Royal London US Equity Tilt Fund

Sustainability Disclosure Requirements (SDR) Consumer Facing Document

This disclosure applies to the Royal London US Equity Tilt Fund (the Fund) and the Investment Manager is Royal London Asset Management Limited.

Product reference number: 633621

Publication Date:
02 December 2024

Sustainable investment labels help investors find products that have a specific sustainability goal.

This Fund does not have a UK sustainable investment label as it does not meet the FCA's SDR regulations qualifying criteria.

The Fund does qualify as a non-labelled fund that considers sustainability characteristics.

Please refer to our **Glossary** for definitions of investment terms.

This is an actively managed equity fund whereby the Investment Manager aims to deliver capital growth and income returns over medium term of a period of 3 to 5 years, by:

- investing in 350 of the UK largest companies by relative size and market value (market capitalisaton). The performance target is to deliver performance, after the deduction of charges, of the FTSE 350 Total Return GBP Index (the Index) over rolling 3-year periods; and

This is an actively managed equity fund whereby the Investment Manager aims to deliver capital growth and income returns over medium term of a period of 3 to 5 years, by:

- primarily investing in the largest companies listed on the New York Stock Exchange. The performance target is to deliver performance, after the deduction of charges, of the FTSE® USA GBP Net Total Return Index (the Index) over rolling 3-year periods; and
- maintaining at least a 30% lower carbon intensity than that of the Index.

Sustainability approach

The sustainability approach and characteristics of the Fund are to:

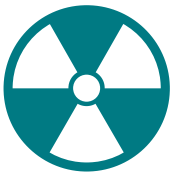
- improve the Weighted Average Carbon Intensity (WACI) relative to the Index. The calculation for this climate metric is detailed overleaf for the Fund's exposure to carbon intensive companies compared to the Index.
- reduce the Fund's exposure, relative to the Index, to companies involved in social controversies, human rights violations, tobacco related business, controversial weapons or poor corporate governance practices.

The Investment Manager does this by looking at environmental, social and governance (ESG) factors in the following ways:

1. **tilting away**: excludes or reduce investments, relative to the Index, in companies that generates 10% or more of its material business revenue from certain business activities or practices. Please refer to the Fund Prospectus for further details.

Thermal Coal

Tobacco products



Nuclear weapons

Poor corporate governance

Oil or tar sands

Human rights violations

Social controversies

2. **tilting towards**: investing in companies that demonstrate the potential to reduce carbon intensity to meet the Fund's investment objective and sustainability characteristics. For example, companies developing renewable energy.
3. **stewardship and company engagement**: to inform and encourage positive business practices of the companies in the Fund, by engaging with the companies, and voting at Annual General Meetings (AGM).

Sustainability metric

These metrics provide details about the sustainability characteristics of the fund and the assets held by the Fund and are assessed by the Investment Manager on an annual basis.

Climate metrics

The Fund uses the WACI climate metric which measures the Fund's exposure to carbon intensive companies held in the Fund and to understand the carbon consumption (carbon footprint) of the companies. The Greenhouse Gas (GHG) emissions that primarily tend to come from carbon dioxide (CO_2) considered here are:

- **Scope 1 emissions**: direct GHG emissions from sources that are owned or controlled by the company such as owned boilers or company cars.
- **Scope 2 emissions**: indirect GHG emissions from the consumption of purchased electricity and gas consumed by the company.
- **Scope 3 emissions**: excluded from these metrics as indirect GHG emissions that occur in a company's value / supply chain and are not directly controlled, it is harder to measure and report. For example, the emissions resulting from employees commuting to work.

Climate metric	Description	Fund	Benchmark[1]	Difference %	What does this mean?
WACI Scope 1 and 2 (tons CO_2e/$M sales)	The Fund's exposure to carbon intensive companies.	49.81	75.04	(33.63)	The Fund's WACI is at least 30% lower than the Index, in line with the Fund's objective
WACI Scope 1 and 2 coverage	% of companies in the Fund that have available data..	99.89%	99.84%	0.05	

Past performance is not a guide to future performance. All information as at 30 September 2024.

[1] FTSE® USA GBP Net Total Return Index (the Index) is considered a suitable benchmark for this Fund, as many of the companies the Fund invests in will be included in this Index.

Further details

For more information on the Fund or the risks of investing, please refer to the Prospectus or Key Investor Information Document (KIID), on our website **www.rlam.com/uk**. The annual SDR Fund report will be available for this Fund from 2 December 2025.

You can also find out more in our annual Royal London Climate (TCFD) Report and Royal London Asset Management Stewardship and Responsible reports **here**.

Important information

137315 11 2024