borne by the Fund as a whole. However, the Directors reserve the right, in their absolute discretion, in appropriate circumstances to require the relevant applicant or Shareholder to bear the cost of the conversion.**

### **Currency Forward Contracts**

Currency forward contracts are agreements to exchange one currency for another - for example, to exchange a certain amount of US Dollars for a certain amount of Sterling - at a future date. The date (which may be any agreed-upon fixed number of days in the future), the amount of currency to be exchanged and the price at which the exchange will take place are negotiated and fixed for the term of the contract at the time that the contract is entered into. Currency forward contracts may be bought or sold in either deliverable or non-deliverable form.

The underlying assets for currency forward contracts shall be currencies in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the “Investment Objective and Policies” section.

## **Futures**

The Fund may use index futures. The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price.

Index futures are based on the value of the basket of securities that comprise an index. These contracts obligate the buyer or seller to pay cash to settle the futures transaction, based on the fluctuation of the index's value in response to the change in the relative values of the underlying securities that are included in the index over the term of the contract. No delivery of the underlying securities is made to settle the futures contract. The buyer or seller of an index future is obligated to pay cash to settle the transaction, based on the fluctuation of the index's value in response to the changes in the relative values of the underlying securities that are included in the index over the term of the contract. Either party may also settle the transaction by entering into an offsetting contract. An index cannot be purchased or sold directly.

The underlying assets for futures shall be instruments in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the “Investment Objective and Policies” section.

It is intended that the Fund shall only employ techniques and instruments for efficient portfolio management purposes to the extent that such techniques and instruments are consistent with the Fund's investment policies. The use of financial derivative instruments by the Fund may affect the return on an Investor's investment. Any financial derivative instruments not included in the risk management process statement of the Company will not be utilised until such time as a revised submission has been cleared by the Central Bank.

The Fund will not have any exposure to total return swaps, Repo Contracts or stock-lending transactions.

## **PROFILE OF A TYPICAL INVESTOR**

The Fund is aimed at wholesale and institutional investors who are seeking long-term capital growth. This typically means a minimum time horizon of 3-plus years but this could vary depending upon individual risk profiles.

## **RESPONSIBLE INVESTMENT**

Whilst the Fund does not promote any specific ESG characteristics or have a sustainable investment objective, the assessment of ESG Risks through the analysis of ESG factors is part of the Fund's investment process in line with the RI Policy, as detailed in the “RESPONSIBLE INVESTMENT” section of the Prospectus. In the Investment Manager's view, ESG Risks can materially affect a company's financial performance and competitiveness. However, ESG Risks are just some of a number of considerations in the overall research process so may not in isolation drive the selection or exclusion of an issuer or security from the investment universe. The Investment Manager believes that the Fund will be exposed to a broad range of ESG Risks. In assessing these risks, the Investment Manager draws upon a wide variety of sources such as internal research and external sources such as company meetings to assess any potential impact on the value of a security over the time horizon of the Fund.

As the Fund is broadly diversified, it is not anticipated that any single ESG Risk will materially drive a negative financial impact on the value of the Fund. Further details on the ESG Risks considered and their potential impacts are in the “RESPONSIBLE INVESTMENT” and “INVESTMENT RISKS” sections of the Prospectus.

The investments underlying the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

### **INVESTMENT RESTRICTIONS**

The assets of the Fund will be invested in accordance with the concentration limits and other restrictions imposed under the UCITS Regulations and summarised in the “Investment Restrictions” section of the Prospectus.

In addition to the restrictions set out under “Investment Restrictions” in the Prospectus, the Company may from time to time impose such further investment restrictions as shall be compatible with or in the interest of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders of the Fund are located.

### **INVESTMENT RISKS**

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the “Investment Risks” section of the Prospectus and in particular the specific risk factors listed below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making an application for Shares. There is no guarantee that the Fund will achieve its investment objective.

Basis Risk

Counterparty Risk

Diversification Risk

Equity Markets Risk

Exchange Traded Funds Risk

Fund Currency Risk

Investor Currency Risk

Market Risk

Risks associated with Forward Currency Contracts

Share Currency Designation Risk

Smaller Companies Risk

### **APPLICATION FOR SHARES**

Unlaunched Shares in the Fund will initially be available for subscription from 9.00 a.m. (Irish time) on 26 March 2024 up to 5.00 p.m. (Irish time) on 25 September 2024 (or such earlier or later Business Day as the Directors determine and notify to the Central Bank). The initial offer price per Share for each unlaunched Share Class will be in its respective Class Currency: AUD1, CAD1, CHF1, DKK1, EUR1, GBP1, NOK1, SEK1, SGD1 or USD1.

Shares in any launched Class will be available on each Dealing Day at the Net Asset Value per Share.

Shares will be issued at the next determined Net Asset Value per Share after receipt and acceptance by the Administrator of an application form (“**Application Form**”).

Investors must complete an Application Form. Application Forms must be received by the Administrator by the Dealing Deadline, or such other time as the Management Company in consultation with the Company may from time to time determine in exceptional circumstances and prior to the Valuation Point on any Dealing Day, in order to be issued as of the next Net Asset Value per Share. Telephone instructions may be accepted with the prior agreement of the Administrator pending receipt of the Application Form and election to avail of this facility by the investor. A faxed Application Form will be accepted, with the original Application Form to follow. Application Forms may also be accepted via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank). In the case of a new investor, the Administrator must receive the original Application Form and AML documentation promptly or in advance of any dealing taking place to avoid delays with processing payments. The Company will deny a subsequent request to redeem shares if the relevant investor fails to submit an original executed Application Form. The Company may, in its absolute discretion, refuse to accept any application for Shares. Application monies must be received by the Administrator on the relevant Dealing Day or such other time as the Management Company in consultation with the Company may determine and in any event within three Business Days. Pending the receipt of application monies, the Fund may, subject to the borrowing restrictions set out under the heading "Borrowing Policy" in the Prospectus, temporarily borrow an amount equal to the application monies and invest such monies in accordance with the investment objective and policies of the Fund. Once the monies are received, the Fund will use such monies to repay the relevant borrowings and reserves the right to charge that investor interest on such outstanding application monies at normal commercial rates. In addition, the Company reserves the right to cancel provisional allotment of the relevant Shares where application monies are not received by the Administrator within three Business Days. Requests for investments received after the Valuation Point on any Dealing Day will be treated as being received on the next Dealing Day. The Company reserves the right to compulsorily redeem the Shares where the original Application Form used on initial subscription or documentation relating to the applicants has not been received within five Business Days. In such circumstances, the Company, the Management Company and Administrator may require to be reimbursed for expenses incurred.

Applications for Shares received during any period when the Share dealings have been temporarily suspended in the circumstances described in the "Temporary Suspension of Dealings" section of the Prospectus will be treated as received on the Dealing Day on which dealings recommence, unless such request has been withdrawn during the period of suspension.

#### Share Class Information

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
A	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
M			AUD	200,000	2,000	200,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	CAD	200,000	2,000	200,000
			CHF	100,000	1,000	100,000
			DKK	1,000,000	10,000	1,000,000
			EUR	100,000	1,000	100,000
			GBP	100,000	1,000	100,000
			NOK	1,000,000	10,000	1,000,000
			SEK	1,000,000	10,000	1,000,000
			SGD	200,000	2,000	200,000
			USD	100,000	1,000	100,000
R	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
S	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
V	Income and Accumulation Shares are available	Hedged and unhedged Shares are available	AUD	200,000,000	20,000,000	200,000,000
			CAD	200,000,000	20,000,000	200,000,000
			CHF	100,000,000	10,000,000	100,000,000
			DKK	1,000,000,000	100,000,000	1,000,000,000



Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
		except for the Base Currency, where only unhedged Shares are available	EUR	100,000,000	10,000,000	100,000,000
			GBP	100,000,000	10,000,000	100,000,000
			NOK	1,000,000,000	100,000,000	1,000,000,000
			SEK	1,000,000,000	100,000,000	1,000,000,000
			SGD	200,000,000	20,000,000	200,000,000
			USD	100,000,000	10,000,000	100,000,000
W	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
Z	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	6,000,000	100,000	6,000,000
			CAD	6,000,000	100,000	6,000,000
			CHF	3,000,000	50,000	3,000,000
			DKK	30,000,000	500,000	30,000,000
			EUR	3,000,000	50,000	3,000,000
			GBP	3,000,000	50,000	3,000,000
			NOK	30,000,000	500,000	30,000,000
			SEK	30,000,000	500,000	30,000,000
			SGD	6,000,000	100,000	6,000,000
			USD	3,000,000	50,000	3,000,000

Whilst shares are available in the categories as listed in the above table, confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator. Other currencies may be made available as determined by the Directors, in which case this Supplement will be updated.

The Directors may for each relevant Class waive such minimum amounts in their absolute discretion. The Company may compulsorily redeem holdings in any Class of Shares if such holding is below the minimum holding as set out in the above table for a period of three months or more.

Application proceeds must be paid in the currency in which the relevant Class is denominated or by transfer of assets in accordance with the provisions specified in the Prospectus. Application for Shares by new investors should be made on the Application Form and sent in original form or by facsimile to the number indicated on the Application Form (with the original copy sent by post immediately thereafter) to the Administrator.

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
<p>Telephone calls may be recorded by the Company's delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes.</p> <p><b>Class A Shares</b> are available to all investors. Retail investors wishing to purchase Class A Shares should do so via their financial intermediary.</p> <p><b>Class M Shares</b> are available for investment by platforms and institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners.</p> <p><b>Class R Shares</b> are available only to affiliates of the Investment Manager.</p> <p><b>Class S Shares</b> are available only to institutional investors who have entered into a separate fee arrangement with the Investment Manager or the Distributor.</p> <p><b>Class V Shares</b> are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.</p> <p><b>Class W Shares</b> are available to all investors. Retail investors wishing to purchase Class W Shares should do so via their financial intermediary.</p> <p><b>Class Z Shares</b> are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.</p>						

## REDEMPTIONS

The Fund redeems Shares at their Net Asset Value per Share on each Dealing Day following due receipt of a redemption request. Redemption requests must be received in proper form and are only effective upon acceptance by the Administrator. Redemption requests will not be acted upon until the Administrator has received the original Application Form used on initial subscription.

Shares may be redeemed on any Dealing Day by way of facsimile, other written communication, via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank) to the Administrator provided that the relevant redemption request is received by the Administrator no later than the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine, in exceptional circumstances on the relevant Dealing Day provided it is before the Valuation Point. Redemption requests received after the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine on the relevant Dealing Day, will be treated as being received on the following Dealing Day. Redemption proceeds will be paid to the account outlined in the Application Form used on original subscription. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

There are no minimum redemptions in respect of the Classes of Shares. Redemption requests must specify the Shareholder's full name, address and Shareholder number and the number or value of Shares to be redeemed. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption proceeds, which are paid by way of electronic transfer, will be sent within three days of the Dealing Day on which the redemption is effected.

## **DIVIDEND POLICY**

The Directors may declare a dividend, for the benefit of the Shareholders invested in the Fund, arising out of net income (including dividend and interest income) and the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund.

Currently the Directors anticipate making dividend distributions in respect of the Fund out of the net income (including dividend and interest income) from its investments and may from time to time distribute the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund. Accordingly, any net income arising in respect of the Fund will be distributed to investors in the Fund in accordance with their respective shareholdings.

For each accumulating Class, the Directors have determined to reinvest all net income and net realised capital gains of the relevant accumulating Class. Accordingly, no dividends will be paid in respect of accumulating Classes and all net income and net realised capital gains of the accumulating Classes will be reflected in the Net Asset Value per Share of the accumulating Classes.

The Directors may, however, at their discretion, change the dividend policy and, upon advance notification to Shareholders, amend this Supplement to reflect such change.

Dividend distributions in respect of the Fund will be automatically re-invested in further Shares in the Fund unless the Shareholder shall have elected that dividends be paid by wire transfer to their account outlined in the original Application Form. Dividend distributions will be paid within four months of the date of declaration of such dividends by the Directors.

### Proposed Distribution Dates for Distributing Classes:

<b>Period for which income will be distributed</b>	<b>Accounting end date</b>	<b>Ex-Dividend Date</b>	<b>Pay Date</b>
1 July – 31 December	31 December	1 January	28 February
1 January – 30 June	30 June	1 July	31 August

## **BORROWING POLICY**

Under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company, subject to any limitations under the UCITS Regulations, and the Depositary is empowered to charge the assets of the Company as security for any such borrowings.

The Company intends that the Fund may incur temporary borrowings in an amount not exceeding 10% of its net assets. However, the amount of outstanding borrowings and repurchase agreements will not exceed 10% of the net assets of the Fund.

## **FEES AND EXPENSES**

The Company will pay the Fund Management Fee per Class at the rate set out in the table below. The Fund Management Fee will accrue daily and be payable monthly in arrears. Details of the maximum preliminary charge and the maximum Distribution Fee that may be applied to specific Classes are also set out in the table below.

Share Class	Maximum Preliminary Charge	Fund Management Fee	Maximum Distribution Fee
A	5.00%	See footnote *	0.00%
A Hedged	5.00%	See footnote *	0.00%
M	0.00%	0.30%	0.00%
M Hedged	0.00%	See footnote *	0.00%
R	0.00%	0.08%	0.00%
R Hedged	0.00%	See footnote *	0.00%
S	0.00%	0.08%	0.00%
S Hedged	0.00%	See footnote *	0.00%
V	0.00%	See footnote *	0.00%
V Hedged	0.00%	See footnote *	0.00%
W	2.00%	See footnote *	1.00%
W Hedged	2.00%	See footnote *	1.00%
Z	0.00%	0.20%	0.00%
Z Hedged	0.00%	See footnote *	0.00%

\*The Fund Management Fee is up to 2.5%, but may be lower in practice. Please contact the Investment Manager for further information. Confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator.

The Distribution Fee shown above in the table is the maximum that can be charged. This fee (where applicable) is paid to the Distributor for providing distribution-related services to the Fund and Shareholders.

Where the Annual Expenses exceed the Fund Management Fee for the relevant Class, the excess will be discharged by the Investment Manager from its own assets.

The Annual Expenses are the following fees and expenses set out in the section headed “FEES AND EXPENSES” in the Prospectus: (i) Management Fees of the Management Company (ii) Investment Management Fees; (iii) Administration Fees; (iv) Depositary Fees; (v) Director’s Fees; and (vi) Operating Expenses. Investors should refer to the section headed “FEES AND EXPENSES” in the Prospectus.

All other fees and expenses of the Fund (such as such extraordinary or exceptional costs and expenses not included above) will be borne by the Fund and will be charged at normal commercial rates.

Class R Shares and Class S Shares may be subject to a periodic charge payable outside the Fund as agreed between the Investment Manager and the relevant investor.

The Management Company and the Investment Manager shall also be entitled to all reasonable out of pocket costs and expenses incurred in the proper performance of their respective duties.

### Redemption Charge

The Company does not intend to apply a redemption charge in respect of any Class of Shares.

### **Swing Pricing**

The actual cost of purchasing investments may be higher or lower than the value used in calculating the Net Asset Value. These costs may include dealing charges, commission and transaction charges and the dealing spread and may have a materially disadvantageous effect on a Shareholder's interest in the Fund. To prevent this effect, known as "dilution", the Management Company in consultation with the Company may determine, at their discretion, to adjust ("**swing**") the Net Asset Value per Share of the Fund, in the circumstances set out in the "Fees and Expenses" section of the Prospectus.

### **Establishment Costs of the Fund**

The establishment costs of the Fund will be borne by the Investment Manager.

The Directors of the Company accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information. The Directors accept responsibility accordingly.

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## **ROYAL LONDON GLOBAL EQUITY TRANSITIONS FUND**

**(A sub-fund of Royal London Asset Management Funds plc which is an investment company (with segregated liability between sub-funds) with variable capital constituted as an umbrella fund under the laws of Ireland and authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended))**

**DATE: 25 March 2024**

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**This Supplement forms part of, and should be read in the context of and together with, the prospectus dated 25 March 2024 (the “Prospectus”) in relation to Royal London Asset Management Funds plc (the “Company”) and contains information relating to the Royal London Global Equity Transitions Fund (the “Fund”) which is a separate portfolio of the Company. The other portfolios established by the Company are the Royal London Sterling Extra Yield Bond Fund, the Royal London Global High Yield Bond Fund, the Royal London Short Duration Global High Yield Bond Fund, the Royal London Absolute Return Government Bond Fund, the Royal London Global Bond Opportunities Fund, the Royal London Sterling Liquidity Money Market Fund, the Royal London Global Sustainable Credit Fund, the Royal London Global Sustainable Equity Fund (IRL), the Royal London Global Equity Diversified Fund (IRL), the Royal London European Sustainable Credit Fund, the Royal London Multi Asset Defensive Fund (IRL), the Royal London Multi Asset Balanced Fund (IRL), the Royal London Multi Asset Growth Fund (IRL), the Royal London Multi Asset Adventurous Fund (IRL), the Royal London Global Equity Select Fund (IRL), the Royal London Emerging Markets Corporate Bond Fund, the Royal London Short Duration Emerging Markets Corporate Bond Fund and the Royal London US Equity Fund, information in respect of which is to be found in the Relevant Supplements.**

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## DEFINITIONS

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein.

<b>“Base Currency”</b>	For the purposes of this Supplement, the base currency shall be USD;
<b>“Business Day”</b>	a day on which banks are open in London or such other day or days as may be determined by the Company and agreed with the Administrator, provided there shall be at least two Business Days in each calendar month;
<b>“Dealing Day”</b>	shall mean each Business Day except for any day on which an underlying market or markets on which at least 50% of the Fund's assets are exposed or traded are closed, for example for public holidays, or such other day or days as may be determined by the Company and notified in advance to the Shareholders provided that, there shall be at least two dealing days in each calendar month. In circumstances where the threshold for closed underlying markets has been met or exceeded, dealing in the Fund's Shares will take place on the next Business Day on which such underlying market or markets are open. A list of the closed market days in respect of the Fund is available on the Investment Manager's website at <a href="http://www.rlam.com">www.rlam.com</a> ;
<b>“Dealing Deadline”</b>	5.00 p.m. Irish time on each Dealing Day or such other day or time as may be determined by the Company and notified to the Shareholders;
<b>“Environmental Objective”</b>	means an environmental objective set out in the EU Taxonomy Regulation;
<b>“EU Taxonomy Regulation”</b>	means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment;
<b>“Valuation Point”</b>	means the close of business in the relevant market on each Dealing Day, being the time at which the last traded price is made available on the relevant stock exchanges or markets used for the purpose of the valuation of assets and liabilities of the Fund (or such other time as the Directors may in their discretion determine and notify to Shareholders). For the avoidance of doubt, the Valuation Point for a particular Dealing Day shall not be before the Dealing Deadline relevant to such Dealing Day.



## INVESTMENT OBJECTIVES AND POLICIES

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The Fund invests primarily in transferable securities listed or traded on Recognised Markets in accordance with the restrictions listed in the "Investment Restrictions" section of the Prospectus and below. In addition, the Fund may employ for the purpose of efficient portfolio management, certain of the investment techniques and instruments described in the "Fund Investment Techniques" and "Investment Risks" sections of the Prospectus, as detailed further below.

This Supplement has been prepared solely for, and is being made available to investors for the purposes of evaluating an investment in Shares in the Fund. Investors should only consider investing in the Fund if they understand the risks involved, including the risk of losing all capital invested.

### Investment Objective

The Fund's investment objective is to outperform the MSCI All Countries World Net Total Return Index USD (the "**Benchmark**") before fees per annum over rolling three year periods (1).

### Investment Policy

The Fund invests in a moderately concentrated portfolio of global companies, which are listed on Recognised Markets, that the Investment Manager believes can create wealth for shareholders and are deemed to be transitioning to a more sustainable path, enabling the transition of others, or both. Suitable companies are identified for investment by using proprietary screening tools and analysis to rank each of the stocks in the investment universe by their potential to create shareholder wealth and are then further assessed on the materiality and credibility of their transition plans. These tools and analysis are proprietary to the Investment Manager and are developed, maintained, and enhanced in-house, aiming to provide a library of high-quality data and an advantaged analytical framework which companies are then assessed against. The proprietary nature of these tools and research embed an informational and analytical advantage into the investment process and are based on such factors as the relevant company's internal business fundamentals (for example, barriers to entry), management evaluation (for example, company strategy) and external factors (for example, addressable market). The Investment Manager builds the portfolio with a bias towards those companies with higher wealth creation and transition potential whilst ensuring a medium-high level of risk relative to the Benchmark.

The Benchmark is a flagship global equity index designed to represent performance of the full opportunity set of large- and mid-cap stocks. Further information in respect of the Benchmark is available on request from the Investment Manager. Investors should note that the Benchmark is being used by the Fund for performance comparison purposes only and the Fund does not intend to track the Benchmark. While the Fund may invest in investments which are constituents of the Benchmark, the Fund will be actively managed and its portfolio will not be constrained by reference to any index. The Investment Manager may use its discretion to invest in instruments which are not included in the Benchmark. The Fund will be invested in a concentrated portfolio of assets.

The Fund will invest at least 80% of its Net Asset Value in shares of companies globally, both in Developed Markets and Emerging Markets. The Fund may invest up to 25% of its Net Asset Value in Emerging Markets.

The Fund will not invest in other collective investment schemes.

The Fund may receive warrants as a result of corporate actions. No more than 5% of the Net Asset Value of the Fund will be held in warrants.

A limited amount of assets (around 5% or less) may be held in cash for efficient portfolio management (2) purposes and to manage the flow of investors' money in and out of the Fund.

The Fund may use financial derivative instruments for efficient portfolio management and hedging purposes only.

Investors should note that there can be no guarantee that the Fund will achieve its investment objective.

Investors should note that the Fund may use currency forward contracts as detailed below and in the “Efficient Portfolio Management” section and “Share Currency Designation Risk” in the “Investment Risks” section of the Prospectus to hedge currency exposure arising from the Fund's investments in assets denominated in currencies other than the Base Currency and to hedge currency exposure arising in respect of the hedged Share Classes. The global exposure of the Fund will be calculated through the use of the commitment approach. With respect to the use of currency forward contracts for the purpose of hedging, a risk management process which enables the Company to accurately measure, monitor and manage the various risks associated with financial derivative instruments has been submitted to the Central Bank in accordance with the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019.

The Fund's global exposure is the incremental exposure and leverage generated by it through the use of financial derivative instruments such as its purchase of futures or forwards. The global exposure of the Fund is calculated using the commitment approach, whereby positions in financial derivative instruments are calculated, based in the case of both futures or forwards (using the conversion methodologies set out in the risk management process for the Company), on the market value of the underlying reference instrument. As the Fund is using the commitment approach to calculate its global exposure, it must ensure that such global exposure does not exceed its total Net Asset Value. The Fund will be deemed to be leveraged where it has a global exposure of greater than zero and as provided above, the calculation of such global exposure also includes incremental exposure generated through the use of financial derivative instruments including the purchase of futures or forwards. In that context, the Fund will not be leveraged in excess of 100% of Net Asset Value.

#### *Notes*

(1) A rolling three year period is any period of three years, no matter which day you start on.

(2) Efficient portfolio management is a list of approved investment techniques, including the use of derivatives, used to protect against excessive risk, reduce cost or generate extra income or growth.

### **Efficient Portfolio Management**

The Fund may use financial derivative instruments for efficient portfolio management and hedging purposes only. Investors should refer to the investment techniques and instruments described under “Fund Investment Techniques” and “Investment Risks” in the Prospectus.

In particular, the Fund may use spot and currency forward contracts to hedge the non-Base Currency positions in the Fund back to the Base Currency in order to reduce currency risk. Index futures may also be used for the purpose of efficient portfolio management.

The Fund intends to attempt to hedge out the currency risk of the hedged Shares by hedging them back to the Base Currency by using any of the efficient portfolio management techniques and instruments set out in the Prospectus within the conditions and limits imposed by the Central Bank. In terms of use of derivative instruments for these purposes, the Fund shall only use currency forward contracts. Save as specified in this paragraph, a class of Shares may not be leveraged as a result of the use of such techniques and instruments. Such hedging shall be limited to the extent of the relevant class of Share's currency exposure. Investors in such classes of unhedged Shares (and hedged Shares to the extent that Share class hedging fails to eliminate such risk) will bear any currency risk associated with fluctuations between the unhedged Shares (and hedged Shares to the extent that Share class hedging fails to eliminate such risk) and the Base Currency. Please refer to “Share Currency Designation Risk” in the Prospectus. Share classes of the Fund which are designated other than in the Base Currency may be hedged or unhedged against the Base Currency, unless this policy is changed by notice to Shareholders.

**While the costs of hedging for the benefit of hedged Share classes of the Fund are solely allocated to the relevant Share class, a currency conversion will take place on subscriptions, redemptions and exchanges at prevailing exchange rates and the costs of the conversion will generally be borne by the Fund as a whole. However, the Directors reserve the right, in their absolute discretion, in appropriate circumstances to require the relevant applicant or Shareholder to bear the cost of the conversion.**

### **Currency Forward Contracts**

Currency forward contracts are agreements to exchange one currency for another - for example, to exchange a certain amount of US Dollars for a certain amount of Sterling - at a future date. The date (which may be any agreed-upon fixed number of days in the future), the amount of currency to be exchanged and the price at which the exchange will take place are negotiated and fixed for the term of the contract at the time that the contract is entered into. Currency forward contracts may be bought or sold in either deliverable or non-deliverable form.

The underlying assets for currency forward contracts shall be currencies in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the "Investment Objective and Policies" section.

### **Futures**

The Fund may use index futures. The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price.

Index futures are based on the value of the basket of securities that comprise an index. These contracts obligate the buyer or seller to pay cash to settle the futures transaction, based on the fluctuation of the index's value in response to the change in the relative values of the underlying securities that are included in the index over the term of the contract. No delivery of the underlying securities is made to settle the futures contract. The buyer or seller of an index future is obligated to pay cash to settle the transaction, based on the fluctuation of the index's value in response to the changes in the relative values of the underlying securities that are included in the index over the term of the contract. Either party may also settle the transaction by entering into an offsetting contract. An index cannot be purchased or sold directly.

The underlying assets for futures shall be instruments in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the "Investment Objective and Policies" section.

It is intended that the Fund shall only employ techniques and instruments for efficient portfolio management purposes to the extent that such techniques and instruments are consistent with the Fund's investment policies. The use of financial derivative instruments by the Fund may affect the return on an Investor's investment. Any financial derivative instruments not included in the risk management process statement of the Company will not be utilised until such time as a revised submission has been cleared by the Central Bank.

The Fund will not have any exposure to total return swaps, Repo Contracts or stock-lending transactions.

### **PROFILE OF A TYPICAL INVESTOR**

The Fund is suitable for both retail and institutional investors who are seeking a total return over the long term. This typically means a minimum time horizon of 7 or more years but this could vary depending upon individual risk profiles.

## **RESPONSIBLE INVESTMENT**

The Fund seeks to promote environmental and social characteristics and the opportunities available to the Fund are in line with the ESG Characteristics Policy and the RI Policy as detailed in the “RESPONSIBLE INVESTMENT” section of the Prospectus and as described above. The likely impact on returns and the risks associated with responsible investment techniques utilised by the Investment Manager are also explained in the “RESPONSIBLE INVESTMENT” and “INVESTMENT RISKS” sections of the Prospectus. The Benchmark is not used by the Fund as a reference benchmark to assist in the promotion of environmental and social characteristics and is solely used to measure the performance of the Fund.

The Fund seeks to promote environmental and social characteristics by investing in companies that are either transitioning their business to a sustainable path, enabling the transition of others, or both. The Fund will include environmentally sustainable investments as defined in the EU Taxonomy Regulation, and commits to a minimum alignment of 2% investment in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation. All of the Taxonomy-aligned economic activities will be in either enabling or transitional activities, or both. Examples of enabling activities which the Fund may invest in include companies providing goods and/or services to others undergoing similar operational change to net zero emissions, such as those providing clean cement additives that significantly reduce volumes, and examples of transitional activities which the Fund may invest in include energy companies undergoing operational change to substantially reduce carbon emissions towards net zero by way of utilising biomass fuel over coal.

The “do no significant harm” principle applies only to those investments underlying the Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

Please refer to Appendix 1 to this Supplement for further information in respect of the Fund's promotion of ESG characteristics.

## **INVESTMENT RESTRICTIONS**

The assets of the Fund will be invested in accordance with the concentration limits and other restrictions imposed under the UCITS Regulations and summarised in the “Investment Restrictions” section of the Prospectus.

In addition to the restrictions set out under “Investment Restrictions” in the Prospectus, the Company may from time to time impose such further investment restrictions as shall be compatible with or in the interest of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders of the Fund are located.

## **INVESTMENT RISKS**

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the “Investment Risks” section of the Prospectus and in particular the specific risk factors listed below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making an application for Shares. There is no guarantee that the Fund will achieve its investment objective.

**Basis Risk**

**Counterparty Risk**

**Diversification Risk**

**Emerging Markets Risk**

**Equity Markets Risk**

**Fund Currency Risk**

**Fund Portfolio Concentration Risk**

**Investor Currency Risk**

**Market Risk**

**Risks associated with Forward Currency Contracts**

**Settlement Mechanisms/Custodial Risk**

**Share Currency Designation Risk**

**Smaller Companies Risk**

## **APPLICATION FOR SHARES**

Unlaunched Shares in the Fund will initially be available for subscription from 9.00 a.m. (Irish time) on 26 March 2024 up to 5.00 p.m. (Irish time) on 25 September 2024 (or such earlier or later Business Day as the Directors determine and notify to the Central Bank). The initial offer price per Share for each unlaunched Share Class will be in its respective Class Currency: AUD1, CAD1, CHF1, DKK1, EUR1, GBP1, NOK1, SEK1, SGD1 or USD1.

Shares in any launched Class will be available on each Dealing Day at the Net Asset Value per Share.

Shares will be issued at the next determined Net Asset Value per Share after receipt and acceptance by the Administrator of an application form ("**Application Form**").

Investors must complete an Application Form. Application Forms must be received by the Administrator by the Dealing Deadline, or such other time as the Management Company in consultation with the Company may from time to time determine in exceptional circumstances and prior to the Valuation Point on any Dealing Day, in order to be issued as of the next Net Asset Value per Share. Telephone instructions may be accepted with the prior agreement of the Administrator pending receipt of the Application Form and election to avail of this facility by the investor. A faxed Application Form will be accepted, with the original Application Form to follow. Application Forms may also be accepted via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank). In the case of a new investor, the Administrator must receive the original Application Form and AML documentation promptly or in advance of any dealing taking place to avoid delays with processing payments. The Company will deny a subsequent request to redeem shares if the relevant investor fails to submit an original executed Application Form. The Company may, in its absolute discretion, refuse to accept any application for Shares. Application monies must be received by the Administrator on the relevant Dealing Day or such other time as the Management Company in consultation with the Company may determine and in any event within three Business Days. Pending the receipt of application monies, the Fund may, subject to the borrowing restrictions set out under the heading "Borrowing Policy" in the Prospectus, temporarily borrow an amount equal to the application monies and invest such monies in accordance with the investment objective and policies of the Fund. Once the monies are received, the Fund will use such monies to repay the relevant borrowings and reserves the right to charge that investor interest on such outstanding application monies at normal commercial rates. In addition, the Company reserves the right to cancel provisional allotment of the relevant Shares where application monies are not received by the Administrator within three Business Days. Requests for investments received after the Valuation Point on any Dealing Day will be treated as being received on the next Dealing Day. The Company reserves the right to compulsorily redeem the Shares where the original Application Form used on initial subscription or documentation relating to the applicants has not been received within five Business Days. In such circumstances, the Company, the Management Company and Administrator may require to be reimbursed for expenses incurred.

Applications for Shares received during any period when the Share dealings have been temporarily suspended in the circumstances described in the "Temporary Suspension of Dealings" section of the

Prospectus will be treated as received on the Dealing Day on which dealings recommence, unless such request has been withdrawn during the period of suspension.

### Share Class Information

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
A	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
M	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000	2,000	200,000
			CAD	200,000	2,000	200,000
			CHF	100,000	1,000	100,000
			DKK	1,000,000	10,000	1,000,000
			EUR	100,000	1,000	100,000
			GBP	100,000	1,000	100,000
			NOK	1,000,000	10,000	1,000,000
			SEK	1,000,000	10,000	1,000,000
			SGD	200,000	2,000	200,000
			USD	100,000	1,000	100,000
R	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
S			AUD			

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	CAD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
V	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000,000	20,000,000	200,000,000
			CAD	200,000,000	20,000,000	200,000,000
			CHF	100,000,000	10,000,000	100,000,000
			DKK	1,000,000,000	100,000,000	1,000,000,000
			EUR	100,000,000	10,000,000	100,000,000
			GBP	100,000,000	10,000,000	100,000,000
			NOK	1,000,000,000	100,000,000	1,000,000,000
			SEK	1,000,000,000	100,000,000	1,000,000,000
			SGD	200,000,000	20,000,000	200,000,000
			USD	100,000,000	10,000,000	100,000,000
W	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
Z	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base	AUD	6,000,000	100,000	6,000,000
			CAD	6,000,000	100,000	6,000,000
			CHF	3,000,000	50,000	3,000,000
			DKK	30,000,000	500,000	30,000,000
			EUR	3,000,000	50,000	3,000,000



Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
		Currency, where only unhedged Shares are available	GBP	3,000,000	50,000	3,000,000
			NOK	30,000,000	500,000	30,000,000
			SEK	30,000,000	500,000	30,000,000
			SGD	6,000,000	100,000	6,000,000
			USD	3,000,000	50,000	3,000,000

Whilst shares are available in the categories as listed in the above table, confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator. Other currencies may be made available as determined by the Directors, in which case this Supplement will be updated.

The Directors may for each relevant Class waive such minimum amounts in their absolute discretion. The Company may compulsorily redeem holdings in any Class of Shares if such holding is below the minimum holding as set out in the above table for a period of three months or more.

Application proceeds must be paid in the currency in which the relevant Class is denominated or by transfer of assets in accordance with the provisions specified in the Prospectus. Application for Shares by new investors should be made on the Application Form and sent in original form or by facsimile to the number indicated on the Application Form (with the original copy sent by post immediately thereafter) to the Administrator.

Telephone calls may be recorded by the Company's delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes.

**Class A Shares** are available to all investors. Retail investors wishing to purchase Class A Shares should do so via their financial intermediary.

**Class M Shares** are available for investment by platforms and institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners.

**Class R Shares** are available only to affiliates of the Investment Manager.

**Class S Shares** are available only to institutional investors who have entered into a separate fee arrangement with the Investment Manager or the Distributor.

**Class V Shares** are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.

**Class W Shares** are available to all investors. Retail investors wishing to purchase Class W Shares should do so via their financial intermediary.

**Class Z Shares** are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.

## REDEMPTIONS

The Fund redeems Shares at their Net Asset Value per Share on each Dealing Day following due receipt of a redemption request. Redemption requests must be received in proper form and are only effective upon acceptance by the Administrator. Redemption requests will not be acted upon until the Administrator has received the original Application Form used on initial subscription.

Shares may be redeemed on any Dealing Day by way of facsimile, other written communication, via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank) to the Administrator provided that the relevant redemption request is received by the Administrator no later than the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine, in exceptional circumstances on the relevant Dealing Day provided it is before the Valuation Point. Redemption requests received after the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine on the relevant Dealing Day, will be treated as being received on the following Dealing Day. Redemption proceeds will be paid to the account outlined in the Application Form used on original subscription. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

There are no minimum redemptions in respect of the Classes of Shares. Redemption requests must specify the Shareholder's full name, address and Shareholder number and the number or value of Shares to be redeemed. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption proceeds, which are paid by way of electronic transfer, will be sent within three days of the Dealing Day on which the redemption is effected.

## DIVIDEND POLICY

The Directors may declare a dividend, for the benefit of the Shareholders invested in the Fund, arising out of net income (including dividend and interest income) and the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund.

Currently the Directors anticipate making dividend distributions in respect of the Fund out of the net income (including dividend and interest income) from its investments and may from time to time distribute the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund. Accordingly, any net income arising in respect of the Fund will be distributed to investors in the Fund in accordance with their respective shareholdings.

For each accumulating Class, the Directors have determined to reinvest all net income and net realised capital gains of the relevant accumulating Class. Accordingly, no dividends will be paid in respect of accumulating Classes and all net income and net realised capital gains of the accumulating Classes will be reflected in the Net Asset Value per Share of the accumulating Classes.

The Directors may, however, at their discretion, change the dividend policy and, upon advance notification to Shareholders, amend this Supplement to reflect such change.

Dividend distributions in respect of the Fund will be automatically re-invested in further Shares in the Fund unless the Shareholder shall have elected that dividends be paid by wire transfer to their account outlined in the original Application Form. Dividend distributions will be paid within four months of the date of declaration of such dividends by the Directors.

### Proposed Distribution Dates for Distributing Classes:

<b>Period for which income will be distributed</b>	<b>Accounting end date</b>	<b>Ex-Dividend Date</b>	<b>Pay Date</b>
1 July – 31 December	31 December	1 January	28 February

1 January – 30 June	30 June	1 July	31 August
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### **BORROWING POLICY**

Under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company, subject to any limitations under the UCITS Regulations, and the Depositary is empowered to charge the assets of the Company as security for any such borrowings.

The Company intends that the Fund may incur temporary borrowings in an amount not exceeding 10% of its net assets. However, the amount of outstanding borrowings and repurchase agreements will not exceed 10% of the net assets of the Fund.

### **FEES AND EXPENSES**

The Company will pay the Fund Management Fee per Class at the rate set out in the table below. The Fund Management Fee will accrue daily and be payable monthly in arrears. Details of the maximum preliminary charge and the maximum Distribution Fee that may be applied to specific Classes are also set out in the table below.

<b>Share Class</b>	<b>Maximum Preliminary Charge</b>	<b>Fund Management Fee</b>	<b>Maximum Distribution Fee</b>
A	5.00%	See footnote *	0.00%
A Hedged	5.00%	See footnote *	0.00%
M	0.00%	0.83%	0.00%
M Hedged	0.00%	See footnote *	0.00%
R	0.00%	0.11%	0.00%
R Hedged	0.00%	See footnote *	0.00%
S	0.00%	0.11%	0.00%
S Hedged	0.00%	See footnote *	0.00%
V	0.00%	See footnote *	0.00%
V Hedged	0.00%	See footnote *	0.00%
W	2.00%	See footnote *	1.00%
W Hedged	2.00%	See footnote *	1.00%
Z	0.00%	0.68%	0.00%
Z Hedged	0.00%	See footnote *	0.00%

\*The Fund Management Fee is up to 2.5%, but may be lower in practice. Please contact the Investment Manager for further information. Confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator.

The Distribution Fee shown above in the table is the maximum that can be charged. This fee (where applicable) is paid to the Distributor for providing distribution-related services to the Fund and Shareholders.

Where the Annual Expenses exceed the Fund Management Fee for the relevant Class, the excess will be discharged by the Investment Manager from its own assets.

The Annual Expenses are the following fees and expenses set out in the section headed “FEES AND EXPENSES” in the Prospectus: (i) Management Fees of the Management Company; (ii) Investment Management Fees; (iii) Administration Fees; (iv) Depositary Fees; (v) Director’s Fees; and (vi) Operating Expenses. Investors should refer to the section headed “FEES AND EXPENSES” in the Prospectus.

All other fees and expenses of the Fund (such as such extraordinary or exceptional costs and expenses not included above) will be borne by the Fund and will be charged at normal commercial rates.

Class R Shares and Class S Shares may be subject to a periodic charge payable outside the Fund as agreed between the Investment Manager and the relevant investor.

The Management Company and the Investment Manager shall also be entitled to all reasonable out of pocket costs and expenses incurred in the proper performance of their respective duties.

### **Redemption Charge**

The Company does not intend to apply a redemption charge in respect of any Class of Shares.

### **Swing Pricing**

The actual cost of purchasing investments may be higher or lower than the value used in calculating the Net Asset Value. These costs may include dealing charges, commission and transaction charges and the dealing spread and may have a materially disadvantageous effect on a Shareholder’s interest in the Fund. To prevent this effect, known as “dilution”, the Management Company in consultation with the Company may determine, at their discretion, to adjust (“**swing**”) the Net Asset Value per Share of the Fund, in the circumstances set out in the “Fees and Expenses” section of the Prospectus.

### **Establishment Costs of the Fund**

The establishment costs of the Fund shall be borne by the Investment Manager.

## APPENDIX 1

### ANNEX II

#### Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the

**Product name:** Royal London Global Equity Transitions Fund (the "Fund")

**Legal entity identifier:** 213800ZFGHFDQ97KER14

### Environmental and/or social characteristics

#### Does this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/>	<b>Yes</b>	<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/>	<b>No</b>
<input type="checkbox"/>	It will make a minimum of <b>sustainable investments with an environmental objective</b> : ____%	<input checked="" type="checkbox"/>	<b>It promotes Environmental/ Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 2% of sustainable investments
<input type="checkbox"/>	in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input checked="" type="checkbox"/>	with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/>	in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/>	with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
		<input type="checkbox"/>	with a social objective
<input type="checkbox"/>	It will make a minimum of <b>sustainable investments with a social objective</b> : ____%	<input type="checkbox"/>	It promotes E/S characteristics, but <b>will not make any sustainable investments</b>

#### What environmental and/or social characteristics are promoted by this financial product?

The Investment Manager believes climate change represents the greatest challenge to global sustainability, as it has the potential to destroy future generations' ability to meet their own needs. Therefore, the Fund promotes environmental characteristics relating to climate change mitigation. The Fund will make sustainable investment that contributes to the climate change mitigation either as an 'Enabler' of transition to net zero or as a high green-house gas emitter on a self 'Improver' journey.

No reference benchmark has been designated for the purposes of attaining the environmental or social characteristics promoted by the Fund.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

environmental or social characteristics promoted by the financial product are attained.

The Investment Manager takes a principles-based approach to assessing climate risk and evaluate a company's willingness and ability to either transition themselves or enable someone else's transition, or both emphasising qualitative forward-looking analysis supported by rigorous quantitative datasets.

Indicators to measure willingness and ability to transition include:

- 1) Sector and business product exposure
- 2) Business involvement with hard to transition activities e.g. thermal coal mining and generation, oil & gas related
- 3) Ownership of fossil fuel reserves
- 4) Scope 1+2 absolute emissions and intensity
- 5) Scope 3 absolute emissions and intensity
- 6) % reduction of emissions from their business-as-usual required to achieve Net Zero by 2050
- 7) Past performance in reducing absolute and intensity of scope 1&2 emissions
- 8) Free cash flow
- 9) Break-even carbon price
- 10) % of revenue from climate solutions

***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objective of the sustainable investments in the Fund is climate mitigation, either as an 'Enabler' of transition to net zero or as a high greenhouse gas emitter on a self 'Improver' journey. Materiality is key to contribute to the climate mitigation objective. The Fund targets a minimum of 2% in Taxonomy- aligned investments.

The Fund will achieve this by:

- 1) Identifying companies, via the Investment Manager's internal research, with current high emissions that are willing and able to reduce these in line with the Paris Agreement goals including tangible 2030 improvements.
- 2) Identifying companies, via the Investment Manager's internal research, that have technologies or know-how that enable others to transition to a low-carbon economy.
- 3) Engaging with specific companies to adopt robust Net Zero commitments and influence demonstrable real-world outcomes that increase chances of successful mitigation.
- 4) Avoiding or selling companies that are not willing or able to mitigate high emissions in a credible or fast enough way.

***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

The Investment Manager assesses Do No Significant Harm before considering any sustainable investments. The definition applied is in line with the regulatory definition of Do No Significant Harm for both SFDR and Taxonomy.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

The Investment Manager has built an in-house technological solution for the consideration and reporting of Principal Adverse Impacts ("PAIs"). Detailed analysis of this data is carried out as an input into investment decisions.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Company reported taxonomy-aligned portion will by definition have to align with the OECD Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. For the rest of the sustainable investment the Investment Manager uses external data providers such as MSCI and RepRisk to screen and monitor the sustainable investments' alignment with the OECD Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



**Does this financial product consider principal adverse impacts on sustainability factors?**

☒ **Yes**

☐ **No**

PAIs are considered as part of the investment process of the Fund. The Investment Manager has direct access to PAI data at both Fund and individual company level through the proprietary in-house data base. Reporting on PAIs can be found in the annual report. The PAI factors provided are as follows:

#### **Indicators Applicable to Corporate Issuers**

##### **Environmental**

1. Greenhouse gas emissions
2. Carbon footprint
3. Greenhouse gas intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity-sensitive areas
8. Emissions to water
9. Hazardous waste ratio

##### **Social**

10. Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)

#### **Indicators Applicable to Sovereigns and Supranationals**

##### **Environmental**

15. Greenhouse gas intensity

##### **Social**

16. Investee countries subject to social violations

#### **Additional Indicators**

##### **Environmental**

17. Investments in companies without carbon reduction initiatives

## Social

18. Number of identified cases of severe human rights issues and incidents
19. Incidents of discrimination

### What investment strategy does this financial product follow?

The Fund invests in a moderately concentrated portfolio of global companies, which are listed on Recognised Markets, that the Investment Manager believes can create wealth for shareholders and are deemed to be transitioning to a more sustainable path, enabling the transition of others, or both. Suitable companies are identified for investment by using proprietary screening tools and analysis to rank each of the stocks in the investment universe by their potential to create shareholder wealth and the materiality and credibility of their transition thesis. The Investment Manager builds the Fund's portfolio with a bias towards those companies with higher wealth creation and transition thesis potential whilst ensuring a medium-high level of risk relative to the Benchmark.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

### ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The Investment Manager has committed that the Fund will invest a minimum 2% share of sustainable investments with an environmental objective that are aligned with the EU Taxonomy.

### ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Investment Manager does not apply a minimum committed rate and will manage the Fund in alignment with the investment strategy and its ESG processes.

### ***What is the policy to assess good governance practices of the investee companies?***

The Fund operates in line with the Investment Manager's good governance policy. The Investment Manager believes good governance practices promote better long-term shareholder wealth creation and as a result has applied a minimum level in the Fund's investments. The Investment Manager takes a principles-based approach including opportunity to engage for improved practices.

The Investment Manager will allocate scores on the following elements, all of which should be considered in regional context. These are aligned with the Investment Manager's principles of good governance and consistent with the currently disclosed SFDR definitions of good governance. Each of the 5 "elements" listed below is considered within the scoring framework.

Elements	Components
Board	Composition, structure, independence, diversity
Internal Alignment	Remuneration policies and implementation, insider ownership
External Alignment	External ownership structure
Business Ethics	Corruption and fraud, audit and accounting practices, tax compliance
Stakeholders	Relations with shareholders, bondholders, employees

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### What is the asset allocation planned for this financial product?

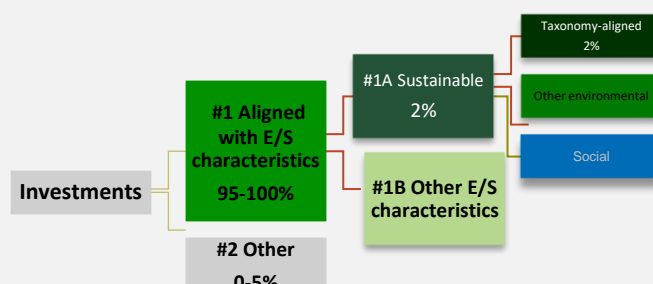




**Asset allocation** describes the share of investments in specific assets.

The Investment Manager employs a binding proprietary ESG methodology, as described in detail above. 95-100% of the Fund's Net Asset Value will be invested in securities which will be aligned with the environmental and/or social characteristics promoted by the Fund.

The minimum share of sustainable investments is 2%. The sustainable investments may contribute to a variety of themes including climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and protection and restoration of biodiversity and ecosystems.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

- The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.
- The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Taxonomy-aligned activities are expressed as a share of:

**turnover** reflecting the share of revenue from green activities of investee companies

**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

**operational expenditure** (OpEx) reflecting green operational activities of investee companies.

### ***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

Derivatives are not used to attain the environmental or social characteristics promoted by the Fund.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund will invest a minimum 2% share of sustainable investments with an environmental objective that are aligned with the EU Taxonomy.

○ **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

☐ Yes

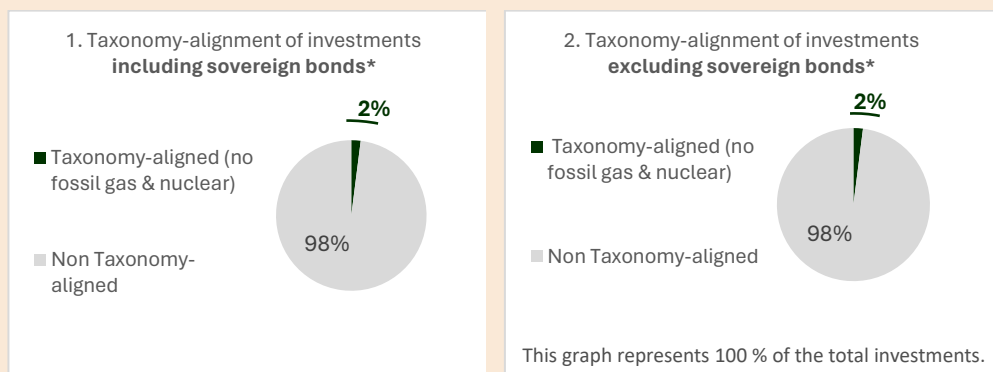
☐ In fossil gas

☐ In nuclear energy

☒ No

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

**What is the minimum share of investments in transitional and enabling activities?**

Transitional and enabling activities together will make a minimum 2% share of the Fund's portfolio.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit a minimum share in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



are sustainable

<sup>1</sup>

Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214

investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



### What is the minimum share of socially sustainable investments?

The Fund contains sustainable investments that contribute to two social themes: Health and wellbeing and Equal opportunities, but does not commit a minimum share in socially sustainable investments.



### What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

The investments included under “#2 Other” are cash, cash equivalents and hedging instruments which are not subject to any minimum environmental or social safeguards. Cash and cash equivalents do not affect the promoted environmental and / or social characteristics of the Fund. The assessment of issuers and of counterparties for cash and hedging instruments focusses on the creditworthiness of these parties, which can be impacted by sustainability risks.



### Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

#### ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

#### ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

#### ***How does the designated index differ from a relevant broad market index?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

#### ***Where can the methodology used for the calculation of the designated index be found?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.



### Where can I find more product specific information online?

More product-specific information can be found on the Fund information and Factsheets section of the website: <https://www.rlam.com>

The Directors of the Company accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information. The Directors accept responsibility accordingly.

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## **ROYAL LONDON EMERGING MARKETS CORPORATE BOND FUND**

**(A sub-fund of Royal London Asset Management Funds plc which is an investment company (with segregated liability between sub-funds) with variable capital constituted as an umbrella fund under the laws of Ireland and authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended))**

**DATE: 25 March 2024**

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This Supplement forms part of, and should be read in the context of and together with, the prospectus dated 25 March 2024 (the “Prospectus”) in relation to Royal London Asset Management Funds plc (the “Company”) and contains information relating to the Royal London Emerging Markets Corporate Bond Fund (the “Fund”) which is a separate portfolio of the Company. The other portfolios established by the Company are the Royal London Sterling Extra Yield Bond Fund, the Royal London Global High Yield Bond Fund, the Royal London Short Duration Global High Yield Bond Fund, the Royal London Absolute Return Government Bond Fund, the Royal London Global Bond Opportunities Fund, the Royal London Sterling Liquidity Money Market Fund, the Royal London Global Sustainable Credit Fund, the Royal London Global Sustainable Equity Fund (IRL), the Royal London Global Equity Diversified Fund (IRL), the Royal London European Sustainable Credit Fund, the Royal London Multi Asset Balanced Fund (IRL), the Royal London Multi Asset Growth Fund (IRL), the Royal London Multi Asset Defensive Fund (IRL), the Royal London Multi Asset Adventurous Fund (IRL), the Royal London Global Equity Select Fund (IRL), the Royal London Global Equity Enhanced Fund, the Royal London Global Equity Transitions Fund, the Royal London Short Duration Emerging Markets Corporate Bond Fund and the Royal London US Equity Fund, information in respect of which is to be found in the Relevant Supplements.

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## DEFINITIONS

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein.

<b>“Base Currency”</b>	For the purposes of this Supplement, the base currency shall be USD;
<b>“Business Day”</b>	a day on which banks are open in London or such other day or days as may be determined by the Company and agreed with the Administrator, provided there shall be at least two Business Days in each calendar month;
<b>“Dealing Day”</b>	shall mean each Business Day except for any day on which an underlying market or markets on which at least 15% of the Fund's assets are exposed or traded are closed, for example for public holidays, or such other day or days as may be determined by the Company and notified in advance to the Shareholders provided that, there shall be at least two dealing days in each calendar month. In circumstances where the threshold for closed underlying markets has been met or exceeded, dealing in the Fund's Shares will take place on the next Business Day on which such underlying market or markets are open. A list of the closed market days in respect of the Fund is available on the Investment Manager's website at <a href="http://www.rlam.com">www.rlam.com</a> ;
<b>“Dealing Deadline”</b>	5.00 p.m. Irish time on each Dealing Day or such other day or time as may be determined by the Company and notified to the Shareholders; and
<b>“Valuation Point”</b>	means the close of business in the relevant market on each Dealing Day, being the time at which the last traded price is made available on the relevant stock exchanges or markets used for the purpose of the valuation of assets and liabilities of the Fund (or such other time as the Directors may in their discretion determine and notify to Shareholders). For the avoidance of doubt, the Valuation Point for a particular Dealing Day shall not be before the Dealing Deadline relevant to such Dealing Day.

## INVESTMENT OBJECTIVES AND POLICIES

The Fund invests primarily in transferable securities listed or traded on Recognised Markets in accordance with the restrictions listed in the "Investment Restrictions" section of the Prospectus and below. In addition, the Fund may employ for the purpose of efficient portfolio management, certain of the investment techniques and instruments described in the "Fund Investment Techniques" and "Investment Risks" sections of the Prospectus, as detailed further below.

This Supplement has been prepared solely for, and is being made available to investors for the purposes of evaluating an investment in Shares in the Fund. Investors should only consider investing in the Fund if they understand the risks involved, including the risk of losing all capital invested.

### Investment Objective and Policies

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The investment objective of the Fund is to provide a combination of investment growth and income, primarily by investing in emerging market corporate bonds. The Fund will seek to achieve its objective on an active basis.

The Fund's performance target is to outperform the J.P. Morgan CEMBI Broad Diversified Index (the "**Benchmark**").

The Benchmark is a USD-denominated index of bonds issued by companies that are either headquartered in an emerging market country, or where 100% of the issuer's assets are within emerging market economies, or where 100% of the issuer's assets are secured by assets within emerging market economies. Further information in respect of the Benchmark is available on request from the Investment Manager. Investors should note that the Benchmark is being used by the Fund for performance comparison purposes only and the Fund does not intend to track the Benchmark. While the Fund may invest in investments which are constituents of the Benchmark, the Fund will be actively managed and its portfolio will not be constrained by reference to any index, and the Investment Manager may use its discretion to invest in instruments which are not included in the Benchmark.

The Fund will invest at least 80% of its assets in emerging market bond issuers. This includes investment grade and sub-investment grade corporate bonds which are listed or dealt on the Recognised Markets as set out in the Prospectus, across the credit spectrum (ie. ranging from ratings of AAA through to CCC in terms of credit quality). The Fund may invest up to 100% of its assets in sub-investment grade corporate bonds. The corporate bonds in which the Fund will invest also include fixed or floating rate securities, including zero coupon bonds, deferred interest bonds, bonds on which the interest is payable in the form of additional bonds of the same kind (payment in kind bonds). This also includes investment in credit-linked notes (which may embed derivatives), medium-term notes, asset-backed securities, private placements and hybrid securities (as described further below). Investment in credit-linked notes and medium-term notes (specifically where the issuance is less than US\$200m) will not exceed 10% of the Net Asset Value of the Fund in aggregate. Any medium-term notes where the issuance exceeds US\$200m will not be capped at 10%.

Private placements are securities sold through private offerings. The Fund may invest up to 10% of its Net Asset Value in private placements which are consistent with its objective.

An asset-backed security is a financial security that is backed by assets which may include securitised loan assignments or securitised loan participations which are listed or dealt on Recognised Markets and which qualify as transferable securities or money market instruments in accordance with the requirements of the Central Bank. Asset-backed securities are contractual relationships between an investor and a lender (the investor is not, and has no contractual relationship with, the borrower) whereby the investor has the right to receive payments in principal, interest and any fees to which it is entitled only from the lender selling the participation, leases, credit card debt, a company's receivables and royalties. No more than 10% of the Net Asset Value of the Fund will be held in asset-backed securities.

The Fund may also invest in investment grade and non-investment grade short duration bonds (0-3 months to maturity), convertible bonds, and hybrid or preferred securities (which are securities which have the characteristics of a bond in terms of a fixed maturity date but where the coupon payments can be deferred at the issuer's discretion) and will include subordinated fixed maturity long duration bonds and perpetual bonds (ie, bonds with no maturity date). The Fund may invest in warrants and may also receive warrants as a result of corporate actions, in each case providing exposure to equities. No more than 10% of the Net Asset Value of the Fund will be held in warrants.

The Fund may invest in collective investment schemes which will be regulated, and which may be leveraged or unleveraged and are domiciled in the EU. The Fund may invest in such collective investment schemes for the purposes of achieving its investment objective and policy.

For efficient portfolio management as well as to increase liquidity to meet large redemptions and to rapidly invest subscriptions, the Fund may also from time to time, use exchange traded funds ("ETFs") which are consistent with its objective. Investment in any one ETF or other collective investment scheme will not exceed 10% of the Net Asset Value of the Fund. In addition, the aggregate investment in ETFs and other collective investment schemes will not exceed 10% of the Fund's Net Asset Value. ETFs are investment companies whose shares are bought and sold on a securities exchange. ETFs invest in a portfolio of securities designed to track a particular market segment or index. The ETFs will be listed or dealt on the Recognised Markets as set out in the Prospectus. While the ETFs will predominately represent investments that are similar to the Fund's other investments detailed in the preceding paragraphs, the Fund may also (for the purposes of efficient portfolio management) invest in ETFs which are invested in equity securities. The ETFs will operate on the principle of risk spreading and will not be leveraged. Long ETFs may be used to hedge liquidity risk while short ETFs may be used to hedge both liquidity and credit risk.

Pending investment of subscription proceeds or where market or other factors so warrant, the Fund may, subject to the investment restrictions set out in the Prospectus, hold cash and/or ancillary liquid assets such as money market instruments (including, without limitation, certificates of deposit, commercial paper and bankers' acceptances) and cash deposits.

The Fund will be managed using the Investment Manager's disciplined credit investment process focusing on security selection combined with top-down macroeconomic analysis. The Investment Manager's value-orientated approach seeks to exploit the inefficiencies within credit markets. At the macro level, the Investment Manager's analysis starts with a monthly macro review which covers all major economic regions and focuses upon key variables such as growth rates and inflation. This strategy is also used to formulate the Investment Manager's outlook scenarios, including long-term yield and interest rate forecasts which helps to shape its investment strategy. The Investment Manager also undertakes internal research on companies, which is supplemented by research from rating agencies and the sell side (brokers/banks). The internal research analysis includes building detailed financial credit models that incorporate historic data and forecasts, which generate existing and expected credit metrics. This is then fed into the Investment Manager's credit view of a target business. The Investment Manager's internal rating methodology looks not only at the probability of default (where credit ratings agencies place their focus) but also the protection offered to its clients (covenants and security), and it also considers ESGC (Environmental, Social, Governance and Climate) factors as part of the credit review (as further described under "Responsible Investment" below). As part of the Investment Manager's rigorous internal search process, a number of company visits may be undertaken to help assess the quality of companies within the Fund's portfolio. Overall, the Investment Manager aims to construct a diversified portfolio that will deliver consistent alpha from multiple sources.

**Investors should note that there can be no guarantee that the Fund will achieve its investment objective. Where preliminary sales charges are imposed, the difference between the cost of purchase of Shares and their redemption price may mean that an investment should be viewed as medium to long term.**

**Investors should note that the Fund may use currency forward contracts as detailed below and in "Share Currency Designation Risk" in the "Investment Risks" section of the Prospectus to hedge currency exposure arising from the Fund's investments in assets denominated in currencies other than the Base Currency and to hedge currency exposure arising in respect of the hedged Classes. The Fund will not be leveraged. The global exposure of the Fund will be**



calculated through the use of the commitment approach. With respect to the use of currency forward contracts for the purpose of hedging, a risk management process which enables the Company to accurately measure, monitor and manage the various risks associated with financial derivative instruments has been submitted to the Central Bank in accordance with the Central Bank UCITS Regulations.

### **Efficient Portfolio Management**

The Fund may employ for the purpose of efficient portfolio management, certain of the investment techniques and instruments described under “Fund Investment Techniques” and “Investment Risks” in the Prospectus, as detailed further below.

In particular, interest rate swaps may be used to manage the duration of the Fund’s portfolio. Credit default swaps may be used to hedge the credit risk of a position within the Fund i.e. to hedge against the potential default of a single reference entity which the Fund holds. Index and single name credit default swaps may be used to hedge against credit market risk.

The underlying assets for swaps shall be instruments in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the "Investment Objective and Policies" section.

The Fund is also permitted to have exposure to total return swaps, Repo Contracts and stock-lending transactions.

A total return swap is a bilateral financial contract, which allows one party to enjoy all of the cash flow benefits of an asset without actually owning this asset. Where the Fund undertakes a total return swap in respect of an underlying asset, it will obtain a return which is based principally on the performance of the underlying assets of the swap plus or minus the financing charges agreed with the counterparty. Such swap arrangements involve the Fund taking on the same market risk as it would have if it held the underlying assets of the swap itself and the return sought is the same financial rewards as if the Fund held the underlying security or index, plus or minus the financing costs that would have occurred had the transaction been fully funded from the outset. The reference assets underlying the total return swaps, if any, shall be any security or basket of securities which are consistent with the investment policies of the Fund described in this Supplement.

The counterparties to all swap transactions will be institutions subject to prudential supervision and belonging to categories approved by the Central Bank and will not have discretion over the assets of the Fund.

The Fund’s exposure to total return swaps, Repo Contracts and stock-lending transactions is as set out below (in each case as a percentage of Net Asset Value).

	<b>Expected</b>	<b>Maximum</b>
Total return swaps	0-5%	10%
Repo Contracts	0-5%	10%
Stock-lending transactions	0-20%	80%

It is intended that the Fund shall only employ techniques and instruments for efficient portfolio management purposes to the extent that such techniques and instruments are consistent with the Fund’s investment policies. Any financial derivative instruments not included in the risk management process statement will not be utilised until such time as a revised submission has been cleared by the Central Bank.

The Fund intends to attempt to hedge out the currency risk of the hedged Shares by hedging them back to the Base Currency by using currency forward contracts. Save as specified in this paragraph, a Class

of Shares may not be leveraged as a result of the use of such techniques and instruments. Such hedging shall be limited to the extent of the relevant Class of Share's currency exposure. Investors in such Classes of unhedged Shares (and hedged Shares to the extent that share class hedging fails to eliminate such risk) will bear any currency risk associated with fluctuations between the unhedged Shares (and hedged Shares to the extent that share class hedging fails to eliminate such risk) and the Base Currency. Please refer to "Share Currency Designation Risk" in the Prospectus. Share Classes of the Fund which are designated other than in the Base Currency may be hedged or unhedged against the Base Currency, unless this policy is changed by notice to Shareholders.

**While the costs of hedging for the benefit of hedged Classes of the Fund are solely allocated to the relevant Class, a currency conversion will take place on subscriptions, redemptions and exchanges at prevailing exchange rates and the costs of the conversion will generally be borne by the Fund as a whole. However, the Directors reserve the right, in their absolute discretion, in appropriate circumstances to require the relevant applicant or Shareholder to bear the cost of the conversion.**

Investors should note that there is no guarantee that the Fund will achieve its investment objective.

### **Responsible Investment**

ESG Risks are integrated into investment decisions made in relation to the Fund and the opportunities available to the Fund are in line with the ESG Characteristics Policy and the RI Policy as detailed in the "RESPONSIBLE INVESTMENT" section of the Prospectus and as described above. As the Fund is broadly diversified and investments are selected from a large universe of securities, including a variety of issuers across sectors, it is not anticipated that ESG Risk will materially drive a negative financial impact on the value of the Fund or its returns. Further details on the likely impact on returns and the risks associated with responsible investment techniques utilised by the Investment Manager are also explained in the "RESPONSIBLE INVESTMENT" and "INVESTMENT RISKS" sections of the Prospectus. The Benchmark is not used by the Fund as a reference benchmark to assist in the promotion of environmental and social characteristics and is solely used to measure the performance of the Fund.

The Fund does not commit to any minimum level of alignment with the EU criteria for environmentally sustainable economic activities under the EU Taxonomy Regulation in its underlying investments; as such, 0% of the Net Asset Value of the Fund shall be invested in such investments.

The "do no significant harm" principle applies only to those investments underlying the Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

The Fund adopts a multi-layered approach to ESG analysis, as follows:

**Philosophy:** The Investment Manager's aim is to reduce the likelihood of credit losses by active credit selection and to create positive ESG externalities (ie, indirect ESG related benefits which may potentially arise if low scoring companies improve their ESGC scores). The Investment Manager's approach is to score ESGC factors on every issuer the Fund invests in or proposes to invest in and resize (or exclude depending on severity) those where the credit worthiness is impacted. Where credit worthiness is materially impacted, the Fund will exclude or disinvest from the relevant credit instrument. Where credit worthiness is not materially impacted, the Investment Manager will engage with low scoring companies to try to improve their ESGC scoring. If there is no significant improvement over a period of time, then these will be disinvested.

**Process:** The Investment Manager's framework utilises the E, S, G and C factors (Climate being scored separately from Environment) agreed in collaboration with the Investment Manager's Responsible Investing ("RI") team. The Investment Manager looks at each credit instrument in detail and applies factors to score each credit instrument across E, S, G and C metrics based on a 1 – 10 rating scale. A "low score" is where the score is in the bottom quartile of MSCI ESG scores. MSCI ESG scores aim to measure a company's management of ESG risks and opportunities taking into account the most material risks per industry/sector, using a similar scoring range as the Investment Manager's ESGC scoring

methodology. MSCI is a leading provider of research, data and technology for the global investment community.

**Exclusions:** The Investment Manager will exclude credit instruments with direct exposure to controversial weapons and direct material exposure (>10% of revenue) to the following sectors: tobacco and thermal coal producers.

The Investment Manager then scores the credit instruments for the below E, S, G and C factors.

**Governance** includes G factors under a range of pillars as follows: board (ownership and related party transactions), pay, audit, stakeholders (country of majority of operation and regulated activity) and controversies.

**Social** includes S factors under a range of pillars as follows: the policies, operations, product or services and governance (as applicable) of employees, customers, communities and controversies.

**Environment** (ex Climate) includes E factors under a range of pillars as follows: the consumption and impact of toxic emissions, energy, water, waste and environmental controversies.

**Climate** includes C factors under a range of pillars as follows: exposure (carbon emissions), ability (transition targets), willingness (recent relative change in emissions) and climate controversies.

This analysis of the above factors results in E, S, G and C scores for each credit instrument. This scoring is integrated into the Investment Manager's credit decision making, as set out below. G is dealt with separately to E, S and C.

Governance is assumed to be material to credit worthiness. As a result, G scores (calculated using the above G factors) are used to size positions, with a negative risk decision impacting internal credit ratings, and with internal ratings impacting the sizing of positions. Anything below a baseline governance level is automatically excluded. Baseline governance is an assessment of the minimum level of governance that the Investment Manager would expect to see. In addition to the impact on credit worthiness, in the Investment Manager's experience, companies with poor governance standards have a higher likelihood of having poor E, S and C metrics. Low G scoring credit instruments above the baseline threshold will be engaged with, along with the engagement process for E, S and C factors described below.

E, S and C factors are used to calculate scores for each credit instrument. Low E, S and C scores will lead to a secondary assessment. This involves analysing if the low E, S and C scores impact the credit profile of the company.

Where there is no material impact on the credit worthiness as a result of the secondary assessment, then a low score will lead to an engagement process with the relevant issuer where the Investment Manager believes there is the potential for the issuer to improve its policies. The Investment Manager evaluates whether there is such scope to engage by researching and assessing different sources of data, where available, including but not limited to, an issuer's/company's annual reports, sustainability reports, existing ESGC policies and communicating with management to discuss such ESGC policies/plans and how these are expected to evolve. Engagement with the credit issuer is periodic, including periodic re-evaluations of the business and its policies along with mitigation steps taken by the issuer over time. If there is no 'significant improvement' of the score then the position sizing will be re-evaluated, with potential for full disinvestment.

If the E, S, G and C score is thought by the Investment Manager to impact credit worthiness materially, then the Fund will not invest in the relevant credit instrument or will consider smaller sizing depending on severity of impact, or where already invested, then the internal credit rating of the relevant issuer will be adjusted accordingly and the position will re-sized, reduced or exited entirely depending on the specific circumstances.

Please refer to Appendix 1 of this Supplement for further information in respect of the Fund's promotion of ESG characteristics.

## **PROFILE OF A TYPICAL INVESTOR**

The Fund is suitable for both retail and institutional investors who are seeking a combination of investment growth and income. This typically means a minimum time horizon of 3 to 5 years but this could vary depending upon individual risk profiles.

## **INVESTMENT RESTRICTIONS**

The assets of the Fund will be invested in accordance with the concentration limits and other restrictions imposed under the UCITS Regulations and summarised in the “Investment Restrictions” section of the Prospectus.

In addition to the restrictions set out under “Investment Restrictions” in the Prospectus, the Company may from time to time impose such further investment restrictions as shall be compatible with or in the interest of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders of the Fund are located.

## **INVESTMENT RISKS**

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the “Investment Risks” section of the Prospectus and in particular the specific risk factors listed below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making an application for Shares. There is no guarantee that the Fund will achieve its investment objective.

Basis Risk

Change in Economic Climate

Counterparty Risk

Credit Risk

Diversification Risk

Exchange Traded Funds Risk

Fund Currency Risk

Investment Grade Securities and Instruments

Investor Currency Risk

Loan Participations

Market Risk

Portfolio Risk

Risks associated with Forward Currency Contracts

Risks of Emerging Markets Investing

Risks of Investing in Sub-Investment Grade Corporate Debt Instruments

Settlement Mechanisms / Custodial Risk

Share Currency Designation Risk

Sub-Investment Grade Securities

Unrated Securities and Instruments

## APPLICATION FOR SHARES

Unlaunched Shares in the Fund will initially be available for subscription from 9.00 a.m. (Irish time) on 26 March 2024 up to 5.00 p.m. (Irish time) on 25 September 2024 (or such earlier or later Business Day as the Directors determine and notify to the Central Bank). The initial offer price per Share for each unlaunched Share Class will be in its respective Class Currency: AUD1, CAD1, CHF1, DKK1, EUR1, GBP1, NOK1, SEK1, SGD1 or USD1.

Shares in any launched Class will be available on each Dealing Day at the Net Asset Value per Share.

Shares will be issued at the next determined Net Asset Value per Share after receipt and acceptance by the Administrator of an application form ("**Application Form**").

Investors must complete an Application Form. Application Forms must be received by the Administrator by the Dealing Deadline, or such other time as the Management Company in consultation with the Company may from time to time determine in exceptional circumstances and prior to the Valuation Point on any Dealing Day, in order to be issued as of the next Net Asset Value per Share. Telephone instructions may be accepted with the prior agreement of the Administrator pending receipt of the Application Form and election to avail of this facility by the investor. A faxed Application Form will be accepted, with the original Application Form to follow. Application Forms may also be accepted via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank). In the case of a new investor, the Administrator must receive the original Application Form and AML documentation promptly or in advance of any dealing taking place to avoid delays with processing payments. The Company will deny a subsequent request to redeem shares if the relevant investor fails to submit an original executed Application Form. The Company may, in its absolute discretion, refuse to accept any application for Shares. Application monies must be received by the Administrator on the relevant Dealing Day or such other time as the Management Company in consultation with the Company may determine and in any event within three Business Days. Pending the receipt of application monies, the Fund may, subject to the borrowing restrictions set out under the heading "Borrowing Policy" in the Prospectus, temporarily borrow an amount equal to the application monies and invest such monies in accordance with the investment objective and policies of the Fund. Once the monies are received, the Fund will use such monies to repay the relevant borrowings and reserves the right to charge that investor interest on such outstanding application monies at normal commercial rates. In addition, the Company reserves the right to cancel provisional allotment of the relevant Shares where application monies are not received by the Administrator within three Business Days. Requests for investments received after the Valuation Point on any Dealing Day will be treated as being received on the next Dealing Day. The Company reserves the right to compulsorily redeem the Shares where the original Application Form used on initial subscription or documentation relating to the applicants has not been received within five Business Days. In such circumstances, the Company, the Management Company and Administrator may require to be reimbursed for expenses incurred.

Applications for Shares received during any period when the Share dealings have been temporarily suspended in the circumstances described in the "Temporary Suspension of Dealings" section of the Prospectus will be treated as received on the Dealing Day on which dealings recommence, unless such request has been withdrawn during the period of suspension.

## Share Class Information

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
A			AUD	2,000	200	2,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
M	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000	2,000	200,000
			CAD	200,000	2,000	200,000
			CHF	100,000	1,000	100,000
			DKK	1,000,000	10,000	1,000,000
			EUR	100,000	1,000	100,000
			GBP	100,000	1,000	100,000
			NOK	1,000,000	10,000	1,000,000
			SEK	1,000,000	10,000	1,000,000
			SGD	200,000	2,000	200,000
			USD	100,000	1,000	100,000
R	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
S	Income and Accumulation Shares are available	Hedged and unhedged Shares are	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
		available except for the Base Currency, where only unhedged Shares are available	DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
V	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000,000	20,000,000	200,000,000
			CAD	200,000,000	20,000,000	200,000,000
			CHF	100,000,000	10,000,000	100,000,000
			DKK	1,000,000,000	100,000,000	1,000,000,000
			EUR	100,000,000	10,000,000	100,000,000
			GBP	100,000,000	10,000,000	100,000,000
			NOK	1,000,000,000	100,000,000	1,000,000,000
			SEK	1,000,000,000	100,000,000	1,000,000,000
			SGD	200,000,000	20,000,000	200,000,000
			USD	100,000,000	10,000,000	100,000,000
W	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
Z	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged	AUD	6,000,000	100,000	6,000,000
			CAD	6,000,000	100,000	6,000,000
			CHF	3,000,000	50,000	3,000,000
			DKK	30,000,000	500,000	30,000,000
			EUR	3,000,000	50,000	3,000,000
			GBP	3,000,000	50,000	3,000,000
			NOK	30,000,000	500,000	30,000,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
		Shares are available	SEK	30,000,000	500,000	30,000,000
			SGD	6,000,000	100,000	6,000,000
			USD	3,000,000	50,000	3,000,000

Whilst shares are available in the categories as listed in the above table, confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator. Other currencies may be made available as determined by the Directors, in which case this Supplement will be updated.

The Directors may for each relevant Class waive such minimum amounts in their absolute discretion. The Company may compulsorily redeem holdings in any Class of Shares if such holding is below the minimum holding as set out in the above table for a period of three months or more.

Application proceeds must be paid in the currency in which the relevant Class is denominated or by transfer of assets in accordance with the provisions specified in the Prospectus. Application for Shares by new investors should be made on the Application Form and sent in original form or by facsimile to the number indicated on the Application Form (with the original copy sent by post immediately thereafter) to the Administrator.

Telephone calls may be recorded by the Company's delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes.

**Class A Shares** are available to all investors. Retail investors wishing to purchase Class A Shares should do so via their financial intermediary.

**Class M Shares** are available for investment by platforms and institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners.

**Class R Shares** are available only to affiliates of the Investment Manager.

**Class S Shares** are available only to institutional investors who have entered into a separate fee arrangement with the Investment Manager or the Distributor.

**Class V Shares** are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.

**Class W Shares** are available to all investors. Retail investors wishing to purchase Class W Shares should do so via their financial intermediary.

**Class Z Shares** are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.

## REDEMPTIONS

The Fund redeems Shares at their Net Asset Value per Share on each Dealing Day following due receipt of a redemption request. Redemption requests must be received in proper form and are only effective upon acceptance by the Administrator. Redemption requests will not be acted upon until the Administrator has received the original Application Form used on initial subscription.



Shares may be redeemed on any Dealing Day by way of facsimile, other written communication, via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank) to the Administrator provided that the relevant redemption request is received by the Administrator no later than the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine, in exceptional circumstances on the relevant Dealing Day provided it is before the Valuation Point. Redemption requests received after the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine on the relevant Dealing Day, will be treated as being received on the following Dealing Day. Redemption proceeds will be paid to the account outlined in the Application Form used on original subscription. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption requests must specify the Shareholder's full name, address and Shareholder number and the number or value of Shares to be redeemed. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption proceeds, which are paid by way of electronic transfer, will be sent within three days of the Dealing Day on which the redemption is effected.

### **DIVIDEND POLICY**

The Directors may declare a dividend, for the benefit of the Shareholders invested in the Fund, arising out of net income (including dividend and interest income) and the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund.

Currently the Directors anticipate making dividend distributions in respect of the Fund out of the net income (including dividend and interest income) from its investments and may from time to time distribute the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund. Accordingly, any net income arising in respect of the Fund will be distributed to investors in the Fund in accordance with their respective shareholdings.

For each accumulating Class, the Directors have determined to reinvest all net income and net realised capital gains of the relevant accumulating Class. Accordingly, no dividends will be paid in respect of accumulating Classes and all net income and net realised capital gains of the accumulating Classes will be reflected in the Net Asset Value per Share of the accumulating Classes.

The Directors may, however, at their discretion, change the dividend policy and, upon advance notification to Shareholders, amend this Supplement to reflect such change.

Dividend distributions in respect of the Fund will be automatically re-invested in further Shares in the Fund unless the Shareholder shall have elected that dividends be paid by wire transfer to their account outlined in the original Application Form. Dividend distributions will be paid within four months of the date of declaration of such dividends by the Directors.

#### Proposed Distribution Dates for income Classes:

Period for which income will be distributed	Accounting end date	Ex-Dividend Date	Pay Date
1 July – 31 December	31 December	1 January	28 February
1 January – 30 June	30 June	1 July	31 August

## BORROWING POLICY

Under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company, subject to any limitations under the UCITS Regulations, and the Depositary is empowered to charge the assets of the Company as security for any such borrowings.

The Company intends that the Fund may incur temporary borrowings in an amount not exceeding 10% of its net assets. However, the amount of outstanding borrowings and repurchase agreements will not exceed 10% of the net assets of the Fund.

## FEES AND EXPENSES

The Company will pay the Fund Management Fee per Class at the rate set out in the table below. The Fund Management Fee will accrue daily and be payable monthly in arrears. Details of the maximum preliminary charge and the maximum Distribution Fee that may be applied to specific Classes are also set out in the table below.

Share Class	Maximum Preliminary Charge	Fund Management Fee	Maximum Distribution Fee
A	5.00%	See footnote *	0.00%
A Hedged	5.00%	See footnote *	0.00%
M	0.00%	0.81%	0.00%
M Hedged	0.00%	0.85%	0.00%
R	0.00%	0.11%	0.00%
R Hedged	0.00%	0.15%	0.00%
S	0.00%	0.11%	0.00%
S Hedged	0.00%	0.15%	0.00%
V	0.00%	See footnote *	0.00%
V Hedged	0.00%	See footnote *	0.00%
W	2.00%	See footnote *	1.00%
W Hedged	2.00%	See footnote *	1.00%
Z	0.00%	0.60%	0.00%
Z Hedged	0.00%	0.64%	0.00%

\*The Fund Management Fee is up to 2.5%, but may be lower in practice. Please contact the Investment Manager for further information. Confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator.

The Distribution Fee shown above in the table is the maximum that can be charged. This fee (where applicable) is paid to the Distributor for providing distribution-related services to the Fund and Shareholders.

Where the Annual Expenses exceed the Fund Management Fee for the relevant Class, the excess will be discharged by the Investment Manager from its own assets. In the event the actual Annual Expenses incurred are below the Fund Management Fee for the relevant Class, any such difference will be retained for the benefit of the relevant Class.

The Annual Expenses are the following fees and expenses set out in the section headed “FEES AND EXPENSES” in the Prospectus: (i) Management Fees of the Management Company (ii) Investment Management Fees; (iii) Administration Fees; (iv) Depositary Fees; (v) Director’s Fees; and (vi) Operating Expenses. Investors should refer to the section headed “FEES AND EXPENSES” in the Prospectus.

All other fees and expenses of the Fund (such as such extraordinary or exceptional costs and expenses not included above) will be borne by the Fund and will be charged at normal commercial rates.

Class R Shares and Class S Shares may be subject to a periodic charge payable outside the Fund as agreed between the Investment Manager and the relevant investor.

The Management Company and the Investment Manager shall also be entitled to all reasonable out of pocket costs and expenses incurred in the proper performance of their respective duties.

### **Redemption Charge**

The Company does not intend to apply a redemption charge in respect of any Class of Shares.

### **Swing Pricing**

The actual cost of purchasing investments may be higher or lower than the value used in calculating the Net Asset Value. These costs may include dealing charges, commission and transaction charges and the dealing spread and may have a materially disadvantageous effect on a Shareholder’s interest in the Fund. To prevent this effect, known as “dilution”, the Management Company in consultation with the Company may determine, at their discretion, to adjust (“swing”) the Net Asset Value per Share of the Fund, in the circumstances set out in the “Fees and Expenses” section of the Prospectus.

### **Establishment Costs of the Fund**

The establishment costs of the Fund will be borne by the Investment Manager.

## APPENDIX I

### ANNEX II

#### Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name:** Royal London Emerging Markets Corporate Bond Fund (the "Fund") **Legal entity identifier:** N/A

### Environmental and/or social characteristics

#### Does this financial product have a sustainable investment objective?

☒ ☒ ☐ Yes

☒ ☐ ☒ No

☐ It will make a minimum of **sustainable investments with an environmental objective**: \_\_\_\_%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective**: \_\_\_\_%

☐ It **promotes Environmental/ Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☒ It promotes E/S characteristics, but **will not make any sustainable investments**

#### What environmental and/or social characteristics are promoted by this financial product?

The Fund adopts a multi-layered approach to the promotion of Environmental, Social and Governance (ESG) characteristics, as follows:

**Governance** includes G factors under a range of pillars: board (ownership and related party transactions), pay, audit, stakeholders (country of majority of operation and regulated activity) and controversies.

**Social** includes S factors under a range of pillars: the policies, operations, product or services and governance (as applicable) of employees, customers, communities and controversies.

**Environment** (ex Climate) includes E factors under a range of pillars: the consumption and impact of toxic emissions, energy, water, waste and environmental controversies.

**Climate** includes C factors under a range of pillars: exposure (carbon emissions), ability (transition targets), willingness (recent relative change in emissions) and climate controversies.

The Investment Manager's approach is to score the above ESGC (Environmental, Social, Governance and Climate) factors on every issuer the Fund invests in or proposes to invest in and resize (or exclude depending on severity) those where the credit worthiness is impacted. Where credit worthiness is not materially impacted, the Investment Manager will

engage with low scoring companies to try to improve their ESGC scoring. If there is no significant improvement over a period of time, then these will be disinvested from. Further information on the promotion of ESG characteristics is outlined below.

Exclusions: The Investment Manager will exclude credit instruments with direct exposure to controversial weapons and direct material exposure (>10% of revenue) to the following sectors: tobacco and thermal coal producers.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The Investment Manager looks at each credit instrument in detail and applies factors (as detailed above in the description of the ESGC characteristics promoted by the Fund) to score each credit instrument across E, S, G and C metrics based on a 1 – 10 rating scale. A "low score" is where the score is in the bottom quartile of MSCI ESG scores. MSCI ESG scores aim to measure a company's management of ESG risks and opportunities taking into account the most material risks per industry/sector, using a similar scoring range as the Investment Manager's ESGC scoring methodology. MSCI is a leading provider of research, data and technology for the global investment community.

This analysis of the above factors results in E, S, G and C scores for each credit instrument. This scoring is integrated into the Investment Manager's credit decision making. G is dealt with separately to E, S and C.

Governance is assumed to be material to credit worthiness. As a result, G scores (calculated using the above G factors) are used to size positions, with a negative risk decision impacting internal credit ratings, which impact the sizing of positions. Anything below a baseline governance level is automatically excluded. Low G scoring credit instruments above the baseline threshold will be engaged with.

Low E, S and C scores will lead to a secondary assessment analysing the impact on credit worthiness, determined on a case-by-case basis.

Where there is no material impact on the credit worthiness, then a low score will lead to an engagement process with the relevant issuer where the Investment Manager believes there is the potential for the issuer to improve its policies. The Investment Manager evaluates whether there is such scope to engage by researching and assessing different sources of data, where available, including but not limited to, an issuer's/company's annual reports, sustainability reports, existing ESGC policies and communicating with management to discuss such ESGC policies/plans and how these are expected to evolve. Engagement with the credit issuer is periodic, including periodic re-evaluations of the business and its policies along with mitigation steps taken by the issuer over time, to assess improvement in the scores over a two year period. If there is no 'significant improvement' of the score then the position sizing will be re-evaluated, with potential for full disinvestment.

If the E, S, G and C score is thought by the Investment Manager to impact credit worthiness materially, then the Fund will not invest in the relevant credit instrument or will consider smaller sizing depending on severity of impact, or where already invested, then the internal credit rating of the relevant issuer will be adjusted accordingly and the position will re-sized, reduced or exited entirely depending on the specific circumstances.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not Applicable – the Fund promotes E/S characteristics but will not make any sustainable investments.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not Applicable – the Fund promotes E/S characteristics and will not make any sustainable investments.

- *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The Investment Manager has built an in-house technological solution for the consideration and reporting of Principal Adverse Impacts ("PAI's"). Analysis of this data is carried out as an input into investment decisions.

- *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not Applicable – the Fund promotes E/S characteristics and will not make any sustainable investments.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



**Does this financial product consider principal adverse impacts on sustainability factors?**

☐ **Yes**

☒ **No**

The principal adverse impacts of investment decisions on sustainability factors are not currently considered at Fund level as it is not practicable or proportionate to do so given the investment strategy and due to the specific investment outcomes targeted by the strategy of the Fund. This position will be kept under review by the Investment Manager and may change over time.



**What investment strategy does this financial product follow?**

The Fund will be managed using the Investment Manager's disciplined credit investment process focusing on security selection combined with top-down macroeconomic analysis. The Investment Manager's value-orientated approach seeks to exploit the inefficiencies within credit markets. At the macro level, the Investment Manager's analysis starts with a

monthly macro review which covers all major economic regions and focuses upon key variables such as growth rates and inflation. This strategy is also used to formulate the Investment Manager's outlook scenarios, including long-term yield and interest rate forecasts which helps to shape its investment strategy. The Investment Manager also undertakes internal research on companies, which is supplemented by research from rating agencies and the sell side (brokers/banks). The internal research analysis includes building detailed financial credit models that incorporate historic data and forecasts, which generate existing and expected credit metrics. This is then fed into the Investment Manager's credit view of a target business. The Investment Manager's internal rating methodology looks not only at the probability of default (where credit ratings agencies place their focus) but also the protection offered to its clients (covenants and security), and it also considers ESGC factors as part of the credit review (as described in detail above under "*What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?*"). As part of the Investment Manager's rigorous internal research process, a number of company visits may be undertaken to help assess the quality of companies within the Fund's portfolio. Overall, the Investment Manager aims to construct a diversified portfolio that will deliver consistent alpha from multiple sources.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

As described above under "*What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?*", the Investment Manager scores ESGC factors on every issuer the Fund invests in or proposes to invest in and resizes (or excludes depending on severity) those where the credit worthiness is impacted. Anything below a baseline governance level is automatically excluded. Baseline governance is an assessment of the minimum level of governance that the Investment Manager would expect to see. In addition to the impact on credit worthiness, in the Investment Manager's experience, companies with poor governance standards have a higher likelihood of having poor E, S and C metrics. Where credit worthiness is not materially impacted, the Investment Manager will engage with low scoring companies to try to improve their ESGC scoring. If there is no significant improvement over a period of time, then these will be disinvested.

Exclusions: The Investment Manager will exclude credit instruments with direct exposure to controversial weapons and direct material exposure (>10% of revenue) to the following sectors: tobacco and thermal coal producers.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Investment Manager does not apply a minimum committed rate and will manage the Fund in alignment with the investment strategy and its ESG processes.

**Good governance practices** include sound management structures, employee relations, remuneration of staff and tax compliance.

- ***What is the policy to assess good governance practices of the investee companies?***

The Fund operates in line with the Investment Manager's good governance policy. The Investment Manager believes governance is material to credit worthiness. As a result, G (governance) scores are used to size positions, with a negative risk decision impacting internal credit ratings, and internal ratings impacting the sizing of positions. Anything below a baseline governance level is automatically excluded. Low G scoring credit instruments above the baseline threshold will be engaged with.

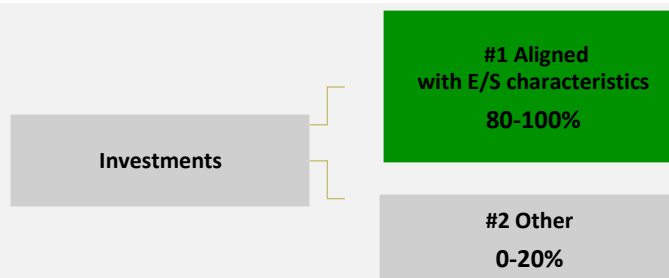
The Investment Manager will allocate G scores based on G factors under a range of pillars as follows: board (ownership and related party transactions), pay, audit, stakeholders (country of majority of operation and regulated activity) and controversies. These are aligned with the Investment Manager's principles of good governance and consistent with the currently disclosed SFDR definitions of good governance. Each of the factors is considered within the scoring framework.



### ***What is the asset allocation planned for this financial product?***

80-100% of the Fund's Net Asset Value will be invested in emerging market bond issuers which will be aligned with the environmental and/or social characteristics promoted by the Fund. The Fund does not commit to invest in Taxonomy aligned investments.

**Asset allocation** describes the share of investments in specific assets.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

- ***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

The Fund can invest in credit-linked notes (which may embed derivatives). Investment in credit-linked notes (CLN) will not exceed 10% of the Net Asset Value of the Fund. The underlying issuer of a CLN will be subjected to the same process as per the other investments in the Fund, as described above.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**



Not applicable - the Fund does not commit to invest in Taxonomy aligned investments.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

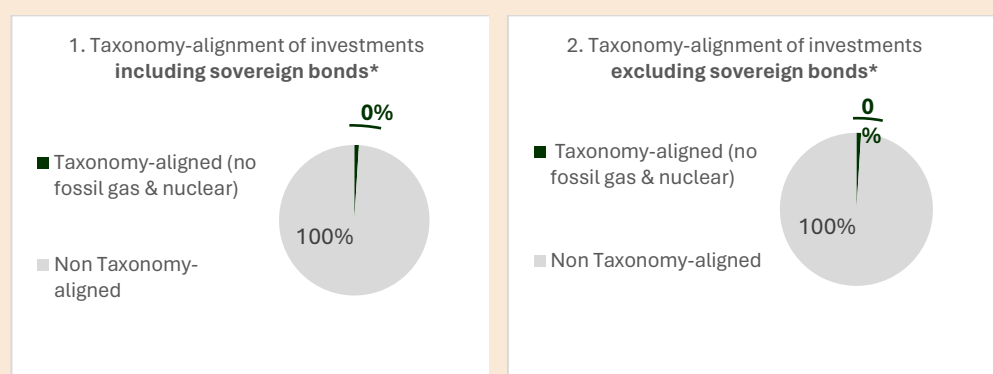
☐ Yes

☐ In fossil gas

☐ In nuclear energy

☒ No

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **What is the minimum share of investments in transitional and enabling activities?**

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.



**What is the minimum share of socially sustainable investments?**



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214

sustainable economic activities under the EU Taxonomy.

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under “#2 Other” are cash, cash equivalents and hedging instruments which are not subject to any minimum environmental or social safeguards. Cash and cash equivalents do not affect the promoted environmental and / or social characteristics of the Fund. The assessment of issuers and of counterparties for cash and hedging instruments focusses on the creditworthiness of these parties, which can be impacted by sustainability risks.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

- ***How does the designated index differ from a relevant broad market index?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

- ***Where can the methodology used for the calculation of the designated index be found?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.



**Where can I find more product specific information online?**

More product-specific information can be found on the Fund information and Factsheets section of the website: <https://www.rlam.com>

The Directors of the Company accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information. The Directors accept responsibility accordingly.

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## **ROYAL LONDON SHORT DURATION EMERGING MARKETS CORPORATE BOND FUND**

**(A sub-fund of Royal London Asset Management Funds plc which is an investment company (with segregated liability between sub-funds) with variable capital constituted as an umbrella fund under the laws of Ireland and authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended))**

**DATE: 25 March 2024**

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This Supplement forms part of, and should be read in the context of and together with, the prospectus dated 25 March 2024 (the “Prospectus”) in relation to Royal London Asset Management Funds plc (the “Company”) and contains information relating to the Royal London Short Duration Emerging Markets Corporate Bond Fund (the “Fund”) which is a separate portfolio of the Company. The other portfolios established by the Company are the Royal London Sterling Extra Yield Bond Fund, the Royal London Global High Yield Bond Fund, the Royal London Short Duration Global High Yield Bond Fund, the Royal London Absolute Return Government Bond Fund, the Royal London Global Bond Opportunities Fund, the Royal London Sterling Liquidity Money Market Fund, the Royal London Global Sustainable Credit Fund, the Royal London Global Sustainable Equity Fund (IRL), the Royal London Global Equity Diversified Fund (IRL), the Royal London European Sustainable Credit Fund, the Royal London Multi Asset Balanced Fund (IRL), the Royal London Multi Asset Growth Fund (IRL), the Royal London Multi Asset Defensive Fund (IRL), the Royal London Multi Asset Adventurous Fund (IRL), the Royal London Global Equity Select Fund (IRL), the Royal London Global Equity Enhanced Fund, the Royal London Global Equity Transitions Fund, the Royal London Emerging Markets Corporate Bond Fund and the Royal London US Equity Fund, information in respect of which is to be found in the Relevant Supplements.

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## DEFINITIONS

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein.

<b>“Base Currency”</b>	For the purposes of this Supplement, the base currency shall be USD;
<b>“Business Day”</b>	a day on which banks are open in London or such other day or days as may be determined by the Company and agreed with the Administrator, provided there shall be at least two Business Days in each calendar month;
<b>“Dealing Day”</b>	shall mean each Business Day except for any day on which an underlying market or markets on which at least 15% of the Fund's assets are exposed or traded are closed, for example for public holidays, or such other day or days as may be determined by the Company and notified in advance to the Shareholders provided that, there shall be at least two dealing days in each calendar month. In circumstances where the threshold for closed underlying markets has been met or exceeded, dealing in the Fund's Shares will take place on the next Business Day on which such underlying market or markets are open. A list of the closed market days in respect of the Fund is available on the Investment Manager's website at <a href="http://www.rlam.com">www.rlam.com</a> ;
<b>“Dealing Deadline”</b>	5.00 p.m. Irish time on each Dealing Day or such other day or time as may be determined by the Company and notified to the Shareholders; and
<b>“Valuation Point”</b>	means the close of business in the relevant market on each Dealing Day, being the time at which the last traded price is made available on the relevant stock exchanges or markets used for the purpose of the valuation of assets and liabilities of the Fund (or such other time as the Directors may in their discretion determine and notify to Shareholders). For the avoidance of doubt, the Valuation Point for a particular Dealing Day shall not be before the Dealing Deadline relevant to such Dealing Day.

## INVESTMENT OBJECTIVES AND POLICIES

The Fund invests primarily in transferable securities listed or traded on Recognised Markets in accordance with the restrictions listed in the "Investment Restrictions" section of the Prospectus and below. In addition, the Fund may employ for the purpose of efficient portfolio management, certain of the investment techniques and instruments described in the "Fund Investment Techniques" and "Investment Risks" sections of the Prospectus, as detailed further below.

This Supplement has been prepared solely for, and is being made available to investors for the purposes of evaluating an investment in Shares in the Fund. Investors should only consider investing in the Fund if they understand the risks involved, including the risk of losing all capital invested.

### Investment Objective and Policies

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

The investment objective of the Fund is to provide income, primarily by investing in emerging market corporate bonds. The Fund will seek to achieve its objective on an active basis.

The Fund's performance target is to outperform the Federal Funds Rate (the "**Benchmark**").

The Benchmark is the interest rate at which depository institutions (banks and credit unions) lend excess USD reserve balances to other depository institutions overnight on an uncollateralized basis. Further information in respect of the Benchmark is available on request from the Investment Manager. Investors should note that the Benchmark is being used by the Fund for performance comparison purposes only and the Fund does not intend to track the Benchmark. While the Fund may invest in investments which are constituents of the Benchmark, the Fund will be actively managed and its portfolio will not be constrained by reference to any index, and the Investment Manager may use its discretion to invest in instruments which are not included in the Benchmark.

At least 80% of the Fund will be invested in emerging market corporate bonds, of which at least 70% will have a duration of two years or less. The average duration of the corporate bonds in the Fund's portfolio will be approximately 2 years or less under normal market conditions. This includes investment grade and sub-investment grade corporate bonds which are listed or dealt on the Recognised Markets as set out in the Prospectus, across the credit spectrum (ie. ranging from ratings of AAA through to CCC in terms of credit quality). The Fund may invest up to 100% of its assets in sub-investment grade corporate bonds. The corporate bonds in which the Fund will invest also include fixed or floating rate securities, including zero coupon bonds, deferred interest bonds, bonds on which the interest is payable in the form of additional bonds of the same kind (payment in kind bonds). This also includes investment in credit-linked notes (which may embed derivatives), medium-term notes, asset-backed securities, private placements and hybrid securities (as described further below). Investment in credit-linked notes and medium-term notes (specifically where the issuance is less than US\$200m) will not exceed 10% of the Net Asset Value of the Fund in aggregate. Any medium-term notes where the issuance exceeds US\$200m will not be capped at 10%.

Private placements are securities sold through private offerings. The Fund may invest up to 10% of its Net Asset Value in private placements which are consistent with its objective.

An asset-backed security is a financial security that is backed by assets which may include securitised loan assignments or securitised loan participations which are listed or dealt on Recognised Markets and which qualify as transferable securities or money market instruments in accordance with the requirements of the Central Bank. Asset-backed securities are contractual relationships between an investor and a lender (the investor is not, and has no contractual relationship with, the borrower) whereby the investor has the right to receive payments in principal, interest and any fees to which it is entitled only from the lender selling the participation, leases, credit card debt, a company's receivables and royalties. No more than 10% of the Net Asset Value of the Fund will be held in asset-backed securities.

The Fund may also invest in investment grade and non-investment grade short duration bonds (0-3 months to maturity), convertible bonds, and hybrid or preferred securities (which are securities which

have the characteristics of a bond in terms of a fixed maturity date but where the coupon payments can be deferred at the issuer's discretion) and will include subordinated fixed maturity long duration bonds with short duration calls. The Fund may invest in warrants and may also receive warrants as a result of corporate actions, in each case providing exposure to equities. No more than 10% of the Net Asset Value of the Fund will be held in warrants.

The Fund may invest in collective investment schemes which will be regulated, and which may be leveraged or unleveraged and are domiciled in the EU. The Fund may invest in such collective investment schemes for the purposes of achieving its investment objective and policy.

For efficient portfolio management as well as to increase liquidity to meet large redemptions and to rapidly invest subscriptions, the Fund may also from time to time, use exchange traded funds ("ETFs") which are consistent with its objective. Investment in any one ETF or other collective investment scheme will not exceed 10% of the Net Asset Value of the Fund. In addition, the aggregate investment in ETFs and other collective investment schemes will not exceed 10% of the Fund's Net Asset Value. ETFs are investment companies whose shares are bought and sold on a securities exchange. ETFs invest in a portfolio of securities designed to track a particular market segment or index. The ETFs will be listed or dealt on the Recognised Markets as set out in the Prospectus. While the ETFs will predominately represent investments that are similar to the Fund's other investments detailed in the preceding paragraphs, the Fund may also (for the purposes of efficient portfolio management) invest in ETFs which are invested in equity securities. The ETFs will operate on the principle of risk spreading and will not be leveraged. Long ETFs may be used to hedge liquidity risk while short ETFs may be used to hedge both liquidity and credit risk.

Pending investment of subscription proceeds or where market or other factors so warrant, the Fund may, subject to the investment restrictions set out in the Prospectus, hold cash and/or ancillary liquid assets such as money market instruments (including, without limitation, certificates of deposit, commercial paper and bankers' acceptances) and cash deposits.

The Fund will be managed using the Investment Manager's disciplined credit investment process focusing on security selection combined with top-down macroeconomic analysis. The Investment Manager's value-orientated approach seeks to exploit the inefficiencies within credit markets. At the macro level, the Investment Manager's analysis starts with a monthly macro review which covers all major economic regions and focuses upon key variables such as growth rates and inflation. This strategy is also used to formulate the Investment Manager's outlook scenarios, including long-term yield and interest rate forecasts which helps to shape its investment strategy. The Investment Manager also undertakes internal research on companies, which is supplemented by research from rating agencies and the sell side (brokers/banks). The internal research analysis includes building detailed financial credit models that incorporate historic data and forecasts, which generate existing and expected credit metrics. This is then fed into the Investment Manager's credit view of a target business. The Investment Manager's internal rating methodology looks not only at the probability of default (where credit ratings agencies place their focus) but also the protection offered to its clients (covenants and security), and it also considers ESGC (Environmental, Social, Governance and Climate) factors as part of the credit review (as further described under "Responsible Investment" below). As part of the Investment Manager's rigorous internal search process, a number of company visits may be undertaken to help assess the quality of companies within the Fund's portfolio. Overall, the Investment Manager aims to construct a diversified portfolio that will deliver consistent alpha from multiple sources.

**Investors should note that there can be no guarantee that the Fund will achieve its investment objective. Where preliminary sales charges are imposed, the difference between the cost of purchase of Shares and their redemption price may mean that an investment should be viewed as medium to long term.**

**Investors should note that the Fund may use currency forward contracts as detailed below and in "Share Currency Designation Risk" in the "Investment Risks" section of the Prospectus to hedge currency exposure arising from the Fund's investments in assets denominated in currencies other than the Base Currency and to hedge currency exposure arising in respect of the hedged Classes. The Fund will not be leveraged. The global exposure of the Fund will be calculated through the use of the commitment approach. With respect to the use of currency forward contracts for the purpose of hedging, a risk management process which enables the**

**Company to accurately measure, monitor and manage the various risks associated with financial derivative instruments has been submitted to the Central Bank in accordance with the Central Bank UCITS Regulations.**

### **Efficient Portfolio Management**

The Fund may employ for the purpose of efficient portfolio management, certain of the investment techniques and instruments described under “Fund Investment Techniques” and “Investment Risks” in the Prospectus, as detailed further below.

In particular, interest rate swaps may be used to manage the duration of the Fund’s portfolio. Credit default swaps may be used to hedge the credit risk of a position within the Fund i.e. to hedge against the potential default of a single reference entity which the Fund holds. Index and single name credit default swaps may be used to hedge against credit market risk.

The underlying assets for swaps shall be instruments in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the "Investment Objective and Policies" section.

The Fund is also permitted to have exposure to total return swaps, Repo Contracts and stock-lending transactions.

A total return swap is a bilateral financial contract, which allows one party to enjoy all of the cash flow benefits of an asset without actually owning this asset. Where the Fund undertakes a total return swap in respect of an underlying asset, it will obtain a return which is based principally on the performance of the underlying assets of the swap plus or minus the financing charges agreed with the counterparty. Such swap arrangements involve the Fund taking on the same market risk as it would have if it held the underlying assets of the swap itself and the return sought is the same financial rewards as if the Fund held the underlying security or index, plus or minus the financing costs that would have occurred had the transaction been fully funded from the outset. The reference assets underlying the total return swaps, if any, shall be any security or basket of securities which are consistent with the investment policies of the Fund described in this Supplement.

The counterparties to all swap transactions will be institutions subject to prudential supervision and belonging to categories approved by the Central Bank and will not have discretion over the assets of the Fund.

The Fund’s exposure to total return swaps, Repo Contracts and stock-lending transactions is as set out below (in each case as a percentage of Net Asset Value).

	<b>Expected</b>	<b>Maximum</b>
Total return swaps	0-5%	10%
Repo Contracts	0-5%	10%
Stock-lending transactions	0-20%	80%

It is intended that the Fund shall only employ techniques and instruments for efficient portfolio management purposes to the extent that such techniques and instruments are consistent with the Fund’s investment policies. Any financial derivative instruments not included in the risk management process statement will not be utilised until such time as a revised submission has been cleared by the Central Bank.

The Fund intends to attempt to hedge out the currency risk of the hedged Shares by hedging them back to the Base Currency by using currency forward contracts. Save as specified in this paragraph, a Class of Shares may not be leveraged as a result of the use of such techniques and instruments. Such hedging



shall be limited to the extent of the relevant Class of Share's currency exposure. Investors in such Classes of unhedged Shares (and hedged Shares to the extent that share class hedging fails to eliminate such risk) will bear any currency risk associated with fluctuations between the unhedged Shares (and hedged Shares to the extent that share class hedging fails to eliminate such risk) and the Base Currency. Please refer to "Share Currency Designation Risk" in the Prospectus. Share Classes of the Fund which are designated other than in the Base Currency may be hedged or unhedged against the Base Currency, unless this policy is changed by notice to Shareholders.

**While the costs of hedging for the benefit of hedged Classes of the Fund are solely allocated to the relevant Class, a currency conversion will take place on subscriptions, redemptions and exchanges at prevailing exchange rates and the costs of the conversion will generally be borne by the Fund as a whole. However, the Directors reserve the right, in their absolute discretion, in appropriate circumstances to require the relevant applicant or Shareholder to bear the cost of the conversion.**

Investors should note that there is no guarantee that the Fund will achieve its investment objective.

### **Responsible Investment**

ESG Risks are integrated into investment decisions made in relation to the Fund and the opportunities available to the Fund are in line with the ESG Characteristics Policy and the RI Policy as detailed in the "RESPONSIBLE INVESTMENT" section of the Prospectus and as described above. As the Fund is broadly diversified and investments are selected from a large universe of securities, including a variety of issuers across sectors, it is not anticipated that ESG Risk will materially drive a negative financial impact on the value of the Fund or its returns. Further details on the likely impact on returns and the risks associated with responsible investment techniques utilised by the Investment Manager are also explained in the "RESPONSIBLE INVESTMENT" and "INVESTMENT RISKS" sections of the Prospectus. The Benchmark is not used by the Fund as a reference benchmark to assist in the promotion of environmental and social characteristics and is solely used to measure the performance of the Fund.

The Fund does not commit to any minimum level of alignment with the EU criteria for environmentally sustainable economic activities under the EU Taxonomy Regulation in its underlying investments; as such, 0% of the Net Asset Value of the Fund shall be invested in such investments.

The "do no significant harm" principle applies only to those investments underlying the Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

The Fund adopts a multi-layered approach to ESG analysis, as follows:

**Philosophy:** The Investment Manager's aim is to reduce the likelihood of credit losses by active credit selection and to create positive ESG externalities (ie, indirect ESG related benefits which may potentially arise if low scoring companies improve their ESGC scores). The Investment Manager's approach is to score ESGC factors on every issuer the Fund invests in or proposes to invest in and resize (or exclude depending on severity) those where the credit worthiness is impacted. Where credit worthiness is materially impacted, the Fund will exclude or disinvest from the relevant credit instrument. Where credit worthiness is not materially impacted, the Investment Manager will engage with low scoring companies to try to improve their ESGC scoring. If there is no significant improvement over a period of time, then these will be disinvested.

**Process:** The Investment Manager's framework utilises the E, S, G and C factors (Climate being scored separately from Environment) agreed in collaboration with the Investment Manager's Responsible Investing ("RI") team. The Investment Manager looks at each credit instrument in detail and applies factors to score each credit instrument across E, S, G and C metrics based on a 1 – 10 rating scale. A "low score" is where the score is in the bottom quartile of MSCI ESG scores. MSCI ESG scores aim to measure a company's management of ESG risks and opportunities taking into account the most material risks per industry/sector, using a similar scoring range as the Investment Manager's ESGC scoring methodology. MSCI is a leading provider of research, data and technology for the global investment

community.

**Exclusions:** The Investment Manager will exclude credit instruments with direct exposure to controversial weapons and direct material exposure (>10% of revenue) to the following sectors: tobacco and thermal coal producers.

The Investment Manager then scores the credit instruments for the below E, S, G and C factors.

**Governance** includes G factors under a range of pillars as follows: board (ownership and related party transactions), pay, audit, stakeholders (country of majority of operation and regulated activity) and controversies.

**Social** includes S factors under a range of pillars as follows: the policies, operations, product or services and governance (as applicable) of employees, customers, communities and controversies.

**Environment** (ex Climate) includes E factors under a range of pillars as follows: the consumption and impact of toxic emissions, energy, water, waste and environmental controversies.

**Climate** includes C factors under a range of pillars as follows: exposure (carbon emissions), ability (transition targets), willingness (recent relative change in emissions) and climate controversies.

This analysis of the above factors results in E, S, G and C scores for each credit instrument. This scoring is integrated into the Investment Manager's credit decision making, as set out below. G is dealt with separately to E, S and C.

Governance is assumed to be material to credit worthiness. As a result, G scores (calculated using the above G factors) are used to size positions, with a negative risk decision impacting internal credit ratings, and with internal ratings impacting the sizing of positions. Anything below a baseline governance level is automatically excluded. Baseline governance is an assessment of the minimum level of governance that the Investment Manager would expect to see. In addition to the impact on credit worthiness, in the Investment Manager's experience, companies with poor governance standards have a higher likelihood of having poor E, S and C metrics. Low G scoring credit instruments above the baseline threshold will be engaged with, along with the engagement process for E, S and C factors described below.

E, S and C factors are used to calculate scores for each credit instrument. Low E, S and C scores will lead to a secondary assessment. This involves analysing if the low E, S and C scores impact the credit profile of the company.

Where there is no material impact on the credit worthiness as a result of the secondary assessment, then a low score will lead to an engagement process with the relevant issuer where the Investment Manager believes there is the potential for the issuer to improve its policies. The Investment Manager evaluates whether there is such scope to engage by researching and assessing different sources of data, where available, including but not limited to, an issuer's/company's annual reports, sustainability reports, existing ESGC policies and communicating with management to discuss such ESGC policies/plans and how these are expected to evolve. Engagement with the credit issuer is periodic, including periodic re-evaluations of the business and its policies along with mitigation steps taken by the issuer over time. If there is no 'significant improvement' of the score then the position sizing will be re-evaluated, with potential for full disinvestment.

If the E, S, G and C score is thought by the Investment Manager to impact credit worthiness materially, then the Fund will not invest in the relevant credit instrument or will consider smaller sizing depending on severity of impact, or where already invested, then the internal credit rating of the relevant issuer will be adjusted accordingly and the position will re-sized, reduced or exited entirely depending on the specific circumstances.

Please refer to Appendix 1 of this Supplement for further information in respect of the Fund's promotion of ESG characteristics.

## **PROFILE OF A TYPICAL INVESTOR**

The Fund is suitable for both retail and institutional investors who are seeking income. This typically means a minimum time horizon of 3 to 5 years but this could vary depending upon individual risk profiles.

## **INVESTMENT RESTRICTIONS**

The assets of the Fund will be invested in accordance with the concentration limits and other restrictions imposed under the UCITS Regulations and summarised in the “Investment Restrictions” section of the Prospectus.

In addition to the restrictions set out under “Investment Restrictions” in the Prospectus, the Company may from time to time impose such further investment restrictions as shall be compatible with or in the interest of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders of the Fund are located.

## **INVESTMENT RISKS**

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the “Investment Risks” section of the Prospectus and in particular the specific risk factors listed below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making an application for Shares. There is no guarantee that the Fund will achieve its investment objective.

Basis Risk

Change in Economic Climate

Counterparty Risk

Credit Risk

Diversification Risk

Exchange Traded Funds Risk

Fund Currency Risk

Investment Grade Securities and Instruments

Investor Currency Risk

Loan Participations

Market Risk

Portfolio Risk

Risks associated with Forward Currency Contracts

Risks of Emerging Markets Investing

Risks of Investing in Sub-Investment Grade Corporate Debt Instruments

Settlement Mechanisms / Custodial Risk

Share Currency Designation Risk

Sub-Investment Grade Securities

Unrated Securities and Instruments

## APPLICATION FOR SHARES

Unlaunched Shares in the Fund will initially be available for subscription from 9.00 a.m. (Irish time) on 26 March 2024 up to 5.00 p.m. (Irish time) on 25 September 2024 (or such earlier or later Business Day as the Directors determine and notify to the Central Bank). The initial offer price per Share for each unlaunched Share Class will be in its respective Class Currency: AUD1, CAD1, CHF1, DKK1, EUR1, GBP1, NOK1, SEK1, SGD1 or USD1.

Shares in any launched Class will be available on each Dealing Day at the Net Asset Value per Share.

Shares will be issued at the next determined Net Asset Value per Share after receipt and acceptance by the Administrator of an application form ("**Application Form**").

Investors must complete an Application Form. Application Forms must be received by the Administrator by the Dealing Deadline, or such other time as the Management Company in consultation with the Company may from time to time determine in exceptional circumstances and prior to the Valuation Point on any Dealing Day, in order to be issued as of the next Net Asset Value per Share. Telephone instructions may be accepted with the prior agreement of the Administrator pending receipt of the Application Form and election to avail of this facility by the investor. A faxed Application Form will be accepted, with the original Application Form to follow. Application Forms may also be accepted via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank). In the case of a new investor, the Administrator must receive the original Application Form and AML documentation promptly or in advance of any dealing taking place to avoid delays with processing payments. The Company will deny a subsequent request to redeem shares if the relevant investor fails to submit an original executed Application Form. The Company may, in its absolute discretion, refuse to accept any application for Shares. Application monies must be received by the Administrator on the relevant Dealing Day or such other time as the Management Company in consultation with the Company may determine and in any event within three Business Days. Pending the receipt of application monies, the Fund may, subject to the borrowing restrictions set out under the heading "Borrowing Policy" in the Prospectus, temporarily borrow an amount equal to the application monies and invest such monies in accordance with the investment objective and policies of the Fund. Once the monies are received, the Fund will use such monies to repay the relevant borrowings and reserves the right to charge that investor interest on such outstanding application monies at normal commercial rates. In addition, the Company reserves the right to cancel provisional allotment of the relevant Shares where application monies are not received by the Administrator within three Business Days. Requests for investments received after the Valuation Point on any Dealing Day will be treated as being received on the next Dealing Day. The Company reserves the right to compulsorily redeem the Shares where the original Application Form used on initial subscription or documentation relating to the applicants has not been received within five Business Days. In such circumstances, the Company, the Management Company and Administrator may require to be reimbursed for expenses incurred.

Applications for Shares received during any period when the Share dealings have been temporarily suspended in the circumstances described in the "Temporary Suspension of Dealings" section of the Prospectus will be treated as received on the Dealing Day on which dealings recommence, unless such request has been withdrawn during the period of suspension.

## Share Class Information

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
A			AUD	2,000	200	2,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
M	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000	2,000	200,000
			CAD	200,000	2,000	200,000
			CHF	100,000	1,000	100,000
			DKK	1,000,000	10,000	1,000,000
			EUR	100,000	1,000	100,000
			GBP	100,000	1,000	100,000
			NOK	1,000,000	10,000	1,000,000
			SEK	1,000,000	10,000	1,000,000
			SGD	200,000	2,000	200,000
			USD	100,000	1,000	100,000
R	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			
			DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
S	Income and Accumulation Shares are available	Hedged and unhedged Shares are	AUD	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion	N/A - at Investment Manager's discretion
			CAD			
			CHF			

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
		available except for the Base Currency, where only unhedged Shares are available	DKK			
			EUR			
			GBP			
			NOK			
			SEK			
			SGD			
			USD			
V	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	200,000,000	20,000,000	200,000,000
			CAD	200,000,000	20,000,000	200,000,000
			CHF	100,000,000	10,000,000	100,000,000
			DKK	1,000,000,000	100,000,000	1,000,000,000
			EUR	100,000,000	10,000,000	100,000,000
			GBP	100,000,000	10,000,000	100,000,000
			NOK	1,000,000,000	100,000,000	1,000,000,000
			SEK	1,000,000,000	100,000,000	1,000,000,000
			SGD	200,000,000	20,000,000	200,000,000
			USD	100,000,000	10,000,000	100,000,000
W	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	AUD	2,000	200	2,000
			CAD	2,000	200	2,000
			CHF	1,000	100	1,000
			DKK	10,000	1,000	10,000
			EUR	1,000	100	1,000
			GBP	1,000	100	1,000
			NOK	10,000	1,000	10,000
			SEK	10,000	1,000	10,000
			SGD	2,000	200	2,000
			USD	1,000	100	1,000
Z	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged	AUD	6,000,000	100,000	6,000,000
			CAD	6,000,000	100,000	6,000,000
			CHF	3,000,000	50,000	3,000,000
			DKK	30,000,000	500,000	30,000,000
			EUR	3,000,000	50,000	3,000,000
			GBP	3,000,000	50,000	3,000,000
			NOK	30,000,000	500,000	30,000,000

Share Class	Type	Hedging Policy	Currencies	Minimum Investment	Minimum Additional Subscription	Minimum Holding
		Shares are available	SEK	30,000,000	500,000	30,000,000
			SGD	6,000,000	100,000	6,000,000
			USD	3,000,000	50,000	3,000,000

Whilst shares are available in the categories as listed in the above table, confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator. Other currencies may be made available as determined by the Directors, in which case this Supplement will be updated.

The Directors may for each relevant Class waive such minimum amounts in their absolute discretion. The Company may compulsorily redeem holdings in any Class of Shares if such holding is below the minimum holding as set out in the above table for a period of three months or more.

Application proceeds must be paid in the currency in which the relevant Class is denominated or by transfer of assets in accordance with the provisions specified in the Prospectus. Application for Shares by new investors should be made on the Application Form and sent in original form or by facsimile to the number indicated on the Application Form (with the original copy sent by post immediately thereafter) to the Administrator.

Telephone calls may be recorded by the Company's delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes.

Class A Shares are available to all investors. Retail investors wishing to purchase Class A Shares should do so via their financial intermediary.

Class M Shares are available for investment by platforms and institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners.

Class R Shares are available only to affiliates of the Investment Manager.

Class S Shares are available only to institutional investors who have entered into a separate fee arrangement with the Investment Manager or the Distributor.

Class V Shares are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.

Class W Shares are available to all investors. Retail investors wishing to purchase Class W Shares should do so via their financial intermediary.

Class Z Shares are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.

## REDEMPTIONS

The Fund redeems Shares at their Net Asset Value per Share on each Dealing Day following due receipt of a redemption request. Redemption requests must be received in proper form and are only effective upon acceptance by the Administrator. Redemption requests will not be acted upon until the Administrator has received the original Application Form used on initial subscription.

Shares may be redeemed on any Dealing Day by way of facsimile, other written communication, via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank) to the Administrator provided that the relevant redemption request is received by the Administrator no later than the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine, in exceptional circumstances on the relevant Dealing Day provided it is before the Valuation Point. Redemption requests received after the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine on the relevant Dealing Day, will be treated as being received on the following Dealing Day. Redemption proceeds will be paid to the account outlined in the Application Form used on original subscription. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption requests must specify the Shareholder's full name, address and Shareholder number and the number or value of Shares to be redeemed. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption proceeds, which are paid by way of electronic transfer, will be sent within three days of the Dealing Day on which the redemption is effected.

### **DIVIDEND POLICY**

The Directors may declare a dividend, for the benefit of the Shareholders invested in the Fund, arising out of net income (including dividend and interest income) and the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund.

Currently the Directors anticipate making dividend distributions in respect of the Fund out of the net income (including dividend and interest income) from its investments and may from time to time distribute the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund. Accordingly, any net income arising in respect of the Fund will be distributed to investors in the Fund in accordance with their respective shareholdings.

For each accumulating Class, the Directors have determined to reinvest all net income and net realised capital gains of the relevant accumulating Class. Accordingly, no dividends will be paid in respect of accumulating Classes and all net income and net realised capital gains of the accumulating Classes will be reflected in the Net Asset Value per Share of the accumulating Classes.

The Directors may, however, at their discretion, change the dividend policy and, upon advance notification to Shareholders, amend this Supplement to reflect such change.

Dividend distributions in respect of the Fund will be automatically re-invested in further Shares in the Fund unless the Shareholder shall have elected that dividends be paid by wire transfer to their account outlined in the original Application Form. Dividend distributions will be paid within four months of the date of declaration of such dividends by the Directors.

#### Proposed Distribution Dates for income Classes:

Period for which income will be distributed	Accounting end date	Ex-Dividend Date	Pay Date
1 July – 31 December	31 December	1 January	28 February
1 January – 30 June	30 June	1 July	31 August



## BORROWING POLICY

Under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company, subject to any limitations under the UCITS Regulations, and the Depositary is empowered to charge the assets of the Company as security for any such borrowings.

The Company intends that the Fund may incur temporary borrowings in an amount not exceeding 10% of its net assets. However, the amount of outstanding borrowings and repurchase agreements will not exceed 10% of the net assets of the Fund.

## FEES AND EXPENSES

The Company will pay the Fund Management Fee per Class at the rate set out in the table below. The Fund Management Fee will accrue daily and be payable monthly in arrears. Details of the maximum preliminary charge and the maximum Distribution Fee that may be applied to specific Classes are also set out in the table below.

Share Class	Maximum Preliminary Charge	Fund Management Fee	Maximum Distribution Fee
A	5.00%	See footnote *	0.00%
A Hedged	5.00%	See footnote *	0.00%
M	0.00%	0.59%	0.00%
M Hedged	0.00%	0.63%	0.00%
R	0.00%	0.09%	0.00%
R Hedged	0.00%	0.13%	0.00%
S	0.00%	0.09%	0.00%
S Hedged	0.00%	0.13%	0.00%
V	0.00%	See footnote *	0.00%
V Hedged	0.00%	See footnote *	0.00%
W	2.00%	See footnote *	1.00%
W Hedged	2.00%	See footnote *	1.00%
Z	0.00%	0.44%	0.00%
Z Hedged	0.00%	0.48%	0.00%

\*The Fund Management Fee is up to 2.5%, but may be lower in practice. Please contact the Investment Manager for further information. Confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator.

The Distribution Fee shown above in the table is the maximum that can be charged. This fee (where applicable) is paid to the Distributor for providing distribution-related services to the Fund and Shareholders.

Where the Annual Expenses exceed the Fund Management Fee for the relevant Class, the excess will be discharged by the Investment Manager from its own assets. In the event the actual Annual Expenses incurred are below the Fund Management Fee for the relevant Class, any such difference will be retained for the benefit of the relevant Class.

The Annual Expenses are the following fees and expenses set out in the section headed “FEES AND EXPENSES” in the Prospectus: (i) Management Fees of the Management Company (ii) Investment Management Fees; (iii) Administration Fees; (iv) Depositary Fees; (v) Director’s Fees; and (vi) Operating Expenses. Investors should refer to the section headed “FEES AND EXPENSES” in the Prospectus.

All other fees and expenses of the Fund (such as such extraordinary or exceptional costs and expenses not included above) will be borne by the Fund and will be charged at normal commercial rates.

Class R Shares and Class S Shares may be subject to a periodic charge payable outside the Fund as agreed between the Investment Manager and the relevant investor.

The Management Company and the Investment Manager shall also be entitled to all reasonable out of pocket costs and expenses incurred in the proper performance of their respective duties.

### **Redemption Charge**

The Company does not intend to apply a redemption charge in respect of any Class of Shares.

### **Swing Pricing**

The actual cost of purchasing investments may be higher or lower than the value used in calculating the Net Asset Value. These costs may include dealing charges, commission and transaction charges and the dealing spread and may have a materially disadvantageous effect on a Shareholder’s interest in the Fund. To prevent this effect, known as “dilution”, the Management Company in consultation with the Company may determine, at their discretion, to adjust (“swing”) the Net Asset Value per Share of the Fund, in the circumstances set out in the “Fees and Expenses” section of the Prospectus.

### **Establishment Costs of the Fund**

The establishment costs of the Fund will be borne by the Investment Manager.

## APPENDIX I

### ANNEX II

#### Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name:** Royal London Short Duration Emerging Markets Corporate Bond Fund (the "Fund") **Legal entity identifier:** N/A

### Environmental and/or social characteristics

#### Does this financial product have a sustainable investment objective?

☒ ☒ ☐ **Yes**

☒ ☐ ☒ **No**

☐ It will make a minimum of **sustainable investments with an environmental objective**: \_\_\_\_%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective**: \_\_\_\_%

☐ It **promotes Environmental/ Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☐ with a social objective

☒ It promotes E/S characteristics, but **will not make any sustainable investments**

#### What environmental and/or social characteristics are promoted by this financial product?

The Fund adopts a multi-layered approach to the promotion of Environmental, Social and Governance (ESG) characteristics, as follows:

**Governance** includes G factors under a range of pillars: board (ownership and related party transactions), pay, audit, stakeholders (country of majority of operation and regulated activity) and controversies.

**Social** includes S factors under a range of pillars: the policies, operations, product or services and governance (as applicable) of employees, customers, communities and controversies.

**Environment** (ex Climate) includes E factors under a range of pillars: the consumption and impact of toxic emissions, energy, water, waste and environmental controversies.

**Climate** includes C factors under a range of pillars: exposure (carbon emissions), ability (transition targets), willingness (recent relative change in emissions) and climate controversies.



The Investment Manager's approach is to score the above ESGC (Environmental, Social, Governance and Climate) factors on every issuer the Fund invests in or proposes to invest in and resize (or exclude depending on severity) those where the credit worthiness is impacted. Where credit worthiness is not materially impacted, the Investment Manager will engage with low scoring companies to try to improve their ESGC scoring. If there is no significant improvement over a period of time, then these will be disinvested from. Further information on the promotion of ESG characteristics is outlined below.

Exclusions: The Investment Manager will exclude credit instruments with direct exposure to controversial weapons and direct material exposure (>10% of revenue) to the following sectors: tobacco and thermal coal producers.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

○ ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The Investment Manager looks at each credit instrument in detail and applies factors (as detailed above in the description of the ESGC characteristics promoted by the Fund) to score each credit instrument across E, S, G and C metrics based on a 1 – 10 rating scale. A "low score" is where the score is in the bottom quartile of MSCI ESG scores. MSCI ESG scores aim to measure a company's management of ESG risks and opportunities taking into account the most material risks per industry/sector, using a similar scoring range as the Investment Manager's ESGC scoring methodology. MSCI is a leading provider of research, data and technology for the global investment community.

This analysis of the above factors results in E, S, G and C scores for each credit instrument. This scoring is integrated into the Investment Manager's credit decision making. G is dealt with separately to E, S and C.

Governance is assumed to be material to credit worthiness. As a result, G scores (calculated using the above G factors) are used to size positions, with a negative risk decision impacting internal credit ratings, which impact the sizing of positions. Anything below a baseline governance level is automatically excluded. Low G scoring credit instruments above the baseline threshold will be engaged with.

Low E, S and C scores will lead to a secondary assessment analysing the impact on credit worthiness, determined on a case-by-case basis.

Where there is no material impact on the credit worthiness, then a low score will lead to an engagement process with the relevant issuer where the Investment Manager believes there is the potential for the issuer to improve its policies. The Investment Manager evaluates whether there is such scope to engage by researching and assessing different sources of data, where available, including but not limited to, an issuer's/company's annual reports, sustainability reports, existing ESGC policies and communicating with management to discuss such ESGC policies/plans and how these are expected to evolve. Engagement with the credit issuer is periodic, including periodic re-evaluations of the business and its policies along with mitigation steps taken by the issuer over time, to assess improvement in the scores over a two-year period. If there is no 'significant improvement' of the score then the position sizing will be re-evaluated, with potential for full disinvestment.

If the E, S, G and C score is thought by the Investment Manager to impact credit worthiness materially, then the Fund will not invest in the relevant credit instrument or will consider smaller sizing depending on severity of impact, or where already invested, then the internal credit rating of the relevant issuer will be adjusted accordingly and the position will re-sized, reduced or exited entirely depending on the specific circumstances.

○ ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not Applicable – the Fund promotes E/S characteristics but will not make any sustainable investments.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not Applicable – the Fund promotes E/S characteristics and will not make any sustainable investments.

- *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The Investment Manager has built an in-house technological solution for the consideration and reporting of Principal Adverse Impacts ("PAI's"). Analysis of this data is carried out as an input into investment decisions.

- *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not Applicable – the Fund promotes E/S characteristics and will not make any sustainable investments.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



**Does this financial product consider principal adverse impacts on sustainability factors?**

☐ **Yes**

☒ **No**

The principal adverse impacts of investment decisions on sustainability factors are not currently considered at Fund level as it is not practicable or proportionate to do so given the investment strategy and due to the specific investment outcomes targeted by the strategy of the Fund. This position will be kept under review by the Investment Manager and may change over time.



**What investment strategy does this financial product follow?**

The Fund will be managed using the Investment Manager's disciplined credit investment process focusing on security selection combined with top-down macroeconomic analysis. The Investment Manager's value-orientated approach seeks to exploit the inefficiencies within credit markets. At the macro level, the Investment Manager's analysis starts with a monthly macro review which covers all major economic regions and focuses upon key

variables such as growth rates and inflation. This strategy is also used to formulate the Investment Manager's outlook scenarios, including long-term yield and interest rate forecasts which helps to shape its investment strategy. The Investment Manager also undertakes internal research on companies, which is supplemented by research from rating agencies and the sell side (brokers/banks). The internal research analysis includes building detailed financial credit models that incorporate historic data and forecasts, which generate existing and expected credit metrics. This is then fed into the Investment Manager's credit view of a target business. The Investment Manager's internal rating methodology looks not only at the probability of default (where credit ratings agencies place their focus) but also the protection offered to its clients (covenants and security), and it also considers ESGC factors as part of the credit review (as described in detail above under "*What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?*"). As part of the Investment Manager's rigorous internal research process, a number of company visits may be undertaken to help assess the quality of companies within the Fund's portfolio. Overall, the Investment Manager aims to construct a diversified portfolio that will deliver consistent alpha from multiple sources.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

As described above under "*What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?*", the Investment Manager scores ESGC factors on every issuer the Fund invests in or proposes to invest in and resizes (or excludes depending on severity) those where the credit worthiness is impacted. Anything below a baseline governance level is automatically excluded. Baseline governance is an assessment of the minimum level of governance that the Investment Manager would expect to see. In addition to the impact on credit worthiness, in the Investment Manager's experience, companies with poor governance standards have a higher likelihood of having poor E, S and C metrics. Where credit worthiness is not materially impacted, the Investment Manager will engage with low scoring companies to try to improve their ESGC scoring. If there is no significant improvement over a period of time, then these will be disinvested.

Exclusions: The Investment Manager will exclude credit instruments with direct exposure to controversial weapons and direct material exposure (>10% of revenue) to the following sectors: tobacco and thermal coal producers.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Investment Manager does not apply a minimum committed rate and will manage the Fund in alignment with the investment strategy and its ESG processes.

**Good governance practices** include sound management structures, employee relations, remuneration of staff and tax compliance.

- ***What is the policy to assess good governance practices of the investee companies?***

The Fund operates in line with the Investment Manager's good governance policy. The Investment Manager believes governance is material to credit worthiness. As a result, G (governance) scores are used to size positions, with a negative risk decision impacting internal credit ratings, and internal ratings impacting the sizing of positions. Anything below a baseline governance level is automatically excluded. Low G scoring credit instruments above the baseline threshold will be engaged with.

The Investment Manager will allocate G scores based on G factors under a range of pillars as follows: board (ownership and related party transactions), pay, audit, stakeholders (country of majority of operation and regulated activity) and controversies. These are aligned with the Investment Manager's principles of good governance and consistent with the currently disclosed SFDR definitions of good governance. Each of the factors is considered within the scoring framework.



#### Asset allocation

describes the share of investments in specific assets.

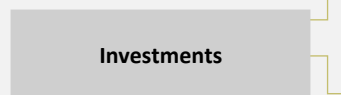
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

#### What is the asset allocation planned for this financial product?

80-100% of the Fund's Net Asset Value will be invested in emerging market corporate bonds which will be aligned with the environmental and/or social characteristics promoted by the Fund. The Fund does not commit to invest in Taxonomy aligned investments.



**#1 Aligned with E/S characteristics**  
**80-100%**

**#2 Other**  
**0-20%**

**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund can invest in credit-linked notes (which may embed derivatives). Investment in credit-linked notes (CLN) will not exceed 10% of the Net Asset Value of the Fund. The underlying issuer of a CLN will be subjected to the same process as per the other investments in the Fund, as described above.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable - the Fund does not commit to invest in Taxonomy aligned investments.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

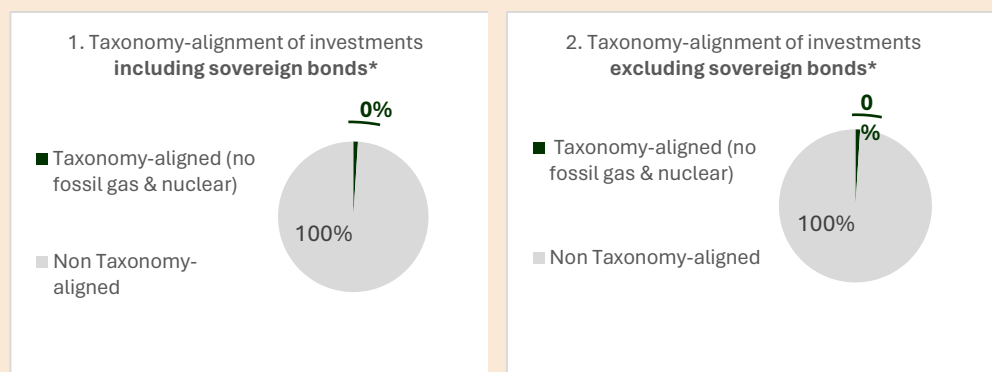
☐ Yes

☐ In fossil gas

☐ In nuclear energy

☒ No

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

- **What is the minimum share of investments in transitional and enabling activities?**

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What is the minimum share of socially sustainable investments?**

Not Applicable - the Fund promotes E/S characteristics but will not make any sustainable investments.



**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "#2 Other" are cash, cash equivalents and hedging instruments which are not subject to any minimum environmental or social safeguards. Cash and cash equivalents do not affect the promoted environmental and / or social characteristics of the Fund. The assessment of issuers and of

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214



counterparties for cash and hedging instruments focusses on the creditworthiness of these parties, which can be impacted by sustainability risks.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

- ***How does the designated index differ from a relevant broad market index?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

- ***Where can the methodology used for the calculation of the designated index be found?***

Not Applicable - no reference benchmark has been designated for the purpose of determining alignment with the environmental and/or social characteristics that the Fund promotes.

**Where can I find more product specific information online?**

More product-specific information can be found on the Fund information and Factsheets section of the website: <https://www.rlam.com>



The Directors of the Company accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information. The Directors accept responsibility accordingly.

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## **ROYAL LONDON US EQUITY FUND**

**(A sub-fund of Royal London Asset Management Funds plc which is an investment company (with segregated liability between sub-funds) with variable capital constituted as an umbrella fund under the laws of Ireland and authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended))**

**DATE: 25 March 2024**

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This Supplement forms part of, and should be read in the context of and together with, the prospectus dated 25 March 2024 (the “Prospectus”) in relation to Royal London Asset Management Funds plc (the “Company”) and contains information relating to the Royal London US Equity Fund (the “Fund”) which is a separate portfolio of the Company. The other portfolios established by the Company are the Royal London Sterling Extra Yield Bond Fund, the Royal London Global High Yield Bond Fund, the Royal London Short Duration Global High Yield Bond Fund, the Royal London Absolute Return Government Bond Fund, the Royal London Global Bond Opportunities Fund, the Royal London Sterling Liquidity Money Market Fund, the Royal London Global Sustainable Credit Fund, the Royal London Global Sustainable Equity Fund (IRL), the Royal London Global Equity Diversified Fund (IRL), the Royal London European Sustainable Credit Fund, the Royal London Multi Asset Defensive Fund (IRL), the Royal London Multi Asset Balanced Fund (IRL), the Royal London Multi Asset Growth Fund (IRL), the Royal London Multi Asset Adventurous Fund (IRL), the Royal London Global Equity Select Fund (IRL), the Royal London Global Equity Enhanced Fund, the Royal London Global Equity Transitions Fund, the Royal London Emerging Markets Corporate Bond Fund and the Royal London Short Duration Emerging Markets Corporate Bond Fund, information in respect of which is to be found in the Relevant Supplements.

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## DEFINITIONS

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein.

<b>“Base Currency”</b>	For the purposes of this Supplement, the base currency shall be USD;
<b>“Business Day”</b>	a day on which banks are open in London or such other day or days as may be determined by the Company and agreed with the Administrator, provided there shall be at least two Business Days in each calendar month;
<b>“Dealing Day”</b>	shall mean each Business Day except for any day on which an underlying market or markets on which at least 50% of the Fund's assets are exposed or traded are closed, for example for public holidays, or such other day or days as may be determined by the Company and notified in advance to the Shareholders provided that, there shall be at least two dealing days in each calendar month. In circumstances where the threshold for closed underlying markets has been met or exceeded, dealing in the Fund's Shares will take place on the next Business Day on which such underlying market or markets are open. A list of the closed market days in respect of the Fund is available on the Investment Manager's website at <a href="http://www.rlam.com">www.rlam.com</a> ;
<b>“Dealing Deadline”</b>	5.00 p.m. Irish time on each Dealing Day or such other day or time as may be determined by the Company and notified to the Shareholders;
<b>“Valuation Point”</b>	means the close of business in the relevant market on each Dealing Day, being the time at which the last traded price is made available on the relevant stock exchanges or markets used for the purpose of the valuation of assets and liabilities of the Fund (or such other time as the Directors may in their discretion determine and notify to Shareholders). For the avoidance of doubt, the Valuation Point for a particular Dealing Day shall not be before the Dealing Deadline relevant to such Dealing Day.

## INVESTMENT OBJECTIVES AND POLICIES

The Fund invests primarily in transferable securities listed or traded on Recognised Markets in accordance with the restrictions listed in the “Investment Restrictions” section of the Prospectus and below. In addition, the Fund may employ for the purpose of efficient portfolio management, certain of the investment techniques and instruments described in the “Fund Investment Techniques” and “Investment Risks” sections of the Prospectus, as detailed further below.

This Supplement has been prepared solely for, and is being made available to investors for the purposes of evaluating an investment in Shares in the Fund. Investors should only consider investing in the Fund if they understand the risks involved, including the risk of losing all capital invested.

### Investment Objective

The Fund’s investment objective is to outperform the MSCI USA Index (USD) (Net Total Return) (the “**Benchmark**”) before fees per annum over rolling-three year periods by actively investing in the shares of US companies.

### Investment Policy

The Fund will seek to achieve its investment objective by investing predominantly, at least 80% of its Net Asset Value in the shares of US companies that are listed on Recognised Markets, these will be businesses that are listed on stock exchanges in the US or businesses which predominantly operate in the US, that the Investment Manager believes can create wealth for shareholders. The Investment Manager builds the portfolio to maximise exposure to companies with higher wealth creation potential whilst ensuring a low to moderate level of risk relative to the Benchmark.

The Benchmark is a flagship US equity index designed to measure the performance of the large and mid-cap segments of the US market. Further information in respect of the Benchmark is available on request from the Investment Manager. Investors should note that the Benchmark is used for performance comparison purposes and, as an actively managed fund, the portfolio may contain positions in companies that are at different weights to those in the Benchmark and the Fund may invest in companies that are not constituents of the Benchmark. The Fund will typically be invested in a diversified portfolio of approximately 80-120 holdings and would aim to operate within a tracking error range of 1-2% versus the Benchmark.

The Fund may also invest up to 10% in other investment funds, known as collective investment schemes (“**CIS**”), including funds managed by the Investment Manager or another Royal London group company, which will be regulated, and may be leveraged or unleveraged, as well as eligible exchange traded funds (“**ETFs**”). Such CIS may be domiciled globally. The Fund may invest in such CIS for the purposes of achieving its investment objective and policy.

The Fund may receive warrants as a result of corporate actions. No more than 10% of the Net Asset Value of the Fund will be held in warrants.

A limited amount of assets (around 5% or less) may be held in cash for efficient portfolio management purposes and to manage the flow of investors’ money in and out of the Fund.

**Investors should note that there can be no guarantee that the Fund will achieve its investment objective.**

**Investors should note that the Fund may use currency forward contracts as detailed below and in the “Efficient Portfolio Management” section and “Share Currency Designation Risk” in the “Investment Risks” section of the Prospectus to hedge currency exposure arising from the Fund’s investments in assets denominated in currencies other than the Base Currency and to hedge currency exposure arising in respect of the hedged Share Classes. The global exposure of the Fund will be calculated through the use of the commitment approach. With respect to the use of currency forward contracts for the purpose of hedging, a risk management process which enables the Company to accurately measure, monitor and manage the various risks associated with financial derivative instruments has been submitted to the Central Bank in accordance with**

the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019.

The Fund's global exposure is the incremental exposure and leverage generated by it through the use of financial derivative instruments such as its purchase of futures or forwards. The global exposure of the Fund is calculated using the commitment approach, whereby positions in financial derivative instruments are calculated, based in the case of both futures or forwards (using the conversion methodologies set out in the risk management process for the Company), on the market value of the underlying reference instrument. As the Fund is using the commitment approach to calculate its global exposure, it must ensure that such global exposure does not exceed its total Net Asset Value. The Fund will be deemed to be leveraged where it has a global exposure of greater than zero and as provided above, the calculation of such global exposure also includes incremental exposure generated through the use of financial derivative instruments including the purchase of futures or forwards. In that context, the Fund will not be leveraged in excess of 100% of Net Asset Value.

### **Efficient Portfolio Management**

The Fund may use financial derivative instruments for efficient portfolio management and hedging purposes only. Investors should refer to the investment techniques and instruments described under "Fund Investment Techniques" and "Investment Risks" in the Prospectus.

In particular, the Fund may use spot and currency forward contracts to hedge the non-Base Currency positions in the Fund back to the Base Currency in order to reduce currency risk. Index futures may also be used for the purpose of efficient portfolio management.

### **Currency Forward Contracts**

Currency forward contracts are agreements to exchange one currency for another - for example, to exchange a certain amount of US Dollars for a certain amount of Sterling - at a future date. The date (which may be any agreed-upon fixed number of days in the future), the amount of currency to be exchanged and the price at which the exchange will take place are negotiated and fixed for the term of the contract at the time that the contract is entered into. Currency forward contracts may be bought or sold in either deliverable or non-deliverable form.

The underlying assets for currency forward contracts shall be currencies in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the "Investment Objective and Policies" section.

### **Futures**

The Fund may use index futures. The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price.

Index futures are based on the value of the basket of securities that comprise an index. These contracts obligate the buyer or seller to pay cash to settle the futures transaction, based on the fluctuation of the index's value in response to the change in the relative values of the underlying securities that are included in the index over the term of the contract. No delivery of the underlying securities is made to settle the futures contract. The buyer or seller of an index future is obligated to pay cash to settle the transaction, based on the fluctuation of the index's value in response to the changes in the relative values of the underlying securities that are included in the index over the term of the contract. Either party may also settle the transaction by entering into an offsetting contract. An index cannot be purchased or sold directly.

The underlying assets for futures shall be instruments in which the Fund can invest directly in accordance with its investment objective and policy, as described above in the "Investment Objective and Policies" section.

It is intended that the Fund shall only employ techniques and instruments for efficient portfolio management purposes to the extent that such techniques and instruments are consistent with the Fund's investment policies. The use of financial derivative instruments by the Fund may affect the return on an Investor's investment. Any financial derivative instruments not included in the risk management process statement of the Company will not be utilised until such time as a revised submission has been cleared by the Central Bank.

The Fund will not have any exposure to total return swaps, Repo Contracts or stock-lending transactions.

### **PROFILE OF A TYPICAL INVESTOR**

The Fund is suitable for both retail and institutional investors who are seeking a combination of investment growth and income. This typically means a minimum time horizon of 3-5 years but this could vary depending upon individual risk profiles.

### **RESPONSIBLE INVESTMENT**

Whilst the Fund does not promote any specific ESG characteristics or have a sustainable investment objective, the assessment of ESG Risks through the analysis of ESG factors is part of the Fund's investment process in line with the RI Policy, as detailed in the "RESPONSIBLE INVESTMENT" section of the Prospectus. In the Investment Manager's view, ESG Risks can materially affect a company's financial performance and competitiveness. However, ESG Risks are just some of a number of considerations in the overall research process so may not in isolation drive the selection or exclusion of an issuer or security from the investment universe. The Investment Manager believes that the Fund will be exposed to a broad range of ESG Risks. In assessing these risks, the Investment Manager draws upon a wide variety of sources such as internal research and external sources such as company meetings to assess any potential impact on the value of a security over the time horizon of the Fund.

As the Fund is broadly diversified, it is not anticipated that any single ESG Risk will materially drive a negative financial impact on the value of the Fund. Further details on the ESG Risks considered and their potential impacts are in the "RESPONSIBLE INVESTMENT" and "INVESTMENT RISKS" sections of the Prospectus.

The investments underlying the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

### **INVESTMENT RESTRICTIONS**

The assets of the Fund will be invested in accordance with the concentration limits and other restrictions imposed under the UCITS Regulations and summarised in the "Investment Restrictions" section of the Prospectus.

In addition to the restrictions set out under "Investment Restrictions" in the Prospectus, the Company may from time to time impose such further investment restrictions as shall be compatible with or in the interest of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders of the Fund are located.

### **INVESTMENT RISKS**

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the "Investment Risks" section of the Prospectus and in particular the specific risk factors listed below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making an application for Shares. There is no guarantee that the Fund will achieve its investment objective.

Basis Risk

Counterparty Risk

Diversification Risk

Emerging Markets Risk

Equity Markets Risk

Exchange Traded Funds Risk

Fund Currency Risk

Investor Currency Risk

Market Risk

Risks associated with Forward Currency Contracts

Settlement Mechanisms/Custodial Risk

Share Currency Designation Risk

Smaller Companies Risk

## APPLICATION FOR SHARES

Unlaunched Shares in the Fund will initially be available for subscription from 9.00 a.m. (Irish time) on 26 March 2024 up to 5.00 p.m. (Irish time) on 25 September 2024 (or such earlier or later Business Day as the Directors determine and notify to the Central Bank). The initial offer price per Share for each unlaunched Share Class will be in its respective Class Currency: AUD1, CAD1, CHF1, DKK1, EUR1, GBP1, NOK1, SEK1, SGD1 or USD1.

Shares in any launched Class will be available on each Dealing Day at the Net Asset Value per Share.

Shares will be issued at the next determined Net Asset Value per Share after receipt and acceptance by the Administrator of an application form ("**Application Form**").

Investors must complete an Application Form. Application Forms must be received by the Administrator by the Dealing Deadline, or such other time as the Management Company in consultation with the Company may from time to time determine in exceptional circumstances and prior to the Valuation Point on any Dealing Day, in order to be issued as of the next Net Asset Value per Share. Telephone instructions may be accepted with the prior agreement of the Administrator pending receipt of the Application Form and election to avail of this facility by the investor. A faxed Application Form will be accepted, with the original Application Form to follow. Application Forms may also be accepted via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank). In the case of a new investor, the Administrator must receive the original Application Form and AML documentation promptly or in advance of any dealing taking place to avoid delays with processing payments. The Company will deny a subsequent request to redeem shares if the relevant investor fails to submit an original executed Application Form. The Company may, in its absolute discretion, refuse to accept any application for Shares. Application monies must be received by the Administrator on the relevant Dealing Day or such other time as the Management Company in consultation with the Company may determine and in any event within three Business Days. Pending the receipt of application monies, the Fund may, subject to the borrowing restrictions set out under the heading "Borrowing Policy" in the Prospectus, temporarily borrow an amount equal to the application monies and invest such monies in accordance with the investment objective and policies of the Fund. Once the monies are received, the Fund will use such monies to repay the relevant borrowings and reserves the right to charge that investor interest on such outstanding application monies at normal commercial rates. In addition, the Company reserves the right to cancel provisional allotment of the relevant Shares where application monies are not received by the Administrator within three Business Days. Requests for investments received after the Valuation Point on any Dealing Day will be treated as being received on the next Dealing Day. The Company reserves the right to compulsorily redeem the Shares where the original Application Form used on initial subscription or documentation relating to



the applicants has not been received within five Business Days. In such circumstances, the Company, the Management Company and Administrator may require to be reimbursed for expenses incurred.

Applications for Shares received during any period when the Share dealings have been temporarily suspended in the circumstances described in the “Temporary Suspension of Dealings” section of the Prospectus will be treated as received on the Dealing Day on which dealings recommence, unless such request has been withdrawn during the period of suspension.

### Share Class Information

2 Share Class	3 Type	4 Hedging Policy	5 Currencies	6 Minimum Investment	7 Minimum Additional Subscription	8 Minimum Holding
9	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	12 AU D	13 2,000	14 200	15 2,000
			16 CA D	17 2,000	18 200	19 2,000
			20 CH F	21 1,000	22 100	23 1,000
			24 DK K	25 10,000	26 1,000	27 10,000
			28 EU R	29 1,000	30 100	31 1,000
			32 GB P	33 1,000	34 100	35 1,000
			36 NO K	37 10,000	38 1,000	39 10,000
			40 SE K	41 10,000	42 1,000	43 10,000
			44 SG D	45 2,000	46 200	47 2,000
			48 US D	49 1,000	50 100	51 1,000
52	Income and Accumulation Shares are available	Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	55 AU D	56 200,000	57 2,000	58 200,000
			59 CA D	60 200,000	61 2,000	62 200,000
			63 CH F	64 100,000	65 1,000	66 100,000
			67 DK K	68 1,000,000	69 10,000	70 1,000,000
			71 EU R	72 100,000	73 1,000	74 100,000
			75 GB P	76 100,000	77 1,000	78 100,000

2 Share Class	3 Type	4 Hedging Policy	5 Currencies	6 Minimum Investment	7 Minimum Additional Subscription	8 Minimum Holding
			79 NO K	80 1,000,000	81 10,000	82 1,000,000
			83 SE K	84 1,000,000	85 10,000	86 1,000,000
			87 SG D	88 200,000	89 2,000	90 200,000
			91 US D	92 100,000	93 1,000	94 100,000
95	96 Income and Accumulation Shares are available	97 Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	98 AU D	99 N/A - at Investment Manager's discretion	100 N/A - at Investment Manager's discretion	101 N/A - at Investment Manager's discretion
			102 CA D			
			103 CH F			
			104 DK K			
			105 EU R			
			106 GB P			
			107 NO K			
			108 SE K			
			109 SG D			
			110 US D			
111	112 Income and Accumulation Shares are available	113 Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	114 AU D	115 N/A - at Investment Manager's discretion	116 N/A - at Investment Manager's discretion	117 N/A - at Investment Manager's discretion
			118 CA D			
			119 CH F			
			120 DK K			
			121 EU R			

2 Share Class	3 Type	4 Hedging Policy	5 Currencies	6 Minimum Investment	7 Minimum Additional Subscription	8 Minimum Holding
			122 GB P			
			123 NO K			
			124 SE K			
			125 SG D			
			126 US D			
127	128 Income and Accumulation Shares are available	129 Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	130 AU D	131 200,00 0,000	132 20,000, 000	133 200,0 00,000
			134 CA D	135 200,00 0,000	136 20,000, 000	137 200,0 00,000
			138 CH F	139 100,00 0,000	140 10,000, 000	141 100,0 00,000
			142 DK K	143 1,000,0 00,000	144 100,00 0,000	145 1,000 ,000,000
			146 EU R	147 100,00 0,000	148 10,000, 000	149 100,0 00,000
			150 GB P	151 100,00 0,000	152 10,000, 000	153 100,0 00,000
			154 NO K	155 1,000,0 00,000	156 100,00 0,000	157 1,000 ,000,000
			158 SE K	159 1,000,0 00,000	160 100,00 0,000	161 1,000 ,000,000
			162 SG D	163 200,00 0,000	164 20,000, 000	165 200,0 00,000
			166 US D	167 100,00 0,000	168 10,000, 000	169 100,0 00,000
170	171 Income and Accumulation Shares are available	172 Hedged and unhedged Shares are available except for the Base Currency, where only unhedged	173 AU D	174 2,000	175 200	176 2,000
			177 CA D	178 2,000	179 200	180 2,000
			181 CH F	182 1,000	183 100	184 1,000
			185 DK K	186 10,000	187 1,000	188 10,00 0

2 Share Class	3 Type	4 Hedging Policy	5 Currencies	6 Minimum Investment	7 Minimum Additional Subscription	8 Minimum Holding
		Shares are available	189 EU R	190 1,000	191 100	192 1,000
			193 GB P	194 1,000	195 100	196 1,000
			197 NO K	198 10,000	199 1,000	200 10,000
			201 SE K	202 10,000	203 1,000	204 10,000
			205 SG D	206 2,000	207 200	208 2,000
			209 US D	210 1,000	211 100	212 1,000
213	214 Income and Accumulation Shares are available	215 Hedged and unhedged Shares are available except for the Base Currency, where only unhedged Shares are available	216 AU D	217 6,000,000	218 100,000	219 6,000,000
			220 CA D	221 6,000,000	222 100,000	223 6,000,000
			224 CH F	225 3,000,000	226 50,000	227 3,000,000
			228 DK K	229 30,000,000	230 500,000	231 30,000,000
			232 EU R	233 3,000,000	234 50,000	235 3,000,000
			236 GB P	237 3,000,000	238 50,000	239 3,000,000
			240 NO K	241 30,000,000	242 500,000	243 30,000,000
			244 SE K	245 30,000,000	246 500,000	247 30,000,000
			248 SG D	249 6,000,000	250 100,000	251 6,000,000
			252 US D	253 3,000,000	254 50,000	255 3,000,000
256 Whilst shares are available in the categories as listed in the above table, confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator. Other currencies may be made available as determined by the Directors, in which case this Supplement will be updated.						
257 The Directors may for each relevant Class waive such minimum amounts in their absolute discretion. The Company may compulsorily redeem holdings in any Class of Shares if such holding is below the minimum holding as set out in the above table for a period of three months or more.						
258 Application proceeds must be paid in the currency in which the relevant Class is denominated or by transfer of assets in accordance with the provisions specified in the Prospectus. Application for Shares by new						

2 Share Class	3 Type	4 H edging Policy	5 Cur rencies	6 Minimu m Investment	7 Minimu m Additional Subscription	8 Mini mum Holding
<p>investors should be made on the Application Form and sent in original form or by facsimile to the number indicated on the Application Form (with the original copy sent by post immediately thereafter) to the Administrator.</p> <p>259 Telephone calls may be recorded by the Company's delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes.</p> <p>260 <b>Class A Shares</b> are available to all investors. Retail investors wishing to purchase Class A Shares should do so via their financial intermediary.</p> <p>261 <b>Class M Shares</b> are available for investment by platforms and institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners.</p> <p>262 <b>Class R Shares</b> are available only to affiliates of the Investment Manager.</p> <p>263 <b>Class S Shares</b> are available only to institutional investors who have entered into a separate fee arrangement with the Investment Manager or the Distributor.</p> <p>264 <b>Class V Shares</b> are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.</p> <p>265 <b>Class W Shares</b> are available to all investors. Retail investors wishing to purchase Class W Shares should do so via their financial intermediary.</p> <p>266 <b>Class Z Shares</b> are available for investment by institutions such as pension funds, corporates and official institutions and may also be utilised by distributors that are restricted either due to regulatory constraints or due to the nature of the individual fee arrangements with their clients or meet such other requirements as may be determined by the Directors. In such circumstances no trailer fee will be paid to any sales partners. Investment into these Classes is subject to approval by the Directors and execution of a separate agreement between the investor and the Investment Manager.</p>						

## REDEMPTIONS

The Fund redeems Shares at their Net Asset Value per Share on each Dealing Day following due receipt of a redemption request. Redemption requests must be received in proper form and are only effective upon acceptance by the Administrator. Redemption requests will not be acted upon until the Administrator has received the original Application Form used on initial subscription.

Shares may be redeemed on any Dealing Day by way of facsimile, other written communication, via electronic means or any such other means as agreed with the Administrator (and in accordance with the requirements of the Central Bank) to the Administrator provided that the relevant redemption request is received by the Administrator no later than the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine, in exceptional circumstances on the relevant Dealing Day provided it is before the Valuation Point. Redemption requests received after the Dealing Deadline or such other time as the Management Company in consultation with the Company may from time to time determine on the relevant Dealing Day, will be treated as being received on the following Dealing Day. Redemption proceeds will be paid to the account outlined in the Application Form used on original subscription. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

There are no minimum redemptions in respect of the Classes of Shares. Redemption requests must specify the Shareholder's full name, address and Shareholder number and the number or value of Shares to be redeemed. Any changes to the account details where redemption proceeds are to be paid must be notified to the Administrator by original instruction.

Redemption proceeds, which are paid by way of electronic transfer, will be sent within three days of the Dealing Day on which the redemption is effected.

### **DIVIDEND POLICY**

The Directors may declare a dividend, for the benefit of the Shareholders invested in the Fund, arising out of net income (including dividend and interest income) and the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund.

Currently the Directors anticipate making dividend distributions in respect of the Fund out of the net income (including dividend and interest income) from its investments and may from time to time distribute the excess of realised and unrealised capital gains over realised and unrealised capital losses in respect of investments of the Fund. Accordingly, any net income arising in respect of the Fund will be distributed to investors in the Fund in accordance with their respective shareholdings.

For each accumulating Class, the Directors have determined to reinvest all net income and net realised capital gains of the relevant accumulating Class. Accordingly, no dividends will be paid in respect of accumulating Classes and all net income and net realised capital gains of the accumulating Classes will be reflected in the Net Asset Value per Share of the accumulating Classes.

The Directors may, however, at their discretion, change the dividend policy and, upon advance notification to Shareholders, amend this Supplement to reflect such change.

Dividend distributions in respect of the Fund will be automatically re-invested in further Shares in the Fund unless the Shareholder shall have elected that dividends be paid by wire transfer to their account outlined in the original Application Form. Dividend distributions will be paid within four months of the date of declaration of such dividends by the Directors.

#### Proposed Distribution Dates for "Inc" Share Classes:

<b>Period for which income will be distributed</b>	<b>Accounting end date</b>	<b>Ex-Dividend Date</b>	<b>Pay Date</b>
1 July – 31 December	31 December	1 January	28 February
1 January – 30 June	30 June	1 July	31 August

### **BORROWING POLICY**

Under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company, subject to any limitations under the UCITS Regulations, and the Depositary is empowered to charge the assets of the Company as security for any such borrowings.

The Company intends that the Fund may incur temporary borrowings in an amount not exceeding 10% of its net assets. However, the amount of outstanding borrowings and repurchase agreements will not exceed 10% of the net assets of the Fund.

### **FEES AND EXPENSES**

The Company will pay the Fund Management Fee per Class at the rate set out in the table below. The Fund Management Fee will accrue daily and be payable monthly in arrears. Details of the maximum

preliminary charge and the maximum Distribution Fee that may be applied to specific Classes are also set out in the table below.

Share Class	Maximum Preliminary Charge	Fund Management Fee	Maximum Distribution Fee
A	5.00%	See footnote *	0.00%
A Hedged	5.00%	See footnote *	0.00%
M	0.00%	0.38%	0.00%
M Hedged	0.00%	See footnote *	0.00%
R	0.00%	0.08%	0.00%
R Hedged	0.00%	See footnote *	0.00%
S	0.00%	0.13%	0.00%
S Hedged	0.00%	See footnote *	0.00%
V	0.00%	See footnote *	0.00%
V Hedged	0.00%	See footnote *	0.00%
W	2.00%	See footnote *	1.00%
W Hedged	2.00%	See footnote *	1.00%
Z	0.00%	0.28%	0.00%
Z Hedged	0.00%	See footnote *	0.00%

\*The Fund Management Fee is up to 2.5%, but may be lower in practice. Please contact the Investment Manager for further information. Confirmation of whether a Class has launched, the date of launch and its current status are available from the Administrator.

The Distribution Fee shown above in the table is the maximum that can be charged. This fee (where applicable) is paid to the Distributor for providing distribution-related services to the Fund and Shareholders.

Where the Annual Expenses exceed the Fund Management Fee for the relevant Class, the excess will be discharged by the Investment Manager from its own assets.

The Annual Expenses are the following fees and expenses set out in the section headed “FEES AND EXPENSES” in the Prospectus: (i) Management Fees of the Management Company (ii) Investment Management Fees; (iii) Administration Fees; (iv) Depositary Fees; (v) Director’s Fees; and (vi) Operating Expenses. Investors should refer to the section headed “FEES AND EXPENSES” in the Prospectus.

All other fees and expenses of the Fund (such as such extraordinary or exceptional costs and expenses not included above) will be borne by the Fund and will be charged at normal commercial rates.

Class R Shares and Class S Shares may be subject to a periodic charge payable outside the Fund as agreed between the Investment Manager and the relevant investor.

The Management Company and the Investment Manager shall also be entitled to all reasonable out of pocket costs and expenses incurred in the proper performance of their respective duties.

### **Redemption Charge**

The Company does not intend to apply a redemption charge in respect of any Class of Shares.

### **Swing Pricing**

The actual cost of purchasing investments may be higher or lower than the value used in calculating the Net Asset Value. These costs may include dealing charges, commission and transaction charges and the dealing spread and may have a materially disadvantageous effect on a Shareholder's interest in the Fund. To prevent this effect, known as "dilution", the Management Company in consultation with the Company may determine, at their discretion, to adjust ("**swing**") the Net Asset Value per Share of the Fund, in the circumstances set out in the "Fees and Expenses" section of the Prospectus.

### **Establishment Costs of the Fund**

The establishment costs of the Fund were borne by the Investment Manager.