

FUND OVERVIEW

Fund Manager(s)	Azhar Hussain, Stephen Tapley
Fund Size	£2,841.58m
Fund Type	ICVC
Domicile	Ireland
ISA	Eligible
Duration to worst	4.1 years
Benchmark Duration	3.5 years
Benchmark Index	ICE BofA BB-B Global Non-Financial High Yield Constrained Hedge GBP
Investment Association Sector	IA Sterling High Yield
Currency	GBP
Initial Charge	0.0%
Fund Management Fee (FMF):	M Inc: 0.83% Z Inc: 0.58%

Share Class M (Income)

Unit Launch Date	12.03.13
Minimum Investment	£100,000
SEDOL	B8GCTN1
Mid Price	£0.81
Distribution Yield	5.08%

Share Class Z (Income)

Unit Launch Date	15.02.13
Minimum Investment	£3,000,000
SEDOL	B8K3800
Mid Price	£0.81
Distribution Yield	5.33%

ROYAL LONDON GLOBAL HIGH YIELD BOND FUND

29.02.24

Overview

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 BofA Merrill Lynch BB-B Global Non-Financial High Yield Constrained Index (the "Benchmark") by 1% per annum over rolling three year periods. The Benchmark is being used by the Fund for performance comparison purposes only and the Fund does not intend to track the Benchmark.

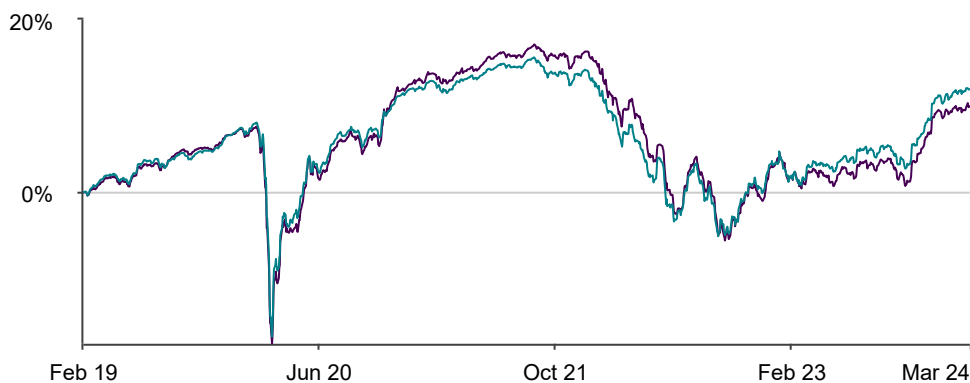
Year-on-year performance

	31.12.22 to 31.12.23	31.12.21 to 31.12.22	31.12.20 to 31.12.21	31.12.19 to 31.12.20	31.12.18 to 31.12.19
Share Class M (Income)	10.6%	-14.9%	3.4%	5.5%	11.4%
Share Class Z (Income)	10.8%	-14.6%	3.6%	5.8%	11.7%

Cumulative Performance (as at 29.02.24)

	3 Months	6 Months	1 Year	3 Years	5 Years
Share Class M (Income)	3.6%	5.9%	8.0%	-2.7%	10.0%
Share Class Z (Income)	3.7%	6.0%	8.2%	-2.0%	11.4%
ICE BofA BB-B Global Non- Financial High Yield Constrained Hedge GBP	3.9%	6.3%	9.8%	-0.1%	12.0%

Performance Chart



■ Global High Yield Bond M Inc ■ ICE BofA BB-B Global Non-Financial High Yield Constrained Hedge GBP

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

Source: RLAM and FE fundinfo as at 29.02.24. Fund performance is shown on a mid to mid price basis, net of fees and gross of taxes, with gross income reinvested unless otherwise stated. Benchmark performance is shown gross of fees and taxes.

Distribution History (Net)

	29/02/2024	31/08/2023
Share Class M (Income)	1.9853p	1.9869p
Share Class Z (Income)	2.0402p	2.0745p

Table above shows figures as at payment date.

Fund Manager(s)



Azhar Hussain

Co-manager
Fund Manager tenure:
15.02.13



Stephen Tapley

Co-manager
Fund Manager tenure:
15.02.13

Yield Definitions

The distribution yield reflects the amounts that may be expected to be distributed over the next 12 months. The underlying yield reflects the annualised income net of expenses of the Fund as a percentage (calculated in accordance with the relevant accounting standards). Both these yields are calculated as a percentage of the mid-price of the Fund as at the date shown and are month end snap shots of the portfolio on that day and do not include any preliminary charges. Investors may be subject to tax on distributions. Reported yields reflect RLAM's current perception of market conventions around timing of bond cash flows.

Unrated Bonds

Unrated bonds are not rated by a credit rating agency. RLAM ascribes internal ratings for these bonds which will vary for each asset.

Important Information

This is a financial promotion and is not investment advice.

The Fund is a sub-fund of Royal London Asset Management Funds plc, an open-ended investment company with variable capital (ICVC), with segregated liability between sub-funds. Incorporated with limited liability under the laws of Ireland and authorised by the Central Bank of Ireland as a UCITS Fund. It is a recognised scheme under the Financial Services and Markets Act 2000. The Management Company is FundRock Management Company SA, Registered office: 33 rue de Gasperich, L – 5826 Hesperange, Luxembourg and is authorised and regulated by the Commission de Surveillance du Secteur Financier (CSSF). The Investment Manager is Royal London Asset Management Limited. For more information on the Fund or the risks of investing, please refer to the Prospectus or Key Investor Information Document (KIID), available via the relevant Fund Information page on www.rlam.com. Most of the protections provided by the UK regulatory system, and the compensation under the Financial Services Compensation Scheme, will not be available.

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Please note that the impact of Futures is not considered as part of the overall fund Duration calculation; Fund level Duration is based on long only physical assets (incl cash).

Source: RLAM, FE fundinfo and HSBC as at 29.02.24, unless otherwise stated. Yield definitions are shown above.

Our ref: FS RLAM PD 0121

Breakdowns exclude cash and FX hedging.

More information on the sustainability factors for this fund can be found on our website at <https://www.rlam.com/intermediaries/policies-and-regulatory/>

Fund Commentary

The fund returned 0.18%, gross of fees, in February, which was behind the benchmark, the ICE BofA Merrill Lynch BB-B Global Non-Financial High Yield Constrained Index (100% GBP hedged), return of 0.27%. Against the fund's objective, outperforming its benchmark by 1% per annum over rolling three-year periods, it is slightly behind of the benchmark, gross of fees (-0.10% versus -0.06%). The global high yield market produced a GBP-hedged monthly return of +0.27% in February to mark four months in a row with positive returns. This return came from carry and spread tightening as global high yield spreads (BB-B index) tightened 35bps during the month with the government yield curve widening by 38bps during the month. The high yield market is now yielding 7.1% (YTW) with a duration of 3.6 years. The fund's yield, FX-adjusted, stood at 7.3% (YTW) at the end of February, with a duration of 4.1 years.

The month of February saw a continuation of the strong amount of high yield new issuance at \$26.5bn, down \$6bn from January but still higher than any other month since January 2022. The issuance was split 40% BB, 52% single B rated and 8% CCC rated companies. The US high yield default rate was unchanged in February, sitting at 2.3%. February's rate means the default rate in the US high yield market has not exceeded 3% since May 2021, and never topped 2.5% in 2023. For comparison, during the GFC the default rate was seen over 20% and it was over 7% during the pandemic. The global high yield rate inched higher, however, nudging upward to 2.8% from 2.7% but is lower than the 4.0% seen in February last year. These default levels would be entirely normal in an historic context, but the nature of the economic backdrop and strong company balance sheets means we expect default rates to grind higher, instead of sharply spiking. In the fund, the main contributors to our performance was our energy, leisure and telecommunications holdings. Relative to the benchmark, telecommunications was also a strong outperformer with our media bonds outperforming too. Lagging the benchmark, were our capital goods, retail and technology & electronics holdings – with all three also seeing negative total returns. By rating, both our BB and B rated bonds were behind the benchmark but our preference for single B rated bonds contributed strongly to performance. While outside the benchmark, our BBB & Above holdings recorded negative total returns but this was offset by our CCC & Below bonds. Regionally, our European holdings was the standout performer, relatively and in terms of total return. Our UK holdings also contributed, while our US and RoW holdings saw a poor relative return versus the benchmark. For the market, all regions produced positive returns during the month with the RoW relatively outperforming. With respect to sectors, only media and technology & electronics produced negative returns. Real estate was the outperformer on a relative basis.

This is not a recommendation or solicitation to buy or sell any particular security. The views and opinions expressed herein are those of the manager at the time and are subject to change without notice.

Sector Breakdown

	Fund	Index
Basic Industry	8.0%	9.4%
Capital Goods	10.0%	6.2%
Consumer Goods	3.1%	3.9%
Energy	10.3%	15.2%
Healthcare	9.0%	8.0%
Leisure	7.9%	7.5%
Media	13.3%	6.8%
Services	13.0%	6.3%
Technology & Electronics	4.2%	4.7%
Telecommunications	11.2%	8.1%
Other	9.9%	24.0%

The global funds sector classifications are based on ICE BofA sector level 3 classifications.

Credit Breakdown

Name	Fund	Index
AAA - A	4.5%	0.0%
BBB	3.4%	0.0%
BB	39.1%	59.5%
B	49.4%	40.5%
CCC	3.2%	0.0%
CC & Below	0.2%	0.0%
Unrated	0.3%	0.0%

Maturity Profile

	Fund	Index
0 - 5 years	64.9%	60.5%
5 - 10 years	27.9%	36.2%
10 - 15 years	0.0%	1.0%
15+ years	7.2%	2.4%

Maturity classifications reflect issue maturity date, not market interpretation of redemptions.
Totals may not equal 100% due to rounding.

Top 10 Holdings as at 29.02.24

	Fund
LIVE NATION ENTERTAINMENT INC 4.75 15-OCT-2027 144a (SENIOR)	1.4%
TRANSDIGM INC 5.5 15-NOV-2027 (SENIOR SUB)	1.2%
EMERALD DEBT MERGER SUB LLC 6.625 15-DEC-2030 144a (SECURED)	1.1%
WESCO DISTRIBUTION INC 7.25 15-JUN-2028 144a (SENIOR)	1.0%
SCIH SALT HOLDINGS INC 4.875 01-MAY-2028 144a (SECURED)	1.0%
CARNIVAL CORP 7.625 01-MAR-2026 144a (SENIOR)	1.0%
TELENET FINANCE LUXEMBOURG NOTES S 5.5 01-MAR-2028 144a (SECURED)	0.9%
TEVA PHARMACEUTICAL FINANCE NETHER 3.15 01-OCT-2026 (SENIOR)	0.9%
ROLLS-ROYCE PLC 5.75 15-OCT-2027 Reg-S (SENIOR)	0.9%
AMC NETWORKS INC 4.75 01-AUG-2025 (SENIOR)	0.9%
Total	10.3%
No of Holdings	259

Every effort is made to ensure the accuracy of any information provided but no assurances or warranties are given. Nothing in this factsheet should be construed as advice and is therefore not a recommendation to buy or sell shares.

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Key Concepts to Understand

Bonds: Securities that represent an obligation to repay a debt, with interest. Investment grade bonds are high quality bonds that are viewed as being highly likely to make all scheduled payments of interest and principal. Low quality bonds carry higher risk but also typically pay higher rates of interest.

Derivative: A financial instrument whose price is dependent upon or derived from one or more underlying asset.

Efficient Portfolio Management: An investment technique that allows the use of derivatives for at least one of the following purposes: to increase the value of the Fund; to protect the value of the Fund or to reduce the risks of certain investments.

Currency Hedged Share Classes: Currency Hedged Share Classes aim to provide investors with a return highly correlated to the return of the base currency share class by minimising the impact of exchange rate fluctuations between the base currency of the Fund and the investor's chosen currency. Derivatives are typically used to hedge the relevant share classes

Fund Risks

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

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

EPM Techniques: The Fund may engage in EPM techniques including holdings of derivative instruments. Whilst intended to reduce risk, the use of these instruments may expose the Fund to increased price volatility.

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

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

Liquidity Risk: In difficult market conditions the value of certain fund investments may be difficult to value and harder to sell, or sell at a fair price, resulting in unpredictable falls in the value of your holding.

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

Counterparty Risk: The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Fund to financial loss.