RBC BlueBay
Asset Management

BlueBay Impact-Aligned Bond Fund

Financing the road ahead

Unlocking capital for a sustainable transition

Sustainability Impact Report
July 2024 - June 2025

Marketing communication

Contents

Where this report references BlueBay, this is referring to the BlueBay fixed income investment platform. In this document, references to RBC GAM includes RBC Global Asset Management Inc. (including PH&N Institutional), RBC Global Asset Management (US) Inc., RBC Global Asset Management (UK) Limited (RBC GAM UK), RBC Global Asset Management (Asia) Limited, and BlueBay Asset Management LLP. These are separate, but affiliated subsidiaries of Royal Bank of Canada (RBC).

A note on data, information, and terminology contained in this report

Data and information

This report includes both quantitative and qualitative ESG data inputs and analytics sourced from third-party providers. Such data or analytics may be inaccurate or incomplete or unavailable, which could result in an incorrect assessment of held investments. Summary details of the methodologies associated with the metrics reported are included in section 6.2 of the Appendix in this report, with further information available directly from the third-party providers. The analysis primarily covers investments in corporate issuers, including sovereign, supranationals and agencies (SSAs) such as for development financial institutions (DFIs) only where there is data availability from third parties. Analysis is conducted at the issuer level, even where ESG-labelled bonds are held. Where relevant for the analysis, weights may be rebased to 100% in order to reflect the applicable in-scope investments. Exposure is reported based on the net asset value (NAV) metric unless otherwise stated.

The BlueBay Impact-Aligned Bond Fund ("fund") is an actively managed, total return strategy, which does not have an official benchmark. However, for illustrative purposes, in some instances, we have included a comparison against a broad global investment grade (IG) corporates market, the Bloomberg Global Aggregate Corporate Index ("Broad Market Global IG Corps Index"). This illustrative index has been selected as it best represents the primary investable universe of the strategy. We appreciate that this comparison can be helpful to investors despite there being meaningful differences in weightings in certain sectors between the fund and illustrative index. The climate and sustainability-related analysis for the fund and index is shown purely for illustrative purposes, and the strategy does not have an objective or requirement related to specific metrics. However, the analysis provides an illustrative example of one way to consider how investments in the fund are performing or contributing to these ESG or sustainability-related characteristics, using a third-party analytical tool. The data used in the analysis throughout this report is based on fund (and Broad Market Global IG Corp Index in some instances) constituents as at 30 June 2025, unless stated otherwise. In all instances, both fund and Broad Market Global IG Corps Index information were calculated for the same reference period stated. Where 'previous' is denoted, this is referring to the equivalent datapoint reported for the previous reference year end (specifically 28 June 2024), unless otherwise stated. Past information and results are not a guide to future performance.

Where specific issuers are named and profiled, these may not necessarily have been held in the fund during the reference period but may be highlighted as they are relevant to the strategy's investment universe. In other instances, they may relate to issuers that will have been held (or may remain holdings) at some point during the reference period. The information provided is to illustrate the investment process of the BlueBay Impact-Aligned Bond strategy and should not be deemed a recommendation to buy or sell any security or financial instrument.

Responsible investment (RI)-related activities reported (including analysis and engagements) are provided as illustrative examples and do not necessarily represent a complete list of those carried out during the reference period. Where data is provided on ESG engagement activities, it is likely the data provided may understate our actual instances of ESG engagement, as not all engagements are necessarily documented (e.g. ESG was not a material part of a discussion, or because documentation is conducted on a best-efforts basis). Engagement data reported refers exclusively to ESG engagements with issuers (as part of either direct or RI industry related engagements), although there may have been engagement with other stakeholders during the reference period. The data refers to the number of ESG engagement instances with issuers (of relevance to the investable universe) that were either held or not held in the fund during the period. ESG engagements may be tagged under multiple ESG topics.

Where the report references RI industry affiliations or professional associations, these are not an endorsement by any third-party to invest with RBC GAM UK and are not indicative of future performance. Investors should not rely on RI awards, industry affiliations, or professional associations for any purpose and should conduct their own review prior to investing. Some RI industry memberships or affiliations require a fee payment and confer benefits to investor members, such as access to resources and support to facilitate ESG incorporation efforts and attendance at convened events. Unless otherwise stated, the signatory/membership status is with RBC GAM and related to the organisation and is not related to funds. Further information is available upon request (noting that, in many, instances information will be available directly from public disclosures of the organisation itself).

Glossary of key ESG terms

'Environmental, social and governance' ("ESG") refers to a set of factors – environmental, social and governance-related – that may be considered in investing. Material ESG factors refers to ESG factors that in our judgement are most likely to have an impact on the financial performance of an issuer, security, and/or investment portfolio.

- *Environmental* factors refer to how an issuer interacts with its environment. Examples include climate change and natural resource management and use.
- *Social* factors refer to how an issuer interacts with its employees, customers, and communities. Examples are labour practices and community relations.
- *Governance* factors refer to how the issuer governs itself. Examples include board structure and independence, and bribery and corruption.

ESG integration refers to the ongoing incorporation of material ESG factors into investment decision-making with the aim of identifying potential risks and opportunities and improving risk-adjusted, long-term returns. On the BlueBay fixed income investment platform, issuers are assessed using BlueBay's proprietary issuer ESG evaluation framework, which results in the generation of two ESG metrics, the 'Fundamental ESG (Risk) Rating' and the 'Investment ESG Score':

- *Fundamental ESG (Risk) Rating*: this is assigned at an issuer level. Categories range from 'very high' ESG (Risk) Rating to 'very low' ESG (Risk) Rating. It is a function of the ESG risk profile of an issuer and how well it manages these risks.
- *Investment ESG Score*: the Investment ESG Score refers to the extent to which the ESG risk factors the issuer is exposed to are considered to have any financial/investment relevance and materiality. Scores range from '+3' through to '-3' and indicate the extent to which ESG is material from an investment perspective, as well as the nature and likely magnitude of the investment impact. An 'indicative' Investment ESG Score is the assigned score at the time of initial ESG analysis and is more reflective of the issuer level investment materiality of ESG risks, as there is not necessarily a specific security being considered for investment. For this reason, the 'actual' security level Investment ESG Score assigned for a specific investment may be different from the indicative one assigned, as that is more reflective of the view of ESG risks at an issue/security level.

NOTE: ESG evaluations are only completed for in-scope strategies, for specific issuer and security types and certain investment exposures.

Engagement refers to interactions with issuers, regulatory bodies, lawmakers, and other stakeholders, where applicable. As part of the investment process, our investment teams and RI team may engage on material ESG factors, where applicable. Our approach to engagement reflects our belief that issuers that manage their material ESG factors and related risks will likely reduce the probability of experiencing losses that would accompany an ESG-related incident.

- *Engagement for 'insight' (i.e. information gathering)* usually occurs to better understand an issuer's approach to material ESG factors and the steps it is taking to address these factors.
- *Engagement for 'improvement'* is where there is an explicit objective to encourage issuers to consider adopting specific ESG practices (e.g. seeking public disclosure of material ESG factors, encouraging management of specific material ESG factors, and/or where an issuer is lagging its peers requesting specific actions, when we believe the material ESG factor(s) may affect the value of the investment or portfolio).

Where there is ESG engagement, a variety of engagement methods may be employed depending on different factors and considerations, with the decision based on what investment teams consider to be most appropriate and effective for their desired engagement objective. We primarily engage with issuers through private dialogue, over time. The outcome of an engagement is generally not the sole factor in any investment decision. Instead, the information obtained from engagements on material ESG factors is one element that can help inform the investment case.

NOTE: in certain instances, for specific issuer and security types and certain investment exposures, there is no engagement with issuers.

Climate change refers to long-term shifts in the Earth's average global temperatures. **Greenhouse gases (GHG)** are gases that absorb and trap infrared radiation in the atmosphere. References to carbon emissions refer to CO_2 equivalents, which are inclusive of the six GHGs considered in the Kyoto Protocol: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF_6). The GHG Protocol, a global standard for measuring and reporting GHG emissions categorises GHG emissions into three scopes: scope 1, 2 and 3.

- *Scope 1 emissions* refers to direct emissions occurring from sources owned or controlled by an organisation.
- *Scope 2 emissions* are indirect emissions from the generation of purchased electricity, heat or steam by an organisation.
- *Scope 3 emissions* are indirect emissions resulting from sources that are not owned or directly controlled by an organisation, but that occur throughout their value chain.

Responsible investment (RI) is an umbrella term used to describe a broad range of approaches for incorporating ESG factors into the investment process. These approaches are not mutually exclusive; multiple approaches can be applied simultaneously within the investment process. At RBC GAM, RI includes the following investment strategies: ESG integration, ESG screening and exclusion, thematic ESG investing, and impact investing.

The **United Nations (UN) Sustainable Development Goals (SDGs)** were adopted in 2015 and provide a framework for action by countries for peace and prosperity, and for people and the planet, now and into the future.

1. Introduction

This is our fourth sustainability impact report for the BlueBay Impact-Aligned Bond Fund, covering the 12-month period from 1 July 2024 to 30 June 2025. We are pleased to report that the fund has continued to grow, ending the period with AUM of USD176.1 million, a growth of USD19.8 million from the previous reference period end date. A more supportive macro backdrop was repeatedly challenged by US policy shifts, persistent geopolitical tension, and ongoing volatility in rates and currency markets. Credit spreads on the other hand – in Europe, in particular – continued to tighten, buoyed by strong technicals, stable fundamentals, and relentless global demand for attractively high yields.

The period was marked by notable challenges, particularly for issuers in the renewable energy sector, who faced shifting policy support and volatile input costs, and for higher education institutions, where unpredictable changes in US rhetoric fuelled uncertainty around international student flows and research funding. Yet we have observed a degree of resilience amongst the majority of the issuers relevant to this strategy. This is evidenced by the fact that the fund ended the reference period with returns of 7.94% gross of fees, outperforming the Broad Market Global IG Corps Index return (which returned 7.34%). Sections 4 and 5 provide a more detailed review of markets and fund performance, as well as our outlook.

Such macroeconomic dynamics have meant that from a sustainability perspective, governments have been more focused on near-term priorities, such as shoring up national and regional security and defence as well as bolstering productivity and growth, and less on perceived longer-term environmental challenges such as climate change or increasing social inequalities. This is despite apparent growing consensus that some of these systemic sustainability issues may be approaching critical tipping points (Section 3) and that more urgent and decisive action over the next 1-2 years will determine the scale and severity of the impacts to come.

Yet, over this period, we have remained resolute in our conviction in what the strategy is seeking to deliver and continue to implement our philosophy with the same thought and discipline we always have.

In this report, we have again profiled examples of some investments we believe have strong long-term fundamentals given the nature of their core business activities and financial profiles (Section 2). We also continue to report on the latest ESG and sustainability performance of the fund (Section 3), outlining the impacts resulting from the issuers we provide capital to, as well as the contributions resulting from our investor activities. In particular, we have expanded reporting on nature, and this year we have included a spotlight on assessing the Net Impact Ratio (NIR) performance at the fund level.

As we look ahead (Section 5), at times like these it can be easy to take a more short-term view. However, we believe it is now more important than ever to maintain calm and a sense of perspective, and to remember that markets ultimately work in cycles. Whilst the current dynamics may appear to present numerous sustainability headwinds, our belief is that these will ultimately turn into tailwinds as markets shift and recover. Furthermore, there will most certainly be pockets of opportunity among the wider backdrop. As such, the challenge – and opportunity – is to ensure we position the fund to be ready for that recovery and take advantage of those opportunities. We continue to believe that key stakeholders globally will increasingly recognise that our future prosperity must be one that is ultimately built on a foundation of strong environmental sustainability and social inclusion.

The BlueBay Impact-Aligned investment team

Tom Moulds
Managing Director,
Senior Portfolio Manager

My-Linh Ngo
Senior Director
& Impact-Aligned Strategist,
Responsible Investment

Harrison Hill
Portfolio Manager

Robert Lambert
Portfolio Manager

2. Approach to making positive impact and contribution

The philosophy of the BlueBay Impact-Aligned Bond strategy is to seek to have a positive impact and contribution to society and the environment, as well as to generate attractive long-term, risk-adjusted returns.

In terms of positive impact and contribution, we believe the investments we look to finance will be increasingly valued by society and markets for their role in helping solve for many of the world's critical environmental and social challenges – and their market value is expected to increase accordingly. We also consider that our investment activities themselves can contribute to sustainability and safeguarding economic prosperity.

With regard to financial returns, we have designed the strategy to add value by maximising the upside when markets are performing well and focusing on capital preservation when markets are more challenged. While it has the flexibility to invest across the credit rating spectrum, issuer and instrument types, and geographies, this total return strategy seeks to invest predominantly in investment grade (IG) corporates.

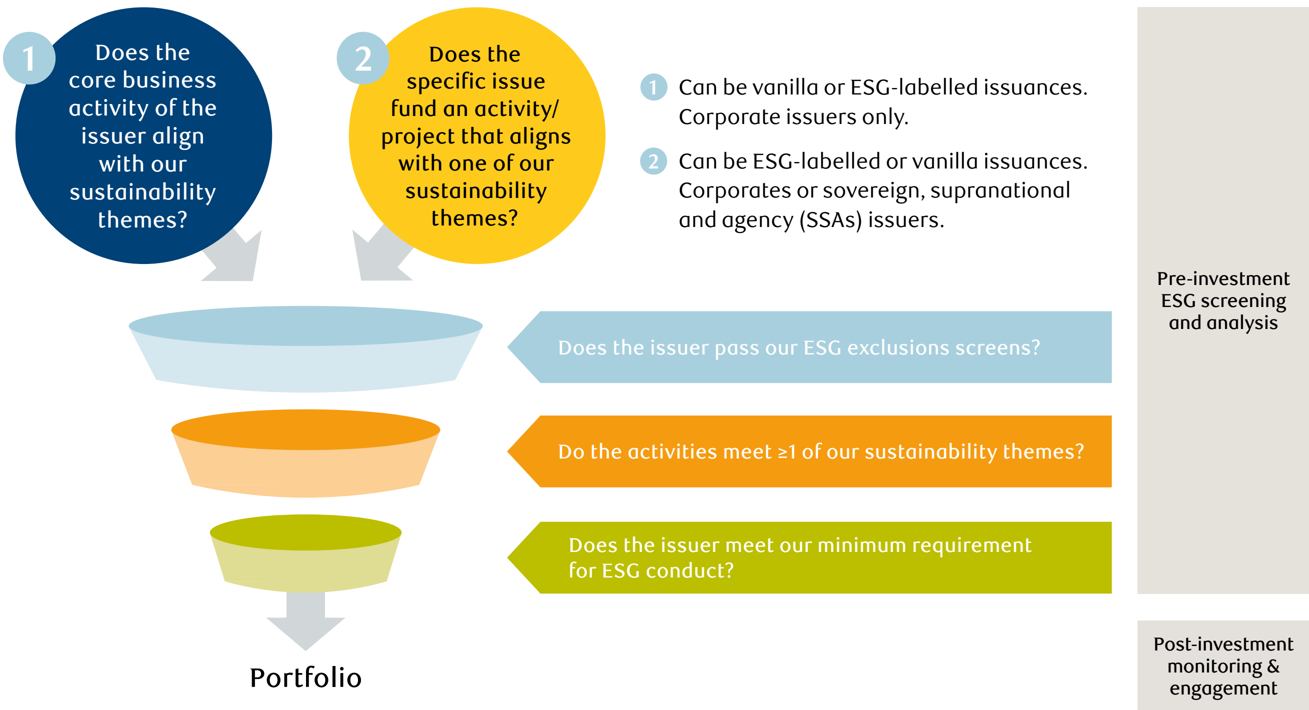
2.1 Issuer and issue-level impact

Positive impact derived from the issuer and instrument types we seek to provide financial capital to is focused on the associated economic activities delivering sustainability solutions. By being diversified in this way, the strategy is able to access a wide range of investment opportunities, greatly facilitating our ability to make a positive difference and seek out innovative investments.

"With regard to financial returns, we have designed the strategy to add value by maximising the upside when markets are performing well and focusing on capital preservation when markets are more challenged."

In order to be eligible, investments must fall into at least one of our seven 'People' and 'Planet' themes, three of which are socially orientated and target an outcome of high quality of life for people, and four of which are environmentally focused, to deliver a healthy natural environment.

How investments qualify – the two routes into the fund



Source: RBC GAM, for illustrative purposes only.
*Please refer to information in Section 6.1 on the strategy's overall ESG investment framework.
Further details are available here: Sustainability related disclosures (RBC BlueBay).

The BlueBay impact-aligned bond strategy's theory of change[1]

Key sustainability challenges

Our sustainability investment themes

- Achieving an inclusive society
- Building knowledge & skills
- Ensuring good health, safety & wellbeing
- Enabling a circular economy
- Promoting clean & safe energy
- Ensuring clean & plentiful water
- Promoting sustainable mobility & infrastructure

ESG & sustainability framework*

- **ESG exclusions** (product-based & norms-based)
- **Analysis of positive impact** of 1) issuer's economic activities or 2) the activities the instrument is funding / supporting
- **Analysis of overall issuer quality, including ESG** (Fundamental ESG (Risk) Rating)

Mechanisms for change available to us

- **Issuer-level investment selection** (inclusion / avoidance / divestment)
- **Security / instrument level investment selection** (e.g. primary (new funding) or secondary market; conventional bond or ESG-labelled debt)
- **Stewardship & engagement** (e.g. issuer / sectoral / policy / thematic level; non-issuer directed e.g. policymakers, regulators, civil society etc.)
- **Market signalling** (adding to overall investor signalling on our views)

Outputs and outcomes (positive)

(potential, illustrative)

Issuer and issue-level: e.g.

- Number of patients treated for ill health
- Number of students enrolled / graduated
- Number of people with access to affordable housing

Investor level: e.g.

Engagement efforts create an enabling policy & regulatory environment for issuers / instruments to prosper and realise positive impacts

Issuer and issue-level: e.g.

- Power generation from renewable energy sources
- Volume of waste recycled
- Volume of water saved / treated

Investor level: e.g.

Engagement efforts create an enabling policy regulatory environment for issuers / instruments to prosper and realise positive impacts

Impacts (positive)

(potential, illustrative)

High quality of life for people

A healthy natural environment

Source: RBC GAM. *Please refer to information in Section 6.1 on the strategy's overall ESG investment framework.
Further details are available here: Sustainability related disclosures (RBC BlueBay).

[1] A theory of change is essentially a description and illustration of how and why a desired change is expected to happen in a particular context. Further information on this concept is available here.

Our sustainability investment themes	Ways our investments are providing solutions (illustrative)	UN SDGs (illustrative)
Achieving an inclusive society Solutions promoting sustainable communities by ensuring inclusive and equitable access to essential services	▪ Offering affordable housing to facilitate social inclusion ▪ Delivering financial products & services to promote financial inclusion ▪ Providing telecommunication and technology products & services to facilitate digital inclusion ▪ Offering services supporting small-to-medium size and sustainable enterprises to promote vibrant economies	11 SUSTAINABLE CITIES AND COMMUNITIES
Building knowledge & skills Solutions promoting empowerment and lifelong learning through education as well as training and development opportunities	▪ Providing solutions for the educational market to improve academic literacy and empower individuals to realise their potential, as well as contribute to society and the economy ▪ Offering vocational training products & services to promote continuous/ lifelong learning and development	4 QUALITY EDUCATION
Ensuring good health, safety & wellbeing Solutions enhancing health, safety and wellbeing, as well as facilitating healthy lifestyles	▪ Providing products & services to enable medical research to promote improved knowledge and improve the effectiveness and efficiency of healthcare services delivery to maximise patients' access and treatment ▪ Producing drugs, medical devices, and equipment to prevent or treat ill health to save lives and to improve quality of life ▪ Offering products to safeguard against death, ill health, and injuries in the workplace, whilst travelling or in other settings ▪ Providing products & services to promote healthier lifestyles and diet	3 GOOD HEALTH AND WELL-BEING
Enabling a circular economy Solutions improving the quality of the environment through promoting sustainable consumption, and resource efficiency and stewardship	▪ Providing waste management and recycling services to minimise negative environmental impacts and increase circularity in material usage ▪ Offering products and services to tackle pollution, and conserve nature and biodiversity ▪ Providing environmental consultancy, testing, or monitoring services ▪ Improving the efficiency of processes to minimise environmental degradation ▪ Offering environmentally preferable products made from more sustainable materials which have a reduced environmental footprint	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Ensuring clean & plentiful water Solutions promoting sustainable water stewardship as well as good sanitation	▪ Providing water management and sewerage services to enable access to clean and safe water, and promote water recycling services ▪ Offering water equipment & technologies which improve efficiency and promote better water usage	6 CLEAN WATER AND SANITATION
Promoting clean & safe energy Solutions enabling the low carbon transition through adoption of alternative energy solutions	▪ Providing alternative sources of energy, such as renewables, which are low or zero carbon ▪ Reducing the impact of energy generation with cleaner technologies ▪ Offering solutions to transition energy infrastructure towards lower carbon power generation	7 AFFORDABLE AND CLEAN ENERGY
Promoting sustainable mobility & infrastructure Solutions facilitating shift to more sustainable transportation modes, buildings and infrastructure	▪ Offering products & services which promote mass transport solutions such as bus and rail to improve efficiency and reduce carbon emissions ▪ Providing technologies to reduce pollution from transportation ▪ Producing solutions to enable the shift to electrification to cut carbon emissions from transportation	11 SUSTAINABLE CITIES AND COMMUNITIES

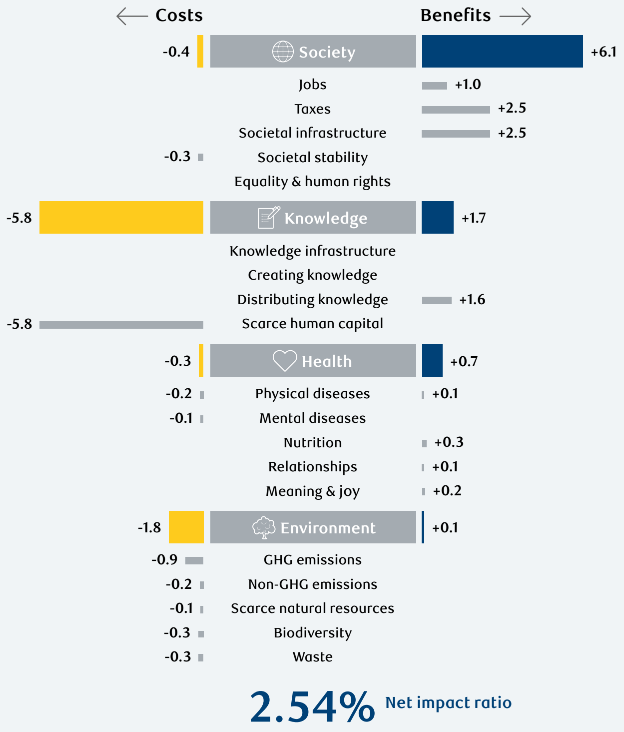
Source: RBC GAM. For illustrative purposes only.

*Please refer to information in Section 6.1 on the strategy's overall ESG investment framework.
Further details are available here: Sustainability related disclosures (RBC BlueBay).

Issuer	together.
Issuer type	Corporate
Qualification route	Route 1: Issuer's economic activities contributing to the theme(s)
Business description	Jerrold Finco PLC is a subsidiary of Together Finance Services Ltd (Together), a UK-based specialist mortgage lender to consumers.
Rationale – investment	Robust fundamentals with arrears falling and benefiting from interest rate cuts, augmented by good underlying asset cover and manageable leverage. Bond came with a coupon of 7.5%, which screened as attractive for a BB-rated 6-year pound sterling bond with a 2-year call.

Net Impact Profile

Jerrold has a net impact ratio (NIR) of +3%*, meaning its positive impact is 3% larger than its negative impact, largely driven by the positive impacts on society.



Source: The Upright Project, as at 30 June 2025 (*figures rounded to one decimal place). The NIR approach is used to evidence investee impact, with such analysis having been conducted post-investment, although it may subsequently potentially input into ongoing investment decision-making. Refer to Section 6.2 for more details on methodology.

Rationale – sustainability

Facilitating financial inclusion

Together focuses on under-served customers (e.g. the self-employed, small-to-medium sized enterprises (SMEs), and those with prior credit impairments) and helps them achieve their property ambitions by providing mortgages to those who otherwise would not have had access to mortgages from retail banks.

Key highlights*:

- 515 affordable properties financed over 2023/24 (compared to 237 in 2022/23).
- 5,483 tenants supported since 2022.
- Launched a partnership with Improveasy to provide property retrofit services and improve the Energy Performance Certificate (EPC) of its customers.

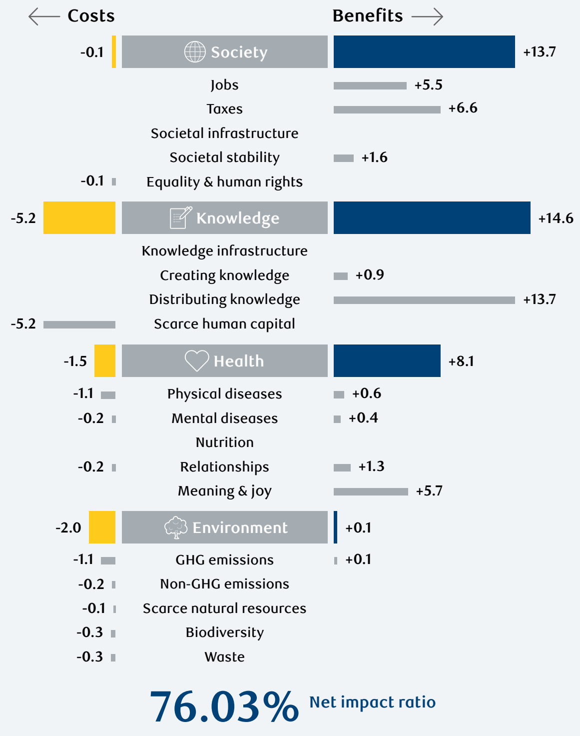
*Source: Together Sustainability Report 2024.

Source: RBC GAM, as at September 2025.
The information provided in this example of a holding is to illustrate the investment process of the strategy and should not be deemed a recommendation to buy or sell any security or financial instrument.

Issuer	McGraw Hill
Issuer type	Corporate
Qualification route	Route 1: Issuer's economic activities contributing to the theme(s)
Business description	McGraw Hill (McGraw) is a US education science company providing educational content, software, and services for students and educators across various levels – from K-12 to higher education and professional learning.
Rationale – investment	As a leader in the US educational publishing space, McGraw enjoys high recurring revenues and good visibility on cashflow. Our base expectation was that the company would potentially seek an equity listing (an initial public offering (IPO)) for the primary purpose of de-leveraging, and this was subsequently announced in July 2025. We hold a 6-year senior secured bond with an attractive 7.375% coupon.

Net Impact Profile

McGraw Hill has a NIR of +76%*, meaning its positive impact is 76% larger than its negative impact, largely driven by the positive performance in the areas of knowledge and society.



Source: The Upright Project, as at 30 June 2025 (*figures rounded to one decimal place). The NIR approach is used to evidence investee impact, with such analysis having been conducted post-investment, although it may subsequently potentially input into ongoing investment decision-making. Refer to Section 6.2 for more details on methodology.

Rationale – sustainability

Providing vocational/professional education & training

McGraw facilitates access to academic education and professional training, as a result of being a global provider of quality, accessible and affordable education solutions for learners and educators.

Key highlights*:

- McGraw is ranked in the top 2 in terms of US market position for educational materials in both K-12 and higher education markets.
- It distributes its products in 100+ countries, its solutions are produced in 80+ languages, and it partners with 27,000+ authors and educators across various fields of study.
- 95% of paper purchased directly in the US is certified by the Forest Stewardship Council (FSC) as sustainably and responsibly sourced, and the company aims for 100% globally in the future.

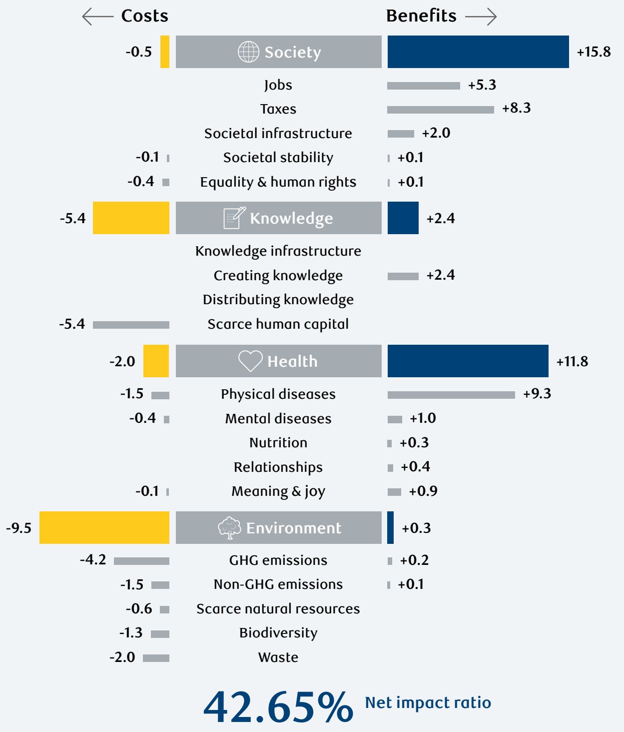
*Source: McGraw Hill Annual Impact Report 2024, SEC filing (S-1/A McGraw Hill Inc) July 2025.

Source: RBC GAM, as at September 2025.
The information provided in this example of a holding is to illustrate the investment process of the strategy and should not be deemed a recommendation to buy or sell any security or financial instrument.

Issuer	Alexandria
Issuer type	Corporate
Qualification route	Route 1: Issuer's economic activities contributing to the theme(s)
Business description	Alexandria Real Estate (Alexandria) is an office REIT focused on the life sciences and biomedical industry. It is a leading owner, operator and developer of laboratory/research space with 84% of revenues coming from public, private & institutional pharma, biotech, and life science tenants.
Rationale – investment	Alexandria presents a compelling credit investment opportunity, underpinned by a combination of strong fundamentals, high-quality tenants, disciplined capital management, and market leadership in life science real estate.

Net Impact Profile

Alexandria has a NIR of +43%*, meaning its positive impact is 43% larger than its negative impact, largely driven by the positive societal infrastructure impacts its activities facilitates.



Source: The Upright Project, as at 30 June 2025 (*figures rounded to one decimal place). The NIR approach is used to evidence investee impact, with such analysis having been conducted post-investment, although it may subsequently potentially input into ongoing investment decision-making. Refer to Section 6.2 for more details on methodology.

Rationale – sustainability

Ensuring good health, safety & wellbeing

Alexandria is uniquely focused on the essential life science industry and the infrastructure needed to support its important work in advancing human health. It pioneered the life science real estate niche market based on the principle of 'clustering' (comprising four components: location, innovation, talent and capital), which help foster scientific translation and collaboration, and accelerate the commercialisation of novel medicines.

Key highlights*:

- Over 54% of rental income is from properties with Leadership in Energy and Environmental Design (LEED) certification or those that are actively pursuing it.
- Already achieved a 18% reduction in operational GHG emissions intensity from 2022 to 2024, as part of a longer-term goal of 30% reduction by 2030.
- Earned the 2024 Nareit Sustainable Design Impact Award for projects that leverage geothermal energy and wastewater heat recovery as well as having GRESB Green Star status for the eighth consecutive year.

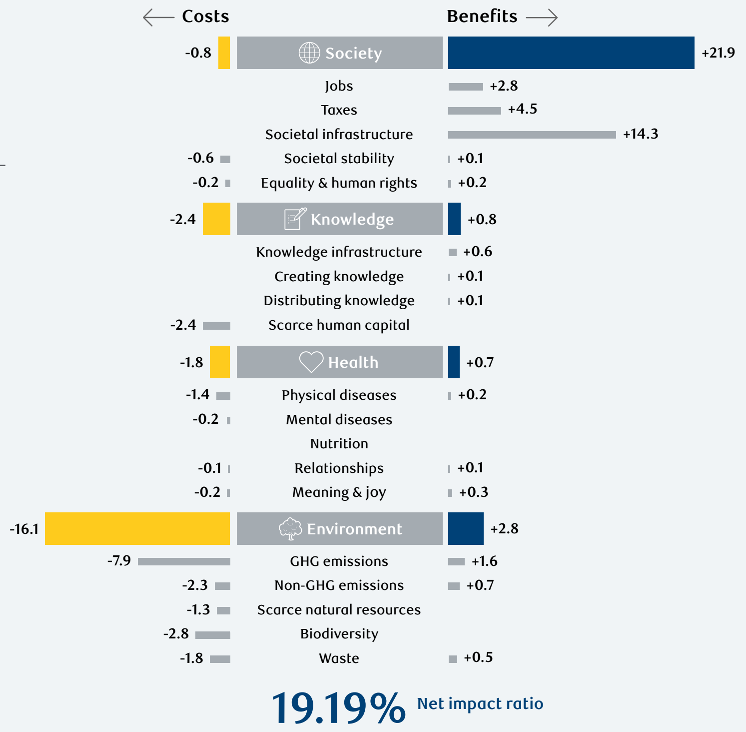
*Source: Alexandria Corporate Responsibility Report 2024.

Source: RBC GAM, as at September 2025.
The information provided in this example of a holding is to illustrate the investment process of the strategy and should not be deemed a recommendation to buy or sell any security or financial instrument.

Issuer	prysmian
Issuer type	Corporate
Qualification route	Route 1: Issuer's economic activities contributing to the theme(s)
Business description	Prysmian is a multinational company specialising in the production of electrical cables for use in the energy & telecom sectors and optical fibres.
Rationale – investment	The company offers a compelling credit story underpinned by its leadership in the essential infrastructure market, strong operating fundamentals, and alignment with long-term energy and digital transition trends.

Net Impact Profile

Prysmian has a NIR of +19%*, meaning its positive impact is 19% larger than its negative impact, largely driven by the positive societal infrastructure impacts its activities facilitates.



Source: The Upright Project, as at 30 June 2025 (*figures rounded to one decimal place). The NIR approach is used to evidence investee impact, with such analysis having been conducted post-investment, although it may subsequently potentially input into ongoing investment decision-making. Refer to Section 6.2 for more details on methodology.

Rationale – sustainability

Enabling circular economy/Promoting clean & renewable energy

Prysmian is a global leader in the design, manufacture, and installation of cable systems for power transmission and telecommunications. As the energy transition accelerates, Prysmian is uniquely positioned at the intersection of electrification, renewable energy integration, and digital infrastructure – all critical pillars of a low-carbon economy.

Key highlights*:

- Implemented recycled polyethylene in cable sheathing worldwide and introduced green aluminium-based overhead conductors, achieving a carbon footprint reduction of 70%.
- A leading operator in the production of cables for wind farms.
- Committed to reducing its carbon emissions, so it is net-zero (this refers to achieving a balance between the GHG emissions produced, and those removed from the atmosphere) by 2035, 15 years in advance of the previous target.

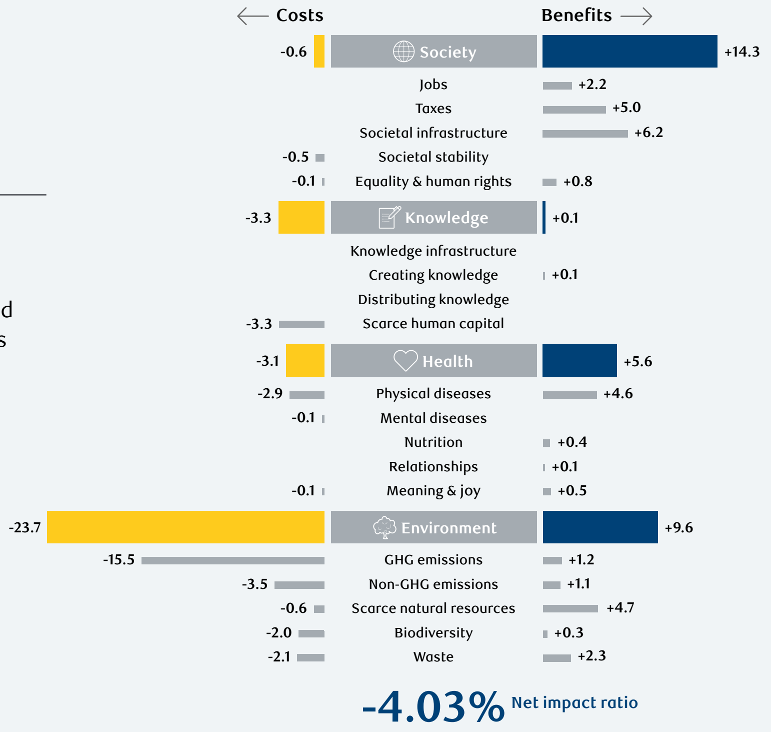
*Source: Prysmian Sustainability Highlights 2024.

Source: RBC GAM, as at September 2025.
The information provided in this example of a holding is to illustrate the investment process of the strategy and should not be deemed a recommendation to buy or sell any security or financial instrument.

Issuer	SNF WATER SCIENCE
Issuer type	Corporate
Qualification route	Route 1: Issuer's economic activities contributing to the theme(s)
Business description	SNF Group (SNF) is a specialty chemical company, and a global leader of water-soluble polymers and chemical solutions for use in a wide range of industries across Latin America.
Rationale – investment	We are invested in the bond of SNF SACA, a regional branch of the global SNF group. The bond offers stable cashflows supported by essential, in-demand products across diversified industries.

Net Impact Profile

SNF has a NIR of -4%*, meaning its positive impact is 4% smaller than its negative impact, largely driven by the carbon emissions resulting from its manufacturing operations.



Source: The Upright Project, as at 30 June 2025 (*figures rounded to one decimal place). The NIR approach is used to evidence investee impact, with such analysis having been conducted post-investment, although it may subsequently potentially input into ongoing investment decision-making. Refer to Section 6.2 for more details on methodology.

Rationale – sustainability

Ensuring clean & plentiful water, good sanitation & hygiene

Most of SNF's product applications either treat and recycle water or minimise water consumption. More generally, SNF's solutions help to preserve natural resources, encourage recycling, and improve industrial process efficiencies.

Key highlights*:

- The industrials sector accounts for ~19% of global water withdrawals. SNF's products play a crucial role in delivering direct environmental benefits to mining, oil & gas, and pulp & paper, including in polymer flood enhanced oil recovery (EOR), which cuts water handling by ~80% and reduces CO_2 emissions by ~66% per barrel.
- 93% of total group 2024 revenues stem from products aligned with the UN SDGs – specifically those that treat, recycle, or conserve water, or that help clients lower their energy usage and consumption.
- SNF products are used to treat water for over 1 billion people worldwide and support half a million manufacturing sites with water treatment and recycling.

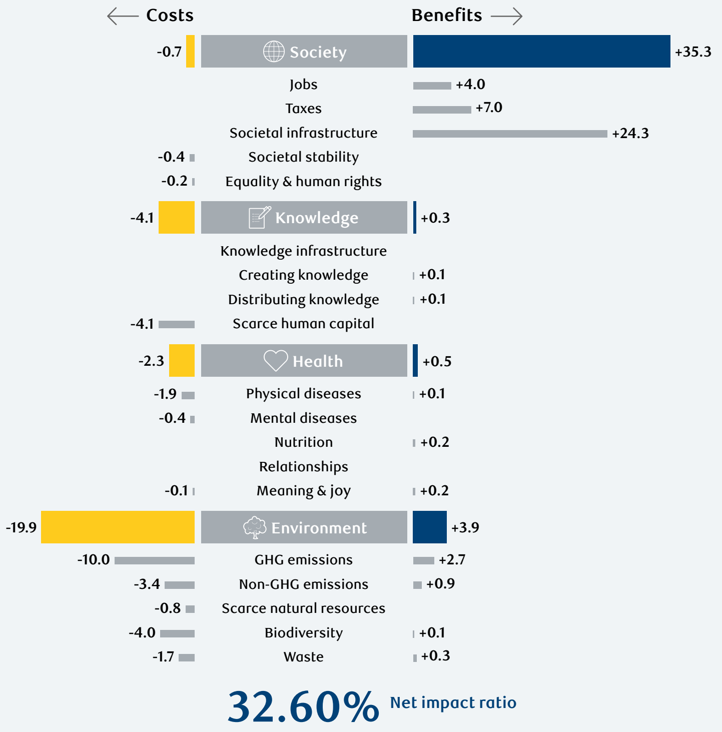
*Source: SNF 2024 Environmental, Social & Governance Report.

Source: RBC GAM, as at September 2025.
The information provided in this example of a holding is to illustrate the investment process of the strategy and should not be deemed a recommendation to buy or sell any security or financial instrument.

Issuer	grupo saesa
Issuer type	Corporate
Qualification route	Route 1: Issuer's economic activities contributing to the theme(s)
Business description	Sociedad de Transmision Austral SA (STA) is a Chilean electric power transmission company, part of the Grupo Saesa energy conglomerate. STA designs, constructs, operates, and maintains high-voltage transmission infrastructure across Chile.
Rationale – investment	STA is a key enabler of Chile's electric power grid, offering reliable transmission backed by strong institutional ownership, regulatory-supported revenue streams, and growing environmental credentials. Its well-maintained infrastructure, seasoned governance and IG credit rating make it a compelling investment in the power utilities sector.

Net Impact Profile

STA has an NIR of +33%*, meaning its positive impact is 33% larger than its negative impact, largely driven by the positive societal infrastructure impacts its activities facilitates.



Source: The Upright Project, as at 30 June 2025 (*figures rounded to one decimal place). The NIR approach is used to evidence investee impact, with such analysis having been conducted post-investment, although it may subsequently potentially input into ongoing investment decision-making. Refer to Section 6.2 for more details on methodology.

Rationale – sustainability

Promoting clean & safe energy

STA is facilitating Chile's energy transition, managing 1,909km of transmission lines and 79 substations, strengthening national capacity for clean energy distribution – helping with lowering GHG emissions and future-proofing electric grid resilience*.

Key highlights*:

- Enabled the delivery of 3.1TWh of renewable energy through its infrastructure, connecting approximately 1.7GW of renewable capacity, including hydro, wind and solar projects, which avoided an estimated 738,000tCO_2.
- Executed 95% of its USD371 million green capital expenditure (CapEx) pipeline, advancing major projects promoting electrification, grid resilience, and streamlining access to renewable generation.
- Facilitated connection of 884MW hydro, 765MW wind and 48MW solar energy to the national grid.

*Source: Grupo Saesa 2024 Green Report, Fitch Ratings – Affirmation, October 2024.

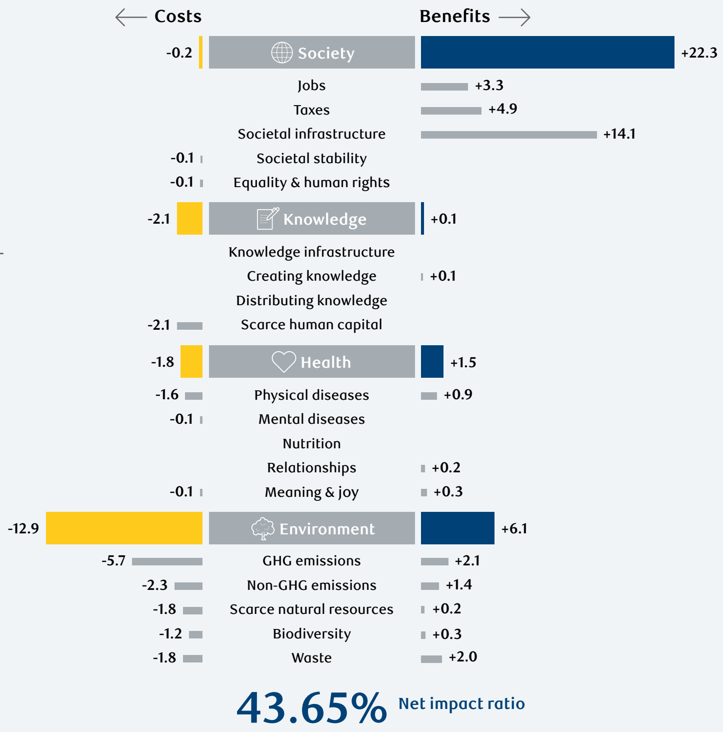
Source: RBC GAM, as at September 2025.
The information provided in this example of a holding is to illustrate the investment process of the strategy and should not be deemed a recommendation to buy or sell any security or financial instrument.

Issuer LG Energy Solution

Issuer type	Corporate
Qualification route	Route 1: Issuer's economic activities contributing to the theme(s)
Business description	LG Energy Solutions (LGES) is a global leader in advanced battery technology, specialising in lithium-ion battery solutions for electric vehicles (EVs), mobility, energy storage systems, IT devices, and industrial applications.
Rationale – investment	LGES offers an attractive credit profile supported by its dominant market position in lithium-ion batteries, long-term customer contracts, prudent financial management, and strategic alignment with global electrification and decarbonisation trends.

Net Impact Profile

LGES has a NIR of +44%*, meaning its positive impact is 44% larger than its negative impact, largely driven by the positive societal infrastructure impacts its activities facilitates.



Source: The Upright Project, as at 30 June 2025 (*figures rounded to one decimal place). The NIR approach is used to evidence investee impact, with such analysis having been conducted post-investment, although it may subsequently potentially input into ongoing investment decision-making. Refer to Section 6.2 for more details on methodology.

Rationale – sustainability

Promoting sustainable mobility & infrastructure

Spun off from LG Chem in 2020, LGES is one of the world's largest battery manufacturers, and plays a pivotal role in decarbonising transport and power sectors by manufacturing batteries for EVs, energy structure storage systems and grid infrastructure.

Key highlights*:

- Adopted goal of achieving carbon neutrality by 2040 (which refers to the idea of achieving a balance of GHG emissions emitted and absorbed).
- Committed to 100% renewable electricity across all facilities by 2030.
- Ranked 12th among the World's Most Sustainable Corporations in Corporate Knights' 2025 list and #1 among battery manufacturers.

*Source: LG Energy Solutions ESG Report 2024.

Source: RBC GAM, as at September 2025.
The information provided in this example of a holding is to illustrate the investment process of the strategy and should not be deemed a recommendation to buy or sell any security or financial instrument.

2.2 Investor-level contribution

The strategy targets a positive contribution via two potential routes:

- Influencing other investors' access to the issuer and/or the cost of capital (and thus the perceived attractiveness to these other potential investors) of the issuer as a result of our investment decisions (e.g. whether we participate or not in primary debt financing and/or the securities we choose to fund), and/or
- Through our active stewardship activities, which may be either directed at actual or potential portfolio holdings, and/or other relevant stakeholders who themselves may have influence on the market dynamics for the applicable investments.

RI industry initiatives

Note: these are illustrative examples, for a full list of RI industry, please refer to our website here. Unless otherwise stated, the signatory/membership status is with RBC GAM, and related to the organisation and not related to funds. Support of the IFRS Foundation covers the ISSB climate-related and SASB disclosure standards. In some cases, a specific RBC GAM affiliate may serve as signatory to or member of these initiatives, depending on factors including, but not limited to, the asset class, sub-asset class, or region relevant to the initiative. References made to RI activities conducted as part of industry affiliations/professional associations are not an endorsement by any third-party to invest with RBC GAM (UK) Limited and are not indicative of future performance. Investors should not rely on awards/industry affiliations/professional associations for any purpose and should conduct their own review prior to investing. Some membership/affiliations require a fee payment (information available upon request) and confers benefits to investor members such as access to resources and support to facilitate ESG incorporation efforts, attendance at convened events. Logos are protected trademarks of their respective owners and RBC GAM disclaims any association with them and any rights associated with such trademarks.

Source: RBC GAM, as at June 2025.

3. Fund sustainability performance review

3.1 Sustainability trends and developments

Some key environmental and social trends and developments over the reference period have included the following:

- Global temperatures have continued to rise, with 2024 being the warmest year on record at around 1.6°C above pre-industrial levels[2]. Extreme weather events such as heatwaves, droughts, floods, and wildfires have also continued. Average global GHG emissions have also seen an increase at the end of June 2025 as compared to the previous 12-month period. Over this period, one of the biggest economies in the world – the US – has taken steps to withdrawal from the UN Paris Agreement on climate change and has implemented policy measures that are likely to reduce the incentives for renewable energies. As of May 2025, only 21 (of the total 191) countries that are party to the Paris Agreement had submitted new climate goals (in the form of their new Nationally Determined Contribution (NDCs)), despite the deadline having passed[3]. Nevertheless, there has been a strengthening economic case for use of renewables and electrification (such as in transport).
- The trend on nature and biodiversity has been one of significant and ongoing decline driven by habitat loss, climate change, and other human activities, with various reports[4] warning of the potential for irreversible tipping points. Encouragingly, we have seen some progress in addressing nature-related risks and opportunities, with companies and investors actively seeking ways to manage these.
- There has been rapid advancement and integration of artificial intelligence (AI) into society, which brings with it both challenges and opportunities from a sustainability perspective, which need to be carefully managed[5].
- Geopolitical tensions prevail, with EU-NATO countries scaling up their own defence capabilities, the ongoing Russia-Ukraine conflict, and the Israel-Gaza war in the Middle East being another major source of regional conflict. Societal political preferences have also been shifting towards greater support for political parties with right-wing, populist ideologies, which may not necessarily prioritise sustainability matters such as climate change[6].
- The ESG pendulum appears to have swung more meaningfully the other way (i.e. less supportive) over the last 12 months. Whilst the ESG regulatory landscape does differ across different jurisdictions, there has been a noticeable trend in some markets moving to scale back ESG-related policies and regulations to promote greater competitiveness and economic growth[7], with the introduction of the EU sustainability 'omnibus' package one example of this[8].

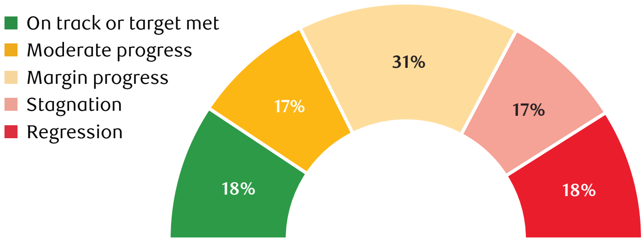
[2] The seventh carbon budget – UK Climate Change Committee, February 2025.
[3] By the 10 February 2025 deadline, only 13 countries had submitted their NDCs, since than an additional eight countries have submitted. The Paris Agreement is an international treaty that aims to reduce GHG emissions, and was adopted by countries in 2015. The goal of the Paris Agreement is to hold global average temperature rise to "well-below 2°C", and preferably to no more than 1.5°C by the end of the century.
[4] WWF, ZSL, Living Planet Report: a system in peril, October 2024.
[5] AI has the potential to contribute to sustainability for instance by optimising resource and energy efficiency, but the environmental impact of AI itself is a concern, as AI models and their data centres requires significant energy and water.
[6] Some academic research show a link between climate scepticism and right-wing populism, examples include research from the University of Oxford and University of Warwick.
[7] The EU has argued in the Draghi report in September 2024 that inconsistent and restrictive regulation is stifling innovation and the EU's economic growth.
[8] This is a set of proposals designed to simplify sustainability regulations and reduce the administrative burden on companies, particularly by amending the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD).

This year's report covers the first half of 2025, and this is meaningful as it marks the mid-point of the so-called 'Decade for Action'[9] in terms of worldwide action on sustainable development. Unfortunately, performance for 2024-2025 – as measured by the UN SDGs – shows a mixed picture. Specifically, whilst there has been progress in areas like health, education, and electricity access, overall momentum is slowing, with only 35% of targets on track or showing moderate progress, and nearly half moving slowly or seeing setbacks[10]. The reasons for this have been attributed to many factors, including the compressed timeline following the Covid pandemic, ongoing geopolitical conflict, economic instability, capacity constraints in developing countries especially, and uncertainty surrounding financing[11].

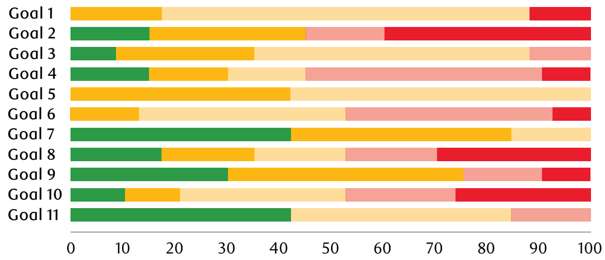
[9] Decade of Action | United Nations Development Programme.
[10] The UN Sustainable Development Goals Report 2025.
[11] An example being progress on international conservation goals, like protecting 30% of the world's lands and oceans by 2030 being hampered by a failure to meet funding targets.

Five years to go: the stark reality of UN SDG progress

Overall progress across targets based on 2015-2025 global aggregate data



Progress assessment for the 17 Goals based on assessed targets, by Goal (percentage)



Source: UN Sustainable Development Goals report 2025. Note: Percentages do not add up to 100 per cent due to rounding.

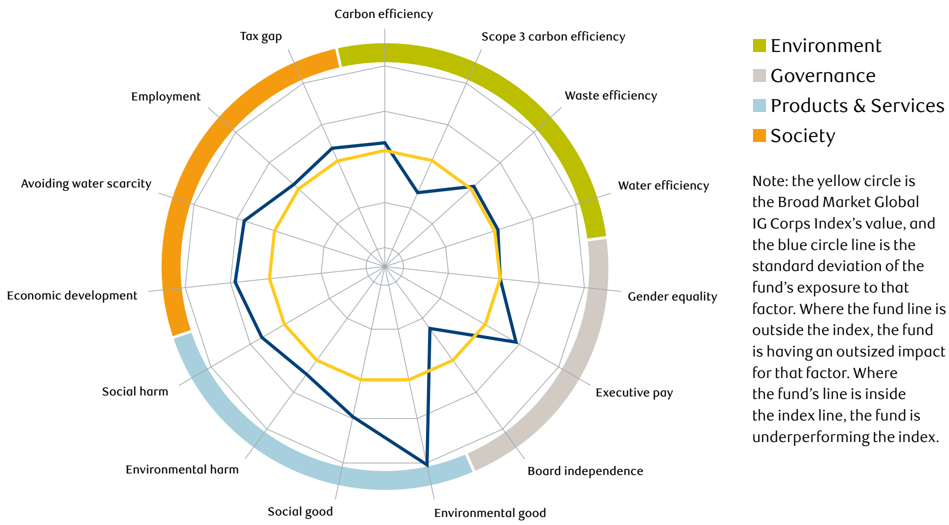
3.2 ESG characteristics

We have provided information across a number of ESG-related factors, including those which are climate and nature focussed (where for the latter, we have expanded on the data reported to enhance our understanding of the materiality of nature-related dependencies and impacts for our investments). The analysis primarily covers investments in corporate issuers, including SSA issuers such as for DFIs only where there is data availability from third parties[12]. Analysis is conducted at the issuer level, even where ESG-labelled bonds are held. Where relevant for the analysis, weights may be rebased to 100% in order to reflect the applicable in-scope investments. Exposure is reported based on the NAV metric unless otherwise stated. Section 6.2 of the Appendix includes details of the data, metrics, and methodologies used, with further information also available from the third-party provider's own disclosures.

ESG profile

Figure 1: ESG profile of fund and Broad Market Global IC Corps Index across a range of ESG exposure factors

- The fund allocates a larger proportion of its active positions to companies that have a better 'impact' than the index – the 'Net Impact'* accounts for 18 basis points (bps) of ex-ante tracking error.
- Across the 15 exposure areas assessed, the fund generally performs better than the Broad Market Global IG Corps Index in terms of either generating more positive ESG performance*, and less negative performance.



Note: the yellow circle is the Broad Market Global IG Corps Index's value, and the blue circle line is the standard deviation of the fund's exposure to that factor. Where the fund line is outside the index, the fund is having an outsized impact for that factor. Where the fund's line is inside the index line, the fund is underperforming the index.

- **Net Impact*:** 18bps of tracking error accounting for 9% out of 195bps total tracking error (i.e. how much the fund deviates from the Broad Market Global IG Corps Index on its 15 ESG and impact exposure factors, measured in basis points).
- **Net Impact performance relative to fund peers:** top quartile (specifically being in the 98th percentile) compared with a peer group of 46 corporate bond funds.
- **Data coverage:** Fund: 71%, Broad Market Global IG Corps Index: 93%.

The above index is not a benchmark for the BlueBay Impact-Aligned Bond Fund and is purely for illustrative purposes.
* The third-party provider refers to the metric as a 'Net Impact' number, but whilst we have maintained the terminology, we consider the scope of the analysis to be more 'ESG' than 'impact', hence including it in this 'ESG Profile' section of the review.

Source: Impact Cubed, as at 30 June 2025. Refer to Section 6.2 for more details on methodology.

[12] Fund as of 30 June 2025 – corporate issuers comprised 94.03% by NAV, with 1.97% being SSA issuers.

Figure 2: ESG profile of fund and Broad Market Global IG Corps Index – summary performance metrics across a range of ESG-related factors

	Fund			Broad Market Global IG Corp Index	
	Performance	% data estimated	Based on company reported	Performance	% data estimated
Carbon efficiency (scope 1 & 2)[13]	85.64	5	Tonnes of scope 1 & 2 emissions per US$1m	184.96	4
Scope 3 carbon efficiency[14]	2,133.68	12	Tonnes of scope 3 emissions per US$1m	1,044.58	14
Waste efficiency	37.33	24	Tonnes of waste generated per US$1m revenue	222.76	24
Water efficiency	6.00	23	Thousand m^3 freshwater used per US$1m revenue	21.45	20
Gender equality	31.66%	2	% of female executives and board members	31.65%	0
Executive pay	92.9	24	Ratio of executive pay to average employee pay	152.4	6
Board independence	65.72%	2	% of independent board members	74.52%	1
Environmental good (revenues allocated)	29.38%	0	Portfolio revenues allocated to environmental solutions defined by the SDGs *Note: based on proprietary industry classification to identify revenue streams that are environmentally positive, with companies mapped to the same classification to identify those that are doing environmental good*	7.48%	0
Social good (revenues allocated)	19.92%	0	Portfolio revenues allocated to help alleviate social issues defined by the SDGs *Note: based on proprietary industry classification to identify revenue streams that are socially positive, with companies mapped to the same classification to identify those that are doing social good*	9.91%	0
Environmental harm	3.61%	0	Portfolio revenues allocated environmentally destructive industries defined by the SDGs *Note: based on proprietary industry classification to identify revenue streams that are environmentally destructive, with companies mapped to the same classification to identify those that are doing environmental harm*	8.48%	0
Social harm	0.00%	0	Portfolio revenues allocated to industries aggravating social issues defined by SDGs *Note: based on proprietary industry classification to identify revenue streams that are environmentally destructive, with companies mapped to the same classification to identify those that are doing environmental harm*	4.42%	0
Economic development	USD52,900	0	Median GDP per capita of portfolio-weighted geography of economic activity *Note: a lower value is considered 'better' as it shows the fund is more exposed to activities in lower-income communities*	USD59,900	0
Avoiding water scarcity	2.2	0	Geographical water use (World Resource Institute scale 0-5 from least to most water scarce areas) *Note: a lower value is considered 'better' as it shows the fund is less exposed to areas where water is scarce*	2.4	0
Employment	4.50%	0	Unemployment in portfolio-weighted area of economic activity *Note: a higher value is considered 'better' as it shows the fund is more exposed to activities in communities suffering from higher unemployment*	4.41%	0
Tax gap	2.97%	0	Estimated % of tax avoided by corporate tax mitigation schemes	3.43%	0

The above index is not a benchmark for the BlueBay Impact-Aligned Bond Fund and is purely for illustrative purposes.

Source: Impact Cubed, as at 30 June 2025. Refer to Section 6.2 for more details on methodology.

13 This is as termed and assessed by Impact Cubed, and the data may vary to other climate reported data in this report by an alternative vendor (MSCI) due to differences in data availability and methodologies issues, with further details available from Impact Cubed. This metric is equivalent to what can be thought of as a weighted average carbon intensity (WACI) metric relating to scope 1 and 2 emissions.

14 This is as termed and assessed by Impact Cubed, and the data may vary to other climate reported data in this report by an alternative vendor (MSCI) due to differences in data availability and methodologies issues, with further details available from Impact Cubed. This metric is equivalent to what can be thought of as a weighted average carbon intensity (WACI) metric relating to scope 3 emissions.

Carbon analytics

Portfolio measurement (current profile): carbon emissions and carbon emissions reduction targets

Figure 3: Fund and Broad Market Global IG Corps Index carbon emissions metrics

- The fund's weighted average carbon intensity (WACI) for scope 1 and 2 emissions, is 57.7% less than the Broad Market Global IG Corps Index.
- The carbon footprint of the fund (measured as emissions/USDm invested, for scope 1 and 2) continues to be better when compared with the Broad Market Global IG Corps Index.

		Fund – performance	Broad Market Global IG Corps Index – performance	Fund – performance	Fund – data coverage (%)	Broad Market Global IG Corps Index – data coverage (%)
Carbon footprint or 'emissions / USDm invested' (tons CO_2e / $M invested) *"How many emissions are generated for every USDm invested?"*	Scope 1 & 2	32.5 (previous: 25.7)	70.5 (previous: 59.2)	**-53.9%** (previous: -56.7%)	85.7% (previous: 62.2%)	96.0% (previous: 86.7%)
	Scope 3 upstream	118.2 (previous: 108.3)	106.1 (previous: 105.3)	**11.4%** (previous: 2.8%)		96.1% (previous: 86.7%)
	Scope 3 downstream	129 (previous: 116.4)	235.5 (previous: 239)	**-45.2%** (previous: -51.3%)		
Total financed emissions (tons CO_2e) *"What are the absolute GHG emissions associated with the portfolio?"*	Scope 1 & 2	5,719.5 (previous: 4,011)	N/A	**N/A**		96.0% (previous: 86.7%)
	Scope 3 upstream	20,806 (previous: 16,929.8)	N/A	**N/A**		96.1% (previous: 86.7%)
	Scope 3 downstream	22,712 (previous: 18,195.7)	N/A	**N/A**		
Carbon intensity (tons CO_2e / USDm sales) *"How efficient is my portfolio in terms of carbon emissions per unit of output?"*	Scope 1 & 2	78.3 (previous: 75.9)	168.2 (previous: 146.8)	**-53.4%** (previous: -48.3%)		95.9% (previous: 86.7%)
	Scope 3 upstream	284.8 (previous: 320.5)	252.9 (previous: 261.1)	**12.6%** (previous: 22.8%)		
	Scope 3 downstream	310.8 (previous: 344.4)	562.8 (previous: 592.4)	**-44.8%** (previous: -41.9%)		
Weighted average carbon intensity (WACI) (tons CO_2e / USDm sales) *"What is my portfolio's exposure to carbon intensive companies?"*	Scope 1 & 2	84.4 (previous: 93)	199.4 (previous: 194.6)	**-57.7%** (previous: -52.2%)	90.4% (previous: 92.8%)	97% (previous: 97.4%)
	Scope 3 upstream	274.3 (previous: 263.7)	230.5 (previous: 234.1)	**19%** (previous: 12.7%)		97.1% (previous 97.4%)
	Scope 3 downstream	271.4 (previous: 246.9)	457.3 (previous: 465.3)	**-40.6%** (previous: -47%])		97.1% (previous 86.7%)

The above index is not a benchmark for the BlueBay Impact-Aligned Bond Fund and is purely for illustrative purposes.

Note: references to carbon emissions refer to tons of CO_2 equivalents (tCO_2e), which is inclusive of all GHG emissions related to investments in corporate issuers.

- **Carbon footprint or "emissions/USDm invested":** measures the amount of financed carbon emissions generated by a portfolio for every USD1 million invested in the portfolio, expressed as tCO_2 eq./USD million.
- **Total financed emissions:** the absolute value of emissions that a portfolio is responsible for. For holdings, emissions are apportioned based on the market value of the portfolio's holding and the associated enterprise value including cash (EVIC) of the company.
- **Carbon intensity:** measures the carbon efficiency of a portfolio, defined as the ratio of carbon emissions for which an investor is responsible to the sales for which an investor has a claim by their total overall financing. Emissions and sales are apportioned across all outstanding shares and bonds (% EVIC).
- **Weighted Average Carbon Intensity:** measures carbon intensity of the portfolio based on each issuer's carbon intensity (by sales), and the weight of the issuer in the portfolio. This metric is normalised.

Source: calculated on MSCI Analytics, RBC GAM, as at 30 June 2025. Refer to Section 6.2 for more details on methodology.

Figure 4: Companies' emissions reduction targets – fund and Broad Market Global IG Corps Index

Companies' transition plans	Fund	Broad Market Global IG Corp Index	Fund active exposure	Fund Δ YoY
Companies with GHG emission reduction targets	73.9%	88.4%	-14.5%	-0.4%
Companies with targets inclusive of scope 1, 2 and 3 emissions	54.0%	59.0%	-5.0%	9.3%
Companies with Science-based Target Initiative (SBTi) approved targets	48.2%	37.2%	+11.0%	1.3%
Companies with top quartile carbon management score	47.4%	48.2%	-0.8%	-13.8%

Data coverage: Fund: 84.9%, Broad Market Global IG Corps Index: 96.2%.

The above index is not a benchmark for the BlueBay Impact-Aligned Bond Fund and is purely for illustrative purposes.

RBC GAM considers issuers' targets to be 'Paris-aligned' (also called 'science-based') or 'net-zero aligned' if they have been verified by the SBTi as meeting their related target-setting criteria. SBTi provides a publicly available database of companies that have verified science-based and/or net-zero targets and those that have committed to setting an emissions reduction target within 24 months. This metric combines both verified and committed SBTi targets.

Source: calculated on MSCI Analytics, RBC GAM, as at 30 June 2025. Refer to Section 6.2 for more details on methodology.

Portfolio level alignment to a net-zero trajectory

Figure 5: Fund and Broad Market Broad Market Global IG Corps Index alignment to a net-zero trajectory

Fund
1.9 °C

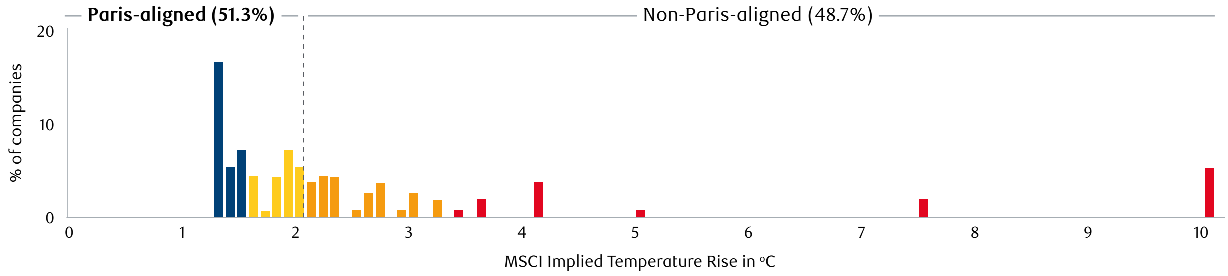
Data coverage: 90.3% (previous: 83.1%)
Δ YoY fund: +0.1°C (previous: 1.8°C)

Broad Market Global IG Corps Index
2.3 °C

Data coverage: 95.3% (previous: 92.8%)
Δ YoY Broad Market Global IG Corp Index 0°C (previous: 2.3°C)

"The fund continues to have a closer degree of net-zero temperature alignment than the Broad Market Global IG Corps Index."

Fund Implied Temperature Rise (ITR) distribution



ITR categories		Companies in category (%)	Fund Δ YoY
1.5°C aligned (Paris-aligned)	≤ 1.5°C	29.2%	+9.0%
2°C aligned (Paris-aligned)	> 1.5°C - 2 °C	22.1%	+30.0%
Misaligned (Non-Paris-aligned)	> 2.0 - 3.2°C	24.8%	+2.9%
Strongly misaligned (Non-Paris-aligned)	> 3.2°C	14.2%	-6.6%

The above index is not a benchmark for the BlueBay Impact-Aligned Bond Fund and is purely for illustrative purposes.

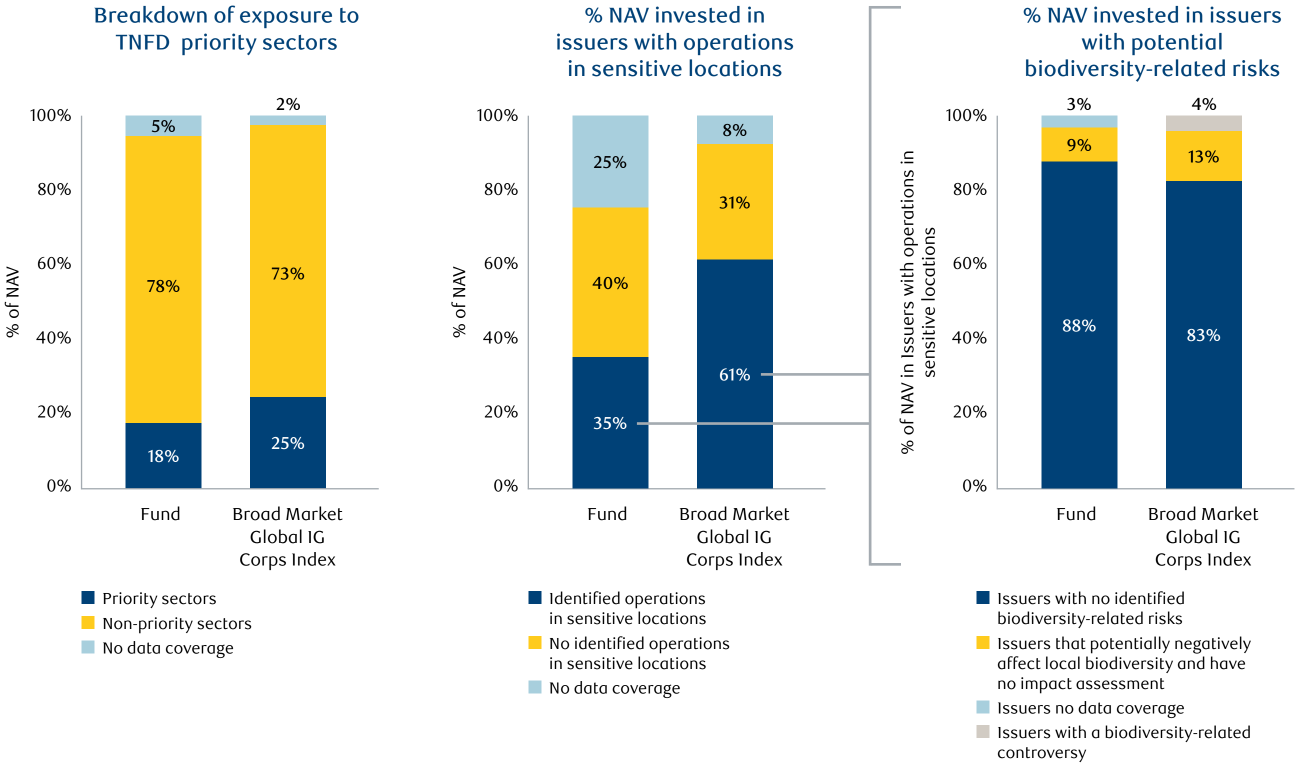
Note: the key to understanding ITR is the concept of a carbon budget i.e. how much the world can emit so that global warming does not exceed 1.5°C by 2100 and, by extension, how much a company can emit to take its fair share of global decarbonisation. For example, an ITR of 2.5°C indicates the company is exceeding its fair share of the remaining 1.5°C global carbon budget. If the whole economy exceeded the global budget by a similar proportion, the ITR methodology computes a global warming level of 2.5°C. The allocation based used to define ownership is EVIC, to enable the analysis of corporate bond portfolios.

Source: calculated on MSCI Analytics, RBC GAM, as at 30 June 2025. Refer to Section 6.2 for more details on methodology.

Nature-related risks

Figure 6: Fund and Broad Market Global IG Corps Index exposure in Taskforce on Nature-Related Financial Disclosure (TNFD) priority sectors, with operations in sensitive locations and any associated biodiversity-related risks

The fund has 18% of assets in corporate issuers in priority sectors, less than the Broad Market Global IG Corps Index (25%). Of investments in priority sectors, 35% of assets in companies in the fund may have operations in sensitive locations (as compared with 61% for the Broad Market Global IG Corps Index), although of these, there are no companies in the fund which have actually been involved in biodiversity-related controversies (whilst the Broad Market Global IG Corps Index has 4%).



The above index is not a benchmark for the BlueBay Impact-Aligned Bond Fund and is purely for illustrative purposes.

Note: TNFD priority sectors are where issuers may face significant impacts and/or dependences from nature. Operations in sensitive areas identifies companies with three or more known physical assets in biodiversity-sensitive areas denoted as either being healthy forests, intact biodiversity areas, prime areas for conservation or deforestation fronts. Issuers with operations in sensitive locations is based on whether issuers are potentially negatively affecting local biodiversity and have no impact assessment, and/or have experienced a biodiversity-related controversy.

Source: RBC GAM analysis, using MSCI data, as of 30 June 2025. Refer to Section 6.2 for more details on methodology.

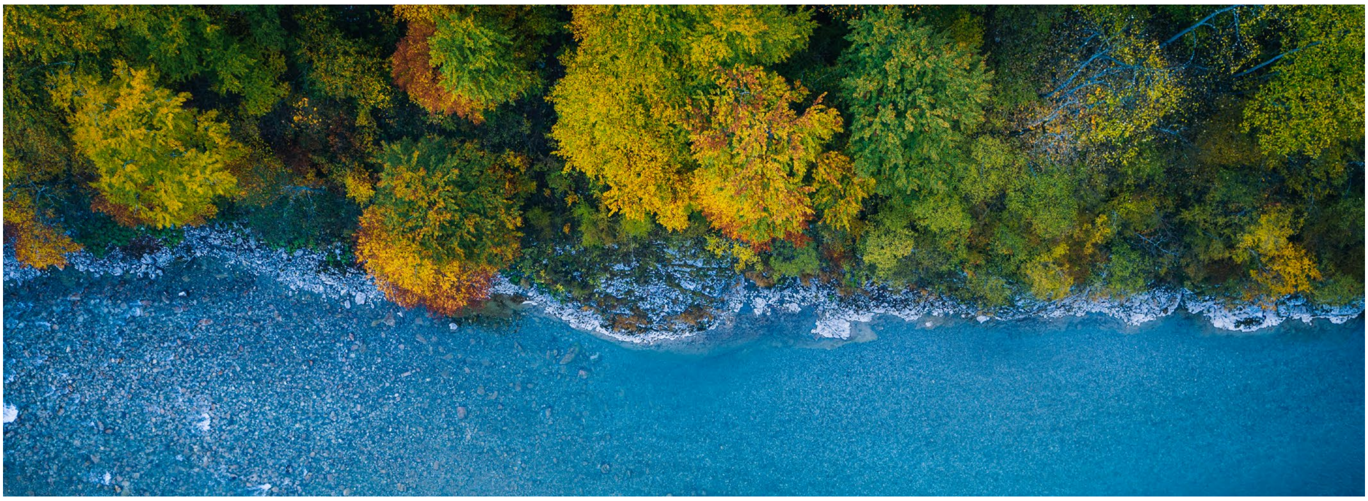


Figure 7: Fund exposure to TNFD priority sectors with potential nature-related dependencies and impacts, based on the Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE) tool

- For the fund's exposure to TNFD priority sectors, 73% may have very high dependency on nature-related factors, and 38% may have very high nature-related impacts. The nature-related dependency that is the most at risk for issuers is water management and quality services with 100% of investments in priority sectors having moderate (M) or very high (VH) dependence on this factor. The nature-related impacts with the greatest exposure is pollution with 90% of investments in priority sectors having moderate, high or very high impact on these factors.
- It is worth noting that exposure to a priority sector is not necessarily indicative of the potential risk that issuers in that sector may face, and that exposure to nature-related dependency and impact does not take into consideration the risk management activities taken by an issuer to address potential risks.

Fund		Nature-related dependencies														
		Climate and Air Quality			Cultural, Recreational, and Educational Services			Habitat and Biodiversity			Soil and Waste Management Services			Water Management and Quality Services		
Corporate bonds Investment in priority sectors	Data coverage	M	H	VH	M	H	VH	M	H	VH	M	H	VH	M	H	VH
Automobiles & Components	100%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Consumer Durables & Apparel	100%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Consumer Services; Consumer Staples Distribution & Retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food & Beverage	100%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Household & Personal Products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Materials	100%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Pharmaceuticals & Biotechnology	100%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Real Estate Management & Development; REITS	100%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
Semiconductors & Semiconductor Equipment	100%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Transportation	100%	30.8%	0.0%	0.0%	0.0%	0.0%	100.0%	15.7%	0.0%	0.0%	0.0%	15.1%	0.0%	100.0%	0.0%	0.0%
Utilities	100%	24.8%	0.0%	75.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	75.2%	24.8%	0.0%	75.2%
Investment in priority sectors	**100%**	**17%**	**0%**	**32%**	**0%**	**0%**	**20%**	**7%**	**0%**	**0%**	**27%**	**4%**	**32%**	**47%**	**0%**	**53%**

Aggregate exposure: maximum dependency		
Moderate	High	Very high
27%	0%	73%

Fund		Nature-related dependencies											
		Climate Change			Pollution			Natural Resource Use			Changes in land and sea use		
Corporate bonds Investment in priority sectors	Data coverage	M	H	VH	M	H	VH	M	H	VH	M	H	VH
Automobiles & Components	100%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumer Durables & Apparel	100%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumer Services; Consumer Staples Distribution & Retail	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy	-	-	-	-	-	-	-	-	-	-	-	-	-
Food & Beverage	100%	12.0%	0.0%	0.0%	88.0%	0.0%	12.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Household & Personal Products	-	-	-	-	-	-	-	-	-	-	-	-	-
Materials	100%	100.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pharmaceuticals & Biotechnology	100%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Real Estate Management & Development; REITS	100%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Semiconductors & Semiconductor Equipment	100%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Transportation	100%	30.8%	0.0%	0.0%	30.8%	0.0%	0.0%	15.1%	0.0%	0.0%	15.7%	0.0%	15.1%
Utilities	100%	0.0%	24.8%	75.2%	0.0%	24.8%	75.2%	24.8%	75.2%	0.0%	24.8%	75.2%	0.0%
Investment in priority sectors	**100%**	**12%**	**12%**	**32%**	**30%**	**24%**	**36%**	**45%**	**32%**	**0%**	**15%**	**32%**	**2%**

Aggregate exposure: maximum impact		
Moderate	High	Very high
27%	24%	38%

The above index is not a benchmark for the BlueBay Impact-Aligned Bond Fund and is purely for illustrative purposes.
Note: nature-related impacts consider the interplay between an organisation's operations and nature, and how that relationship may result in direct and indirect risks in the form of regulatory, legal, reputational, and market risks. Nature-related dependencies consider the extent to which a decline in an ecosystem service may present a financial risk to a business.

Source: RBC GAM analysis, based on ENCORE tool, as at 30 June 2025. Refer to Section 6.2 for more details on methodology.

3.3 Positive issuer-level impact and investor-level contribution characteristics

Here we report on a range of metrics demonstrating the positive impacts our fund's holdings are generating, as well as the contributions we as investors are making due to our activities.

The analysis primarily covers investments in corporate issuers, including SSAs such as for DFIs only where there is data availability from third parties[15]. Analysis is conducted at the issuer level, even where ESG-labelled bonds are held. Where relevant for the analysis, weights may be rebased to 100% in order to reflect the applicable in-scope investments. Exposure is reported based on the NAV metric unless otherwise stated. Section 6.2 of the Appendix includes details of the data, metrics, and methodologies used, with further information also available from the third-party provider's own disclosures.

Issuer-level impacts

Sustainable impact solutions

Figure 8: Fund and Broad Market Global IG Corps Index exposure to sustainable impact solutions

The fund continues to have greater exposure (26.3%) to investments considered to be deliver sustainable impact solutions than the Broad Market Global IG Corps Index (3.6%), resulting in a 'very high' sustainable impact classification (22.7%) as per the third-party provider's classification.

	Fund	Broad Market Global IG Corp Index	Fund active exposure	Fund ∆ YoY
People-related themes - total %	**6.9%**	**1.3%**	**+5.6%**	**-6.2%**
Achieving an inclusive society	2.1%	0.7%	1.5%	-42.3%
Building knowledge & skills	2.2%	0.0%	2.2%	+13.9%
Ensuring good health, safety & wellbeing	2.5%	0.6%	2.0%	+50.0%
Planet-related themes - total %	**19.5%**	**2.4%**	**+17.1%**	**-6.4%**
Enabling a circular economy	7.8%	0.9%	6.9%	+4.1%
Ensuring clean & plentiful water	3.0%	0.1%	2.9%	+83.5%
Promoting clean & safe energy	6.9%	0.6%	6.4%	-22.4%
Promoting sustainable mobility & infrastructure	1.8%	0.7%	1.0%	-35.6%
Total revenue exposure	**26.3%**	**3.6%**	**22.7%**	**-6.3%**
	'Very high' SI assessment			

Data coverage (% by market value, (% covered securities)): **Fund:** 89.1% (90.4%) **Broad Market Global IG Corps Index:** 97.2% (96.1%)

Classification		Exposure
Very high	●●●●	>20%
High	●●●○	>10% and <=20%
Moderate	●●○○	>5% and <=10%
Low	●○○○	>1% and <=5%
Negligible	○○○○	<=1%

Note: this analysis looks at positive impact on the environment or society generated by companies associated with specific sustainability themes, based on revenue exposure based on a third-party assessment. We have re-categorised the 13 impact factors defined by our provider into our seven 'People' and 'Planet' themes.

The above Index is not a benchmark for the BlueBay Impact-Aligned Bond Fund and is purely for illustrative purposes.

Source: calculated on MSCI Analytics, RBC GAM, as at 30 June 2025. Refer to Section 6.2 for more details on methodology.

[15] Fund as of 30 June 2025: corporate issuers comprised 94.03% by net asset value (NAV), with 1.97% being SSA issuers.

Figure 9: Fund and Broad Market Global IG Corps Index sustainable impact solutions snapshot

Estimated annual revenue generated by companies from products & services providing sustainable impact solutions.

People-related themes

Social Impact Solutions	Achieving an inclusive society	Building knowledge & skills	Ensuring good health, safety & wellbeing
Fund: USD17,253 (-14.8%, previous value: USD20,245)	**USD2,321** (previous: USD2,289)	**USD4,082** (previous: USD9,782)	**USD10,850** (previous: USD8,174)
Broad Market Global IG Corps Index: USD4,296 (+8.81%, previous value: USD3,948)	**USD1,049** (previous: USD822)	**USD41** (previous: USD24)	**USD3,207** (previous: USD3,103)

Planet-related themes

Environmental Impact Solutions	Enabling a circular economy	Ensuring clean & plentiful water	Promoting clean & safe energy	Promoting sustainable mobility & infrastructure
Fund: USD81,877 (-21.9%, previous value: USD104,833)	**USD30,269** (previous: USD67,386)	**USD18,102** (previous: USD2,057)	**USD27,124** (previous: USD24,666)	**USD6,382** (previous: USD10,724)
Broad Market Global IG Corps Index: USD6,833 (-3.75%, previous value: USD7,099)	**USD3,485** (previous: USD4,095)	**USD340** (previous: USD345)	**USD2,029** (previous: USD1,483)	**USD979** (previous: USD1,175)

The above index is not a benchmark for the BlueBay Impact-Aligned Bond Fund and is purely for illustrative purposes.

Note: as with the previous year, we adapted the third-party provider's methodology for allocation of impactful revenues by using percentage of enterprise value including cash (EVIC) as the basis of ownership, rather than the traditional percentage ownership of market capitalisation.

Source: calculated on MSCI Analytics, RBC GAM, as at 30 June 2025. Refer to Section 6.2 for more details on methodology.

Figure 10: Fund impact investment equivalents in real terms compared to the Broad Market Global IG Corps Index (per USD1 million invested)

	Fund	Real world equivalent	UN SDG relevance
Carbon efficiency	27.10	Fewer tonnes of scope 1 & 2 carbon emissions	1, 2, 3, 6, 7, 8, 9, 11, 12, 13, 14, 15
Scope 3 carbon efficiency	349.16	More tonnes of scope 3 carbon emissions	1, 2, 3, 6, 7, 8, 9, 11, 12, 13, 14, 15
Waste efficiency	129.10	Fewer tonnes of waste generated	3, 6, 8, 11, 12, 14, 15
Water efficiency	6.35	Fewer thousand cubic metres fresh water used	3, 6, 8, 9, 11, 12, 15
Gender equality	0.0%	More female executives and broad members	4, 5, 10, 16
Executive pay	59.5%	Fewer multiples of average employee pay paid to top executives	5, 8, 10
Board independence	8.8%	Less independent board members	8, 10, 16
Environmental good	21.9%	More invested in industries contributing to solving environmental issues	N/A
Social good	10.0%	More invested in industries helping alleviate social issues	N/A
Environmental harm	4.9%	Less invested in industries aggravating environmental issues	N/A
Social harm	4.4%	Less invested in industries aggravating social issues	N/A
Economic development	$7,100	More economic activity in less developed economies	1, 3, 4, 8, 9, 10, 11, 13, 16, 17
Avoiding water scarcity	0.20	Less water use in water scarce localities (World Resource Insittute)	1, 2, 3, 6, 8, 11, 12, 13, 15, 16
Employment	0.1%	More economic activity in high unemployment geographies	1, 2, 3, 4, 8, 9, 10, 11, 16
Tax gap	0.46%	More tax paid	1, 3, 4, 8, 9, 10, 11, 16, 17

The above index is not a benchmark for the BlueBay Impact-Aligned Bond Fund and is purely for illustrative purposes.

Source: Impact Cubed, as at 30 June 2025. Refer to Section 6.2 for more details on methodology.

Figure 11: Fund Net Impact Ratio (NIR) assessment

The fund continues to have a positive NIR of +43%, meaning its positive impact is 43%* larger than its negative (the NIR was +45%* in the previous reference period).

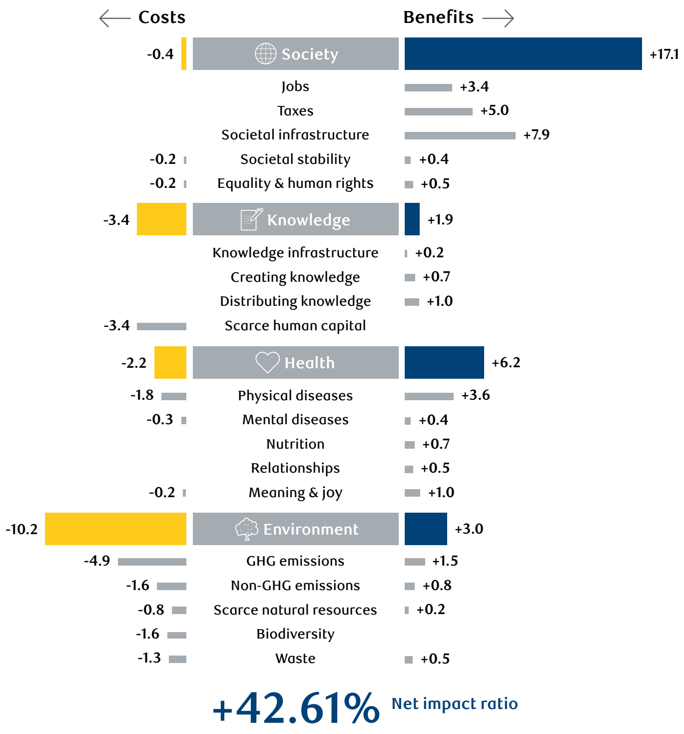
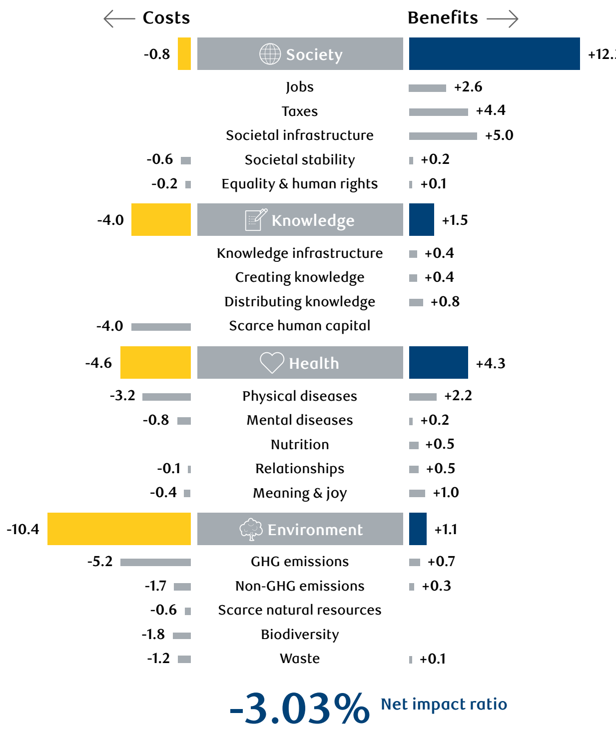


Figure 12: Broad Market Global IG Corps Index Net Impact Ratio (NIR) assessment

The Broad Market Global IG Corps Index has a negative NIR of -3%*, meaning its negative impact is 3% larger than its positive, in line with the previous reference period (-3%*).



The above index is not a benchmark for the BlueBay Impact-Aligned Bond Fund and is purely for illustrative purposes.

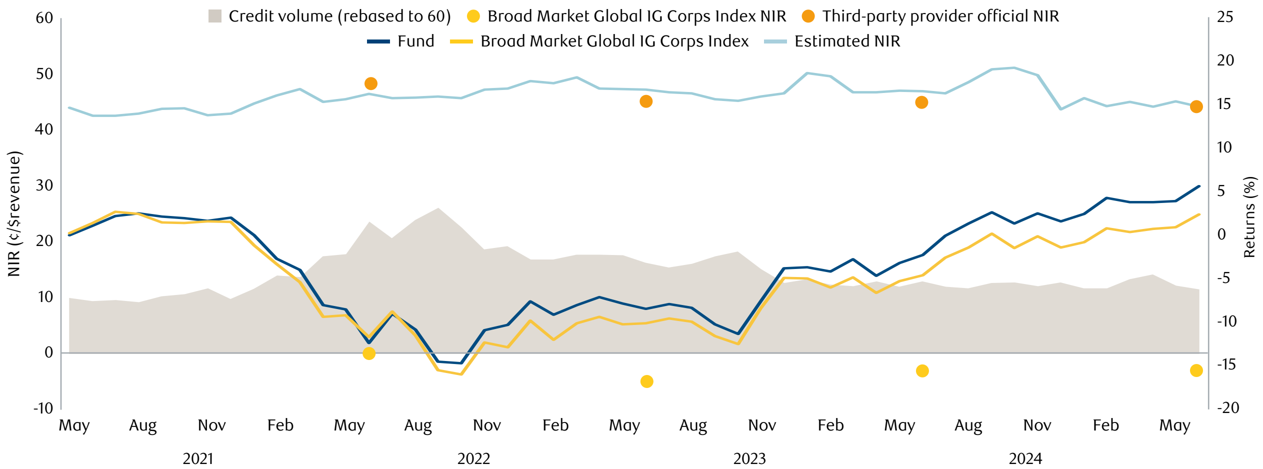
Note: the maximum value for a NIR of a company is 100%, representing a theoretical company with no negative impacts. A company's contribution to the portfolio NIR is affected by its share of the portfolio and score for the impact in question. The impact estimates created by the model are presented as relative and absolute impact scores. Absolute impact scores capture the absolute value of the impacts of a company, while relative scores relate to the absolute value of each impact on the size of the company. *Figures rounded to one decimal place.

Key drivers on the positive side for the fund come primarily from the 'society', 'knowledge' and 'health' impact dimensions:

- **Society**: top positive impact on social infrastructure comes from housing and energy. Specifically, companies such as **Unite Group**, **London & Quadrant Housing** and **Sovereign Housing Capital** for their contribution to affordable housing and student housing; others such as **Terna**, **Soceidad de Transmision Austral** and **Transmission Capital** that provide electricity; and those like **Contemporary Ampterex Technology**, **LG Energy Solutions** and **Vestas Wind Systems** facilitating the low carbon transition.
- **Knowledge:** the most impact is derived from companies that offer products that create new knowledge (**Eurofins Scientific**, **George Washington**, **RELX** and **Wolters Kluwer**), or those which help distribute knowledge (**Pearson**, **Sanoma** and **Sallie Mae**).
- **Health:** naturally the main drivers of positive impact are healthcare companies that help prevent and treat ill-health (e.g. **UCB**, **Ipsen**, **Hikma**, **Becton Dickinson**) and those that provide related services (**Bupa**). Negative impact comes from various activities and companies such as **Aptiv** (air pollution from transportation).
- **Environment:** companies that substitute GHG emissions for renewable energy and energy transmission score favourably on impact. These include **Orsted**, **Vestas Wind Systems** and **Continuum Green Energy**. Conversely, negative impact is predominantly driven by fossil fuel use or exposure to heavy industries **Aptiv PLC** (fossil fuels in road traffic) and **SSE** (use of fossil fuels in energy production).

Source: The Upright Project, as at 30 June 2025. Refer to Section 6.2 for more details on methodology.

Figure 13: Fund NIR June 2021 – June 2025



Source: The Upright Project, RBC GAM, as at 30 June 2025. Refer to Section 6.2 for more details on methodology.

The fund's NIR has shown notable consistency since its launch, ranging from 43% to 46% over the last four years. This period included significant volatility in fixed income markets, with 2022 marking one of the toughest environments in decades as central banks raised rates aggressively. Yet despite pressure on absolute returns and bond prices from monetary policy tightening, the fund's impact score remained steady, evidencing a high degree of commitment to managing for positive impact and returns.

A point to mention is the fund's average one-sided turnover on a 12-month lookback, which stands at 93% since inception. Portfolio turnover at this level means positions and issuers are reviewed and refreshed regularly, in line with the fund's stated active management style. Still, the NIR demonstrates minimal variation. This suggests that the sustainability investment framework adopted – allocating through the seven themes – provides a repeatable approach to sourcing issuers with sustainable solutions business models, such that shifts in holdings do not undermine the overall positive sustainability performance.

Reviewing time series data at issuer level provides further context. NIR scores for specific corporate issuers have been relatively stable, though some fluctuation is apparent in response to sector and business model changes. Tracking these trends enables us to monitor risks and opportunities and adapt exposures as required. The process continues to focus on issuers that demonstrate sustained positive net impact.

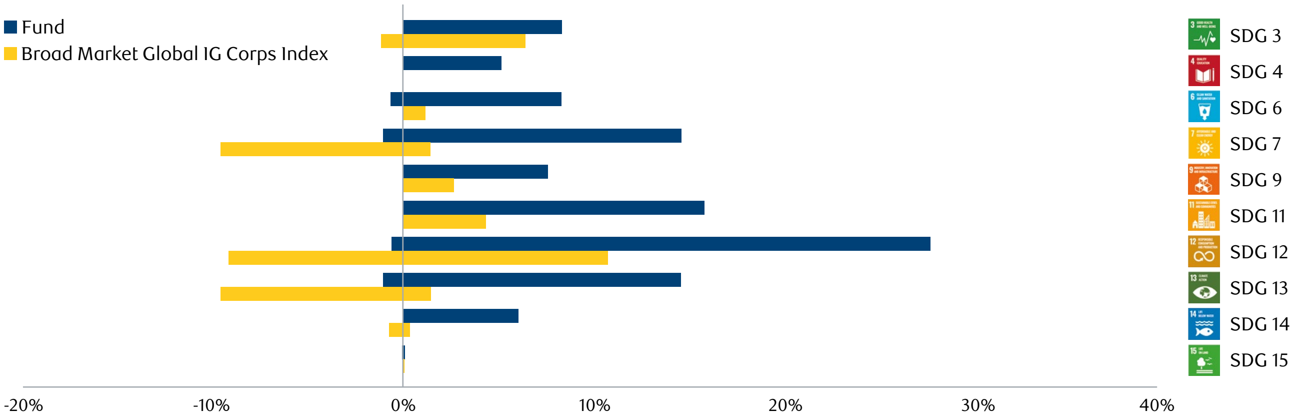
Overall, the fund's NIR performance since 2022 supports our view that disciplined implementation of a thematic sustainability framework can potentially deliver consistent impact outcomes, even against a backdrop of elevated fund turnover and market volatility. The fund and issuer-level impact time series – taken together – demonstrate that positive net impact is structurally embedded through the investment framework's ongoing application, rather than being a function of occasional market opportunities or temporary exposures. The result provides compelling evidence that the strategy is one that delivers resilient and repeatable societal benefit by consistently applying its sustainability lens, even as individual holdings and market conditions change.

Alignment to UN SDGs

Figure 14: Fund and Broad Market Global IG Corps Index exposure alignment to the UN SDGs

Whilst we do not explicitly use the SDGs as an investment filter for the strategy, we do report on how investments in the fund may be aligned to these global goals.

The results continue to show the fund as having a greater degree of alignment to the majority of SDGs than the Broad Market Global IG Corps Index. Specifically, the fund's exposure relative to the index is greater for SDG goals 6 (Clean Water and Sanitation), 7 (Affordable & Clean Energy), 12 (Responsible Consumption and Production), and 13 (Climate Action).



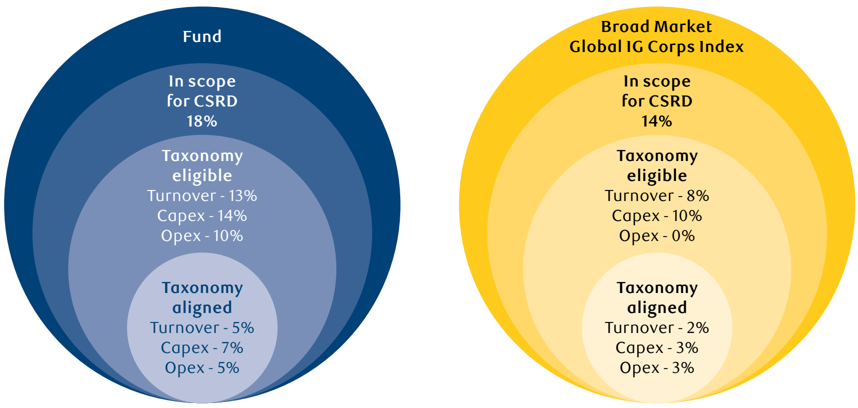
The above index is not a benchmark for the BlueBay Impact-Aligned Bond Fund and is purely for illustrative purposes.
Note: maps to issuers where the company revenues from the qualifying activities which align to the specific SDGs.

Source: calculated on MSCI Analytics, RBC GAM, as at 30 June 2025. Refer to Section 6.2 for more details on methodology.

EU taxonomy alignment

Figure 15: Fund and Broad Market Global IG Corps Index exposure (% NAV) alignment to the EU taxonomy

The fund has higher exposure taxonomy eligible and aligned investments (across the various metrics) when considered against the Broad Market Global IG Corps Index.



The above index is not a benchmark for the BlueBay Impact-Aligned Bond Fund and is purely for illustrative purposes.
The strategy does not have a binding minimum commitment to making taxonomy aligned investments – the reporting is for illustrative purposes.

Note: the scope of the analysis are corporate issuers (both financial and non-financial) in scope of the CSRD regulation, and projects and economic activities which meet the EU's environmental objectives. The EU Taxonomy regulation translates the EU's environmental objectives into a classification system for environmentally sustainable economic activities making a substantial contribution to those objectives. For economic activity to be taxonomy eligible, it must pass the first test: 1) making a substantial contribution to at least one of the environmental objectives. To be considered taxonomy aligned, it must also pass three remaining tests: 2) doing no significant harm to any of the other five environmental objectives, 3) complying with minimum safeguards, and 4) complying with the technical screening criteria. Further information on the Taxonomy Regulation from the EU is available here; and the CSRD regulation from the EU is available here.

Source: RBC GAM analysis, using MSCI data, as at 30 June 2025. Refer to Section 6.2 for more details on methodology.

Investor contributions

Assets deployed by the fund towards issuers making positive impacts

Figure 16: Fund capital available to deploy

Assets under management (USD)	As at 30 June 2025	As at 28 June 2024	Fund Δ YoY
Fund – total assets	USD176.1m	USD156.3m	+USD19.8m
Fund – % deployed (NAV)	96.0%	95.5%	+0.5%

Source: RBC GAM, as at 30 June 2025.

Figure 17: Fund investment – primary & secondary issuance financing

% NAV	As at 30 June 2025	As at 28 June 2024	Fund Δ YoY
Fund – primary issuance participation	68.3%	58.1%	+17.6%
Fund – secondary issuance participation	27.7%	37.4%	-25.9%

Source: RBC GAM, as at 30 June 2025.

Active stewardship activities to promote favourable outcomes to support investees achieving impact

Over the course of the reference period, there were a total of 45 issuer-directed engagement activities related to 26 different issuers. These were mainly corporates, although there were also some interactions with DFIs. Company engagements included those in developed and emerging markets, and across the credit rating spectrum (e.g. IG and HY companies).

Of these engagements, the majority (over 90% of instances) were primarily for information-gathering purposes. The remainder were where we either sought improvements in ESG practices from issuers to consider or involved a combination of both of these insight and/or improvement elements.

In instances where we sought to encourage progress in a specific material ESG area, there was either a partial achievement of objectives, or no change had yet to occur.

With regards to the ESG topics discussed during these interactions, the environment was the most common (with climate change, diversity, pollution, and waste matters being the most prevalent). This was followed by governance (where political and regulatory frameworks, as well as board structures featured the most), with the balance falling into social aspects (including responsible product/material sourcing topics).

We have also conducted engagements with stakeholders beyond issuers. These included interactions with other financial market participants (such as sell-side brokers), RI industry organisations, policymakers and regulators, and civil society organisations. These activities helped to further our understanding of key sustainability challenges and opportunities, which in turn informed our thinking for the strategy, and/or provided instances for us to share our insights and thoughts to advance market practices and scale up investment opportunities.

Issuer or issue-level focused

Issuer: IHS

Achieving an inclusive society

Engagement summary

- IHS is one of the largest independent owners, operators, and developers of shared telecommunications infrastructure globally, with particular strength across Africa and, more specifically, Nigeria. Its activities support digital connectivity in emerging markets.
- During Q4 2024, we participated in dialogue with the company as part of an ongoing RI industry initiative focusing on emerging markets telecoms companies on a range of ESG matters.
- IHS has been active in exploring some aspects previously flagged by the investor group for its consideration. This includes reviewing potential inclusion of ESG performance metrics as part of management remuneration to promote greater accountability, and expanding climate reporting as part of its public sustainability disclosure.
- The company continues to act on climate change risks, having set targets to manage down carbon emissions related to its direct operations, with existing measures already resulting in reductions. IHS is working with its suppliers to address emissions data gaps in its supply chain in order to determine what targets may be appropriate in this area in future.
- Overall, we were encouraged by the continued momentum the company is exhibiting as well as the strength of its policies and commitments.

Issue: THE WORLD BANK

International Bank for Reconstruction & Development (IBRD)/World Bank – Amazon Reforestation-Linked Outcome Bond

Enabling a circular economy

Engagement summary

- The IBRD is a DFI and the lending arm of the World Bank Group, making loans to developing countries that support sustainable development activities. It has been active in issuing 'outcome bonds', which are instruments linking debt investors' financial returns to the successful outcome of specific sustainability-related projects.
- During Q3 2024, the IBRD issued the Amazon Reforestation-Linked Outcome Bond. The proceeds of this USD225 million bond will be used to support the World Bank's activities globally, and USD36 million of additional capital will be mobilised from investors to support the reforestation activities of Mombak (i.e. replanting the area with trees), and a Brazilian company active in managing carbon removal projects. Positive impacts and outcomes targeted are carbon sequestration, biodiversity enhancement, and local socioeconomic development in the Amazon rainforest.
- In this instance, the process involves Mombak acquiring private, often unproductive, deforested land from large landowners in the Amazon, and working to reforest them with native, biodiverse forests (and where possible, including native endangered species). As the trees absorb carbon from the atmosphere, this enables them to remove carbon at scale. Mombak will then look to sell the carbon removal units (CRUs) to other companies who use the CRUs to 'offset' their own generated carbon emissions. There is also income generation from non-timber forest products, ensuring diversified and sustainable income while helping to protect the forest. Mombak seeks to manage its operations in line with best practice sustainability standards in terms of its forestry management, worker health and safety, and community relations.
- During Q1 2025, we engaged with the IBRD and Mombak to get a progress update. As of February 2025, Mombak has been able to reforest a total of 3.2k hectares across five different farm locations, with two being 100% reforested. These farms are expected to remove 5.5Mt CO_2 from the atmosphere. That equates to 4 million seedlings that have been planted, with 200,000 of these coming from endangered species. It has already been able to deploy 55% of the total funds provided by investors.
- We participated in the bond issuance as we believe it offers a competitive return compared to the 10-year US Treasury yield given the coupon size and potential annual CRU-linked payments. We remain confident in the ability of the bond to deliver both positive impact and returns.

Planting in Turmalina Farm - Mãe do Rio. Photo credit Raimundo Paccó2. Source: Mombak, March 2025.

Sector focused

Sector
UK water utility

Ensuring clean & plentiful water

Engagement summary

Industry engagement

- The provision of safe drinking water and sanitation of wastewater is considered fundamental to society and to the economy. Yet the provision of these services may come at the expense of the natural environment, be inefficient, and/or impose unnecessary or unjustified costs on consumers who pay for such services. These challenges are likely to become more complex and challenging and increasingly expensive in future, due to factors including climate change, population growth, ageing infrastructure, and the need to protect the natural environment and public health. It is evident that the water sector and, more broadly, the overall water management framework in England and Wales, is struggling to meet these challenges.
- In October 2024, the UK and Welsh governments announced the Independent Water Commission chaired by Sir Jon Cunliffe. The commission's aim is to make recommendations by June 2025 on ensuring that the water sector and its regulatory framework is fit for the future. A public consultation ran from February to April 2025, to which we provided input via one of our industry trade bodies. It was encouraging to see many of the themes from our feedback reflected in the final consultation response from the trade body, including the need for a long-term strategy, the importance of addressing ageing infrastructure, and the need to strengthen the regulatory framework.
- The Independent Water Commission published its interim report in early June, setting out emerging conclusions on reforms to improve the water sector regulatory system in England and Wales. A final report from the Commission was published over the summer.

Issuer engagement

- We have continued to hold engagements with several UK water utility companies over the reference period. **Yorkshire Water** is one example, where we sought to better understand the drivers for its deteriorating environmental performance as assessed by the regulator and its strategy to tackle this. Another is **Affinity Water**, with dialogue held on its environmental strategy and the details for the issuance of a green bond, where capital raised will be earmarked towards environmental projects.
- We have maintained an approach of only investing in the more ESG-progressive UK water utilities that also show attractive investment profiles. These have included investments in companies such as **Affinity Water**, **Northumbrian Water**, and **Seven Trent**.

Thematic focused

Topic/issue
Advancing consideration of nature & biodiversity matters

Enabling a circular economy

Engagement summary

- Nature refers to the natural world, whilst biodiversity is the variety of life within nature. Historically, nature-related risks, including those stemming from biodiversity loss, have tended to be discussed separately from climate change. There has been growing recognition, however, of the interconnections between nature and climate change[16]. The scale of biodiversity loss currently occurring is believed to pose a systemic risk that could affect multiple asset classes and sectors. As a result, there is increasing regulation and policy action by governments to address biodiversity loss, which may pose additional legal or litigation risks for companies.
- We are active in incorporating material ESG factors into our investment decisions for applicable types of investments. This may include nature-related factors such as biodiversity and land use, natural resource use, and sustainable forest management, when considered material to the sector and/or issuer. Active stewardship such as engagement on nature-related risks may also occur when considered appropriate to do so.
- During the reference period, engagement efforts have included discussions with stakeholders in the investment value chain who are active in supporting the issuance of debt investments to support nature and biodiversity goals, as well as civil society stakeholders looking to facilitate greater private sector involvement in addressing biodiversity-related risks.
- As well as focusing on biodiversity on land (such as forests), there has also been attention on marine environments. On the latter, the term 'blue economy' has emerged to refer to the sustainable use of ocean resources for economic growth, improved livelihoods, and jobs whilst preserving the health of ocean ecosystems.
- During the first half of 2025, we participated in research conducted on behalf of the Marine Conservation Society (MCS), a not-for-profit UK organisation that aims to identify key challenges and opportunities for advancing private sector financing of the oceans. We shared our growing experience and insights into the some of the practical barriers and potential solutions as it relates to debt issuances related to nature.
- The intention was for findings of the research exploring the state of ocean financing to be published in the second half of the year, with the aim being to stimulate collaboration and action among financial institutions to address specific threats to the ocean.

[16] Read more about RBC GAM's views on climate change and nature here, as well as the RBC GAM 2024 climate report here.

Responsible investment practices and disclosures

Our Approach to Responsible Investment sets out RBC GAM's overall approach to responsible investment. It also includes our views on systemic ESG factors that may be material to investments and our portfolios.

RBC GAM is a signatory to the UK Stewardship Code 2020

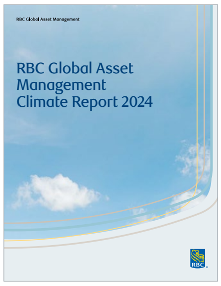
The UK Stewardship Code 2020 (Code) sets out good stewardship practice for asset managers, asset owners and service providers when engaging with investee companies. It is a voluntary initiative.

RBC GAM is a signatory to the UK Stewardship Code 2020 (The UK Code). The UK Code aims to enhance the quality of engagement between asset managers and companies to help improve long-term risk-adjusted returns to shareholders. RBC GAM's 2024 Annual Stewardship Report has been approved by the Financial Reporting Council (FRC).

Note: BlueBay's stewardship activities are incorporated in RBC GAM's 2024 Annual Stewardship Report.

RBC GAM Climate Report

RBC GAM publishes an annual climate report, based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).
See the RBC GAM Climate Report 2024.



Note: the RBC GAM Climate Report 2024 is published to comply with the regulatory requirements of the UK Financial Conduct Authority (FCA) Environmental, Social, and Governance Sourcebook (ESG Sourcebook). RBC GAM entities that are in scope of the ESG Sourcebook are RBC GAM UK and BlueBay Asset Management LLP. These entities are included in the scope of the RBC GAM Climate Report.

4. Fund financial performance review

4.1 Market review

The 12-month period from July 2024 to the end of June 2025 was shaped by a more supportive macroeconomic backdrop than in recent years, but also by rising political uncertainty as the US headed into a presidential election year. Inflation continued to fall towards target across developed markets, while growth proved more resilient than many had feared. This combination allowed major central banks – including the US Federal Reserve (the Fed), the European Central Bank (ECB) and the Bank of England (BoE) – to pivot from restrictive policy towards measured rate cuts, reversing a portion of the sharp tightening delivered in 2022-23.

Markets entered the period with optimism about a "soft landing" scenario, and risk assets benefitted from the dual tailwinds of moderating inflation and resilient employment. Equity and credit valuations reached multi-year highs, supported by strong inflows and robust issuance activity. However, the path was not without volatility: US Treasury yields and European government bond yields swung through the year in response to shifting interest rate expectations, political developments, and episodes of geopolitical tension.

The most notable move in markets came in April 2025 when President Trump announced a broad-reaching set of tariffs that far exceeded market expectations. This led to a very sharp sell-off in risk assets and a sense that the magnitude of these levies would almost certainly spark a recession in developed markets. However, the moves were relatively short lived once it became clear the initial tariff levels were more of a negotiating tool. The combination of favourable trade deals and accommodative data in the following months led to a similarly sharp market recovery.

In the US, monetary policy remained a dominant driver. The Fed cut rates by a full percentage point over the period, from 5.50% to 4.50%, and signalled a cautious stance heading into the second half of 2025. Yet it was US politics that increasingly gripped markets. President Trump brought renewed focus on potential changes to trade, fiscal, and regulatory policy. Credit investors weighed the implications of a possible shift towards more protectionist measures, looser fiscal discipline, and a less supportive stance on climate policy. This policy mix, if implemented, was expected to boost near-term growth and potentially reignite inflationary pressures, prompting market debate over the durability of the disinflation trend.

For sustainable finance, the US political backdrop created a more complex environment. ESG-labelled funds and green bond issuance remained strong globally, but momentum slowed in the first half of 2025 as policy uncertainty in the US and parts of Europe tempered issuer appetite. In the US, concerns about potential rollbacks of climate-related regulation under a new administration dampened sentiment in certain sectors, particularly renewables and clean tech. While European sustainable issuance benefitted from the launch of the EU Green Bond Standard in late 2024, US issuance growth lagged. This divergence underscored the growing influence of political direction on capital allocation within sustainable markets.

Fixed income markets delivered positive returns overall, aided by the carry from historically high starting yields and modest spread tightening in global IG credit. Government bonds saw mixed performance: 10-year treasury and bund yields ended the period little changed from a year earlier, while gilt yields rose modestly. The first half of 2025 brought renewed steepening in yield curves as markets priced a pause in rate cuts amid resilient economic data.

"For now, risk appetite remains healthy, though investors are increasingly conscious of the potential for policy shifts to reshape both the macroeconomic landscape and the flow of capital into sustainable assets."

Credit markets were well supported, with IG spreads in Europe tightening to near four-year lows and US spreads holding steady at historically tight levels. New issuance was readily absorbed, order books were oversubscribed, and corporate treasurers took advantage of still-elevated yields to lock in funding.

The period closed with financial markets largely pricing a "Goldilocks" environment: easing monetary policy, contained inflation, and supportive credit conditions – but with the recognition that political developments, particularly in the US, could alter the trajectory. For now, risk appetite remains healthy, though investors are increasingly conscious of the potential for policy shifts to reshape both the macroeconomic landscape and the flow of capital into more environmentally or socially sustainable assets.

4.2 Performance

Corporate bond returns have been very strong over the period 1 July 2024-30 June 2025. Figure 18 below shows the performance across global investment grade and high yield. The trend of high yield (HY) outperforming has been prevalent again due to higher starting yields, and spreads moving tighter. Generally, the level of corporate yields has driven strong demand across the asset classes and the magnitude of investor flows into mutual funds has remained elevated for some time.

The fund had a good year performance-wise delivering 7.94% gross of fees, outperforming the Global Investment Grade Index, which returned 7.34%. This strong performance was driven not only by the relatively high yields on offer in the asset class, but also by credit alpha where the bottom-up credit selection helped drive returns, despite the fund not running a lot of 'beta' through the period. We continued to be encouraged by our ability to outperform the broader market with our impact-aligned bond framework, despite the recent erosion of sentiment towards investing with a sustainabillity agenda.

Figure 18: Performance of fund and corporate bond markets (since inception to 30 June 2025)

USD hedged	**2021** 04/05/21 – 31/12/21	**2022** 31/12/21 – 30/12/22	**2023** 31/12/22 – 31/12/23	**2024** 31/12/23 – 31/12/24	**12 months** 31/12/24 – 30/06/25	**Annualised since inception** 04/05/21 – 30/06/25
Euro Investment Grade	0.05	-11.92	10.43	6.35	7.95	1.51
US Investment Grade	2.17	-15.44	8.40	2.76	7.06	0.07
Global High Yield	1.18	-11.39	12.97	9.26	10.19	3.53
Global Investment Grade	1.51	-14.11	9.1	3.69	7.34	0.57
BlueBay Impact-Aligned Bond Fund	1.98	-12.07	7.44	5.46	7.94	1.33

The above indices are not a benchmark for the BlueBay Impact-Aligned Bond Fund and are purely for illustrative purposes.

Euro IG - ICE BofA Euro Corporate Index (ER00); US IG - ICE BofA US Corporate Index (C0A0); Global IG - ICE BofA Global Corporate Index (G0BC); Global HY - BofA Global High Yield Index (HW00); Euro HY - ICE BofA Euro High Yield Index (HE00); US HY - ICE BofA US High Yield Index (H0A0).

Source: RBC GAM, Bloomberg, BofA, as at 30 June 2025.

Figure 19: Fund monthly performance (USD gross of fees, July 2024 – June 2025)

Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	**H2 2024**	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	**H1 2025**	**12M Total**
2.23%	1.44%	1.27%	-1.31%	1.19%	-1.02%	**3.81%**	0.84%	1.79%	-0.46%	0.01%	0.10%	1.66%	**3.98%**	**7.94%**

Past performance is not indicative of future results.

The return on your investment may increase or decrease as a result of currency fluctuations if your investment is made in a currency other than that used in the past performance calculation. Fees and other expenses will have a negative effect on investment returns. For example, if there was an annualised return of 10% over a 5-year period then the compounding effect of a 0.60% management fee and a 0.20% performance fee would reduce the annualised return to 9.32% (figures used are only to demonstrate the effect of charges and are not an indicator of future performance).

Source: RBC GAM, as at 30 June 2025.

Figure 20: Fund top & bottom credit returns by issuer (July 2024 – June 2025)

Issuer (top contributors)	Contribution to credit excess return (bps)	Theme	Fundamental ESG (Risk) Rating
Bupa Finance Plc	+25	Ensuring good health, safety & wellbeing	Low
La Banque Postale SA	+15	Achieving an inclusive society	Low
Motability Operations Group PLC	+14	Achieving an inclusive society	Medium
Pearson PLC	+13	Ensuring clean & plentiful water	Low
Cooperatieve Rabobank UA	+13	Achieving an inclusive society	Medium

Issuer (top detractors)	Contribution to credit excess return (bps)	Theme	Fundamental ESG (Risk) Rating
Amara Nzero	-7	Promoting clean & safe energy	Low
Ambipar Group	-4	Enabling a circular economy	High
George Washington University	-2	Building knowledge and skills	Low
Affinity Water PLC	-2	Ensuring clean & plentiful water	Medium
African Development Bank	-2	Achieving an inclusive society	Medium

Source: RBC GAM, as at 30 June 2025.

The bottom-up performance of individual issuers was strong, with the top and bottom credit contributors shown above in Figure 20. There was a clear trend, with three of the top five performers coming from ‘achieving an inclusive society’, a theme which we continue to find relatively rich in ideas and issuers with the ability to deliver alpha. In the top spot for a second year running was **Bupa Finance Plc**, where we continued to see spread compression. **La Banque Postale SA** also benefitted from a strong tailwind for financials and a compression in spreads between wider trading bonds, which sit lower in the capital structure versus their senior counterparts.

Motability has been a topical issuer, and it is pleasing to see strong performance despite some negative press. There has been growing pressure on the UK government to be more prudent with spending, particularly when it comes to social benefits. Motability has been in the cross-hairs as a scheme whereby some people have taken advantage of the government’s relaxed eligibility rules to get access to heavily discounted vehicle rentals at the taxpayer’s expense.

We agree that the government eligibility for Personal Independence Payments (PIP) does need reviewing but see this as a separate issue to the importance and quality of the Motability scheme itself. We also note that if the scheme were to shrink in size, with fewer people using it, this would not be negative for the credit quality, so continue to like the credit profile of the issuer.

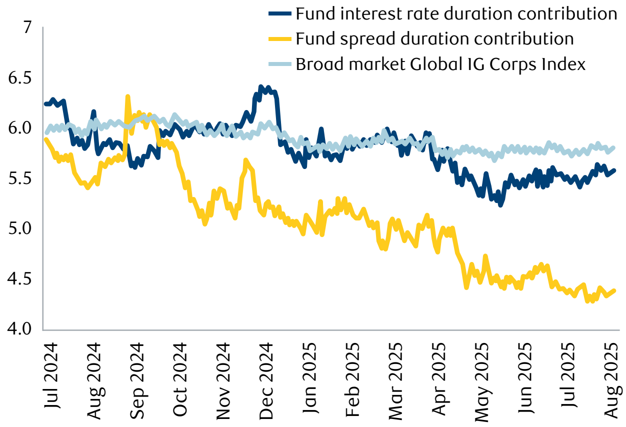
There were no material detractors, but we saw weakness in the Spanish renewables distributor **Amara Nzero**, which led to us closing the position swiftly. The bonds have subsequently suffered further due to supply chain issues impacting the business.

4.3 Positioning

Fund positioning is illustrated in the following tables and charts, as at the end of June 2025. Interest rate duration has operated in a fairly narrow range of 5.5 to 6.5 years, and we finished the period at 5.4 years, which we would consider slightly below our neutral position. Notably credit spread duration has trended lower through the period. We have reduced the credit beta of the fund as spreads have trended towards their tightest levels in decades.

We hold approximately 24% of the portfolio in 'labelled' bonds, which have trended slightly lower mainly due to opportunity set, and our confidence that we are able to achieve our goals by investing in vanilla bonds of issuers that are solving sustainability problems. The average credit quality of the fund has remained consistent at BBB.

Figure 21: Evolution of fund duration (July 2024 – June 2025)



Source: RBC GAM, as at 30 June 2025.

Figure 22: Fund characteristics

	Expected range	Fund
Average Mty	5–10yrs	6.49
Average Rating	IG	BBB
Average Mod Duration	4–8yrs	5.42
Number issues	50–200	116
Number issuers	50–125	90
Green Bonds		14.37%
Social Bonds		4.35%
Sustainability Bonds		5.76%

Source: RBC GAM, as at 30 June 2025.

Figure 23: Fund top 5 holdings by % NAV

Holding	Impact theme	% of NAV	Contribution to credit excess return (bps)	Fundamental ESG (Risk) Rating
LG Energy Solution Ltd	Promoting sustainable mobility & infrastructure	4.64	+2	High
Roquette Freres SA	Ensuring good health, safety & wellbeing	3.75	+8	Medium
Carrier Global Corp	Enabling a circular economy	3.02	+6	Medium
Wolters Kluwer NV	Building knowledge & skills	2.69	+1	Low
Aptiv PLC	Promoting sustainable mobility & infrastructure	2.53	+3	Low

Source: RBC GAM, as at 30 June 2025.

Figure 24: Fund positions added and divested (July 2024 – June 2025)

Additions	Impact-Aligned Theme
CTP NV	Achieving an inclusive society
Jerrold Finco PLC	Achieving an inclusive society
NatWest Group PLC	Achieving an inclusive society
Informa PLC	Building knowledge & skills
McGraw Hill	Building knowledge & skills
Navient Corp	Building knowledge & skills
Amazon Reforestation Bond	Enabling a circular economy
Ambipar Lux Sarl	Enabling a circular economy
Clarios Global LP	Enabling a circular economy
Infineon Technologies AG	Enabling a circular economy
Mondi	Enabling a circular economy
Prysmian SpA	Enabling a circular economy
Affinity Water Finance PLC	Ensuring clean & plentiful water
Bazalgette Finance PLC	Ensuring clean & plentiful water
SNF Group	Ensuring clean & plentiful water
Fresenius Medical Care AG	Ensuring good health, safety & wellbeing
Ipsen SA	Ensuring good health, safety & wellbeing
Kerry Group	Ensuring good health, safety & wellbeing
Roquette Freres SA	Ensuring good health, safety & wellbeing
HA Sustainable Infrastructure Capital Inc	Promoting clean & safe energy
DSB	Promoting sustainable mobility & infrastructure
MTR Corp CI Ltd	Promoting sustainable mobility & infrastructure
Tyco Electronics Group SA	Promoting sustainable mobility & infrastructure

Divestments	Impact-Aligned Theme
Anchor Hanover Group	Achieving an inclusive society
Inter-American Development Bank	Achieving an inclusive society
NatWest	Achieving an inclusive society
GEMs Education	Building knowledge & skills
DS Smith PLC	Enabling a circular economy
Infineon Technologies	Enabling a circular economy
Johnson Controls International PLC	Enabling a circular economy
Smurfit Kappa	Enabling a circular economy
Trimble Inc	Enabling a circular economy
Trane Technologies	Enabling a circular economy
American Water Capital Corp	Ensuring clean & plentiful water
Xylem Inc	Ensuring clean & plentiful water
Clariane SE	Ensuring good health, safety & wellbeing
Cheplapharm Arzneimittel GmbH	Ensuring good health, safety & wellbeing
ELM BV for Firmenich International SA	Ensuring good health, safety & wellbeing
Gilead Sciences Inc	Ensuring good health, safety & wellbeing
Humana Inc	Ensuring good health, safety & wellbeing
Icon PLC	Ensuring good health, safety & wellbeing
Kerry Group	Ensuring good health, safety & wellbeing
Molnlycke Holding AB	Ensuring good health, safety & wellbeing
Takeda Pharmaceuticals	Ensuring good health, safety & wellbeing
Acciona Energia Financiacion Filiales SA	Promoting clean & safe energy
Amara NZ (Green Bidco)	Promoting clean & safe energy
Iberdrola International BV	Promoting clean & safe energy
MTR Corp Ltd	Promoting clean & safe energy
Redeia Corp SA	Promoting clean & safe energy
ABB Finance BV	Promoting sustainable mobility & infrastructure
Alstom SA	Promoting sustainable mobility & infrastructure
Autodesk Inc	Promoting sustainable mobility & infrastructure
East Japan Railway Co	Promoting sustainable mobility & infrastructure
Elia Transmission Belgium SA	Promoting sustainable mobility & infrastructure
Proximus	Promoting sustainable mobility & infrastructure

Source: RBC GAM, as at 30 June 2025.

5. Looking ahead

5.1 Market outlook

We look ahead with cautious optimism for fixed income markets. The past year has been shaped by resilient growth, moderating inflation, and the first signs of monetary easing. Looking forward, policy divergence across regions, fiscal dynamics in Europe, and evolving credit valuations will define the landscape. While spreads leave less margin for error, prevailing yield levels and strong demand for sustainable issuers provide a constructive backdrop for returns.

In the US, the Fed is expected to resume cutting interest rates after a prolonged pause. Inflation has trended lower, and the labour market shows clearer signs of softening, creating room for a gradual policy pivot. This should translate into a steeper US yield curve as short-term rates decline, while long-term yields remain anchored by lingering growth and inflation expectations. Elevated starting yields mean that even modest Fed easing can deliver attractive total returns, particularly in longer-duration assets. We believe this dynamic will underpin another year of strong performance for fixed income.

In Europe, the picture is different. The ECB appears in no rush to ease, with inflation pressures proving stickier and rates likely to remain higher for longer. At the same time, fiscal policy is turning more supportive, with increased spending on infrastructure, defence, and energy transition. These measures are expected to provide a modest boost to growth and could help offset weaker private demand. The combination of sticky short-term rates and fiscal stimulus suggests that Europe too may experience curve steepening, but here the driver is more likely to be upward pressure on long-end yields as governments fund deficits and growth expectations firm.

Credit markets have benefited from a soft landing narrative, with default rates contained and spreads tightening to historically lean levels. While this reflects confidence, it leaves less cushion should growth falter. We remain mindful of the risk that spreads could widen from here. Against this backdrop, we continue to favour higher-quality credit and selective positioning, where yields remain attractive and the income carry provides a buffer against volatility.

Despite these valuation considerations, the overall outlook for fixed income remains positive. High absolute yields continue to support income-driven returns, while the prospect of further policy easing provides upside potential if conditions weaken. The balance of risks argues for maintaining quality and flexibility, but the carry embedded in today's markets suggests that investors are well-compensated to remain engaged.

Issuers whose businesses evidence attributes for providing sustainability solutions, in particular, stand out as a potential source of opportunity. Following a period where sentiment has been more subdued, we still believe some of the strongest investment themes are aligned to sustainability drivers and this will help drive fundamental improvements for such issuers. Investor flows remain broadly supportive, reflecting the growing integration of sustainability goals into mainstream fixed income portfolios. We expect this momentum to persist, ensuring that impact-aligned strategies such as ours should continue to deliver both financial returns and positive outcomes and impacts over the long term.

5.2 Sustainability outlook

Our view of a broadly more constructive market outlook over the next 12 months means we may see some economic activities closely aligned with sustainability start to come back into favour, albeit the trend will likely be uneven across different jurisdictions and industries.

Strong sustainability tailwinds as a result of continued technological innovation and improving economics will remain. For instance, renewable energy is likely to outpace fossil fuels, such as thermal coal in electricity generation, for the first time. Broad societal support for some form of action will likely continue, despite some regional variation, as the occurrence and impacts of environmental degradation continue to play out.

Over the next reference period, there will be many opportunities for governments to show political will and work on implementation to secure the necessary sustainable financing, critically from the private sector, to address the public sector funding gap. However, that is not to say there will not be challenging geopolitical and economic headwinds to continue to navigate, and likely ongoing uncertainty on sustainability-related policies and regulation as a result.

Whilst important to consider the outlook in the short term, we believe it is also critical to look beyond that to inform on what is at stake and what efforts should be prioritised. This year's report is an opportune milestone to do this from a sustainability perspective, as it encompasses part of 2025, a year that points to the challenges and opportunities ahead. With the 2030 deadline only being five years away for achieving the UN SDGs – as well as the required emissions reductions to meet the ambition of the Paris Agreement to limit temperature rise to 1.5°C – in the words of the UN (in its 2025 SDG report), *"a decisive five-year countdown starts now"*.

We have already witnessed a decade of progress (since 2015) in terms of improved access to education and better health and sanitation, increased electricity, and digital access. However, this gain has not been evenly distributed, with inequalities existing and persisting. Conflicts, climate change, and inadequate financing are factors limiting advancements, and the science is indicating delays may push the planet past critical tipping points. There is a pressing need for collaboration and partnership at a systemic level to overcome these barriers, as well as sustained investments over the next five years and beyond into the solutions.

"Our strategy remains focused on seeking to facilitate and benefit from the scaling of those critical sustainability solutions."

We continue to believe that when sustainability solutions scale, it is possible for benefits to flow through in the form of economic prosperity, job creation, energy security, healthier and more inclusive communities, and a more environmentally sustainable and biodiverse planet. Our strategy remains focused on seeking to facilitate and benefit from the scaling of those critical sustainability solutions.

6. Appendix

6.1 BlueBay Impact-Aligned Bond Strategy overview

Key features	
Strategy	A predominantly investment grade corporate bond fund, investing globally in public markets. The sustainability themes developed target positive contribution to people and to the planet through selecting issuers whose core economic activities offer investment opportunities and contribute to addressing environmental and social challenges.
Objective	Capital appreciation and income, investing in sustainable investments
Benchmark	None/Total return strategy
Investment policy/ strategy constraints	▪ Minimum 2/3rd investment grade ▪ Maximum 1/3rd sub-investment grade ▪ Maximum issuer exposure 5% ▪ Maximum 25% emerging markets
ESG approach	**Thematic:** CORPORATES / SSAs – two potential qualification routes: core business activity fulfils sustainability theme(s) or activity being funded / supported by the issue fulfils sustainability theme(s). Themes being: Achieving an inclusive society; Building knowledge & skills; Ensuring good health, safety & wellbeing; Enabling a circular economy; Ensuring clean & plentiful water; Promoting clean & safe energy, and Promoting sustainable mobility & infrastructure[1] **Exclusions:** CORPORATES[2,3] – product based: adult entertainment, alcohol, controversial weapons, conventional weapons, fossil fuels related (various), gambling, nuclear energy, tobacco; conduct based: UN Global Compact status, ESG controversies status / SOVEREIGNS[2,4] – controversial jurisdictions status (Financial Action Task Force, UN Security Council Sanctions), Freedom House Index status, UN conventions and treaties status (corruption convention, torture and punishment convention, Paris Agreement) **Integration[5]:** resulting in exclusions of the worst ESG-rated issuers[6] **Stewardship:** including engagement[7] and proxy[8] (where applicable)
Regional/national ESG classifications	EU SFDR – Article 9[9] / French ESG (AMF Doctrine) – category 1[10]/ German ESG (BVI) – Q[11]
Liquidity	Daily
Base currency	USD
Typical number of issuers	50–125
Investment team	Tom Moulds, My-Linh Ngo[12], Harrison Hill, Robert Lambert
Fund risks	▪ At times, the market for investment grade bonds may dry up, which could make it difficult to sell these bonds, or the fund may only be able to sell them at a discount. ▪ There may be cases where an organisation with which we trade assets or derivatives (usually a financial institution such as a bank) may be unable to fulfil its obligations, which could cause losses to the fund. ▪ BlueBay's analysis of sustainability factors can rely on input from external providers. Such data may be inaccurate or incomplete or unavailable and BlueBay could assess the sustainability risks of securities held incorrectly. ▪ BlueBay could suffer from a failure of its processes, systems and controls – or from such a failure at an organisation on which we rely in order to deliver our services – which could lead to losses for the fund.

Source: RBC GAM, as at June 2025.

The target return should not be relied upon as an indication of actual or projected performance. Actual volatility and returns depend upon a variety of factors. No representation is made that any targets or objectives will be achieved, in whole or in part. Fluctuations in exchange rates may have a positive or an adverse effect on the value of foreign currency-denominated financial instruments.

Notes: [1]For further information on the sustainability themes, refer to the earlier sections in this report; [2]As determined by our third-party ESG data. Further information is available upon request; [3]As determined by a third-party organisation. Further information is available upon request; [4]As determined internally by Investment Compliance. Further information is available upon request; [5]As determined by an internally derived issuer ESG evaluation framework. Fundamental ESG (Risk) Rating is assigned at an issuer level. This relates to an assessment of the extent to which the issuer is effectively managing the key ESG risks it faces. Categories range from 'very high' ESG (Risk) Rating to 'very low' ESG (Risk) Rating and is a function of the ESG risk profile of an issuer and how well it manages these risks. Further information is available upon request; [6]Excludes issuers with 'very high' Fundamental ESG (Risk) Rating and excludes issuers with 'high' Fundamental ESG (Risk) Rating (case by case); [7]In certain instances, including but not limited to those involving quantitative investment, passive and certain third-party sub-advised strategies, there is no engagement with issuer; [8]Generally not applicable to fixed income, but in the limited instances it does occur, we will act accordingly. *Exceptions permitted in specific instances for power utility companies in the case of transmission/distribution/capacity thresholds. Further information is available upon request; [9]This Article designation is a self-classification by RBC Global Asset Management (UK) Limited, and effective from April 2021. Full details of the Fund's ESG framework are available online here; [10]French rule setting requirements for in-scope funds incorporating an ESG approach to ensure that the level ESG information provided is proportionate to the actual consideration of ESG factors when marketing in France. Details available here; [11]The German fund industry association (BVI) product classification for defining the ESG target market concept a product is targeting; [12]My-Linh Ngo is a Senior Director, Impact-Aligned Strategist in RBC GAM's Responsible Investment (RI) team. She is part of the Impact-Aligned investment team.

6.2 ESG and sustainability analysis methodologies

A high-level summary is provided of the data, metrics and methodologies used in this report. Further information is available from the respective third-party provider and can typically be found on their websites or upon request.

ESG characteristics

ESG profile

We subscribe to Impact Cubed to report on the ESG profile of fund/index companies using their data (Figures 1, 2 and 10). ESG issues relate primarily to challenges associated with a company's operations, although also include a company's economic activities. The snapshot of the portfolio is across 15 ESG and impact exposure factors, spanning governance, society, the environment, and products & services. Impact Cubed fills in gaps in company reporting with data from proprietary estimation models. The third-party has switched the basis for calculations from market capitalisation to EVIC, where possible, for the analysis featured in this report (i.e. where an EVIC number is available), which is widely accepted to be the industry standard for fixed income.

The spider graph compares the ESG profile for the fund (the navy blue line shows the fund's factor exposures relative to the illustrative index values on each factor) and the Broad Market Global IG Corps Index (yellow symmetrical circle/line in the middle of the graph), and where the closer lines reach to the outside of the spider graph, the better the performance. If the two lines are the same, this means the fund is tracking the Broad Market Global IG Corps Index closely on every factor. When the fund's positioning is outside the index circle, that indicates a positive active exposure. The further the fund's datapoints are outside the index circle, the larger the active exposure of the fund to that particular factor. When the fund's datapoints are inside the Broad Market Global IG Corps Index circle, this indicates that it has negative active exposure to a factor.

The Net Impact number (measured in basis points (bps)) shows how much the fund deviates from the Broad Market Global IG Corps Index on its 15 ESG and impact exposures. It shows how well a fund uses its active shares (traditional tracking error (TE), measured in bps) to create impact. A higher positive number is better, as the fund's active positions are in companies that have better impact. Net Impact is tallied as the sum of the positive and negative factor exposures. It can be negative if the fund has more negative ESG and impact exposures than positive. It will always fall between the total TE and its negative. For example, if a fund has 100bps TE, its impact will fall between -100 and 100.

During the reference period, some methodology updates have been made by Impact Cubed in terms of Product and Services mapping which have largely moved activities to a neutral tagging, while updates to estimation methodologies to improve models have resulted in some changes to carbon estimates, as well as water and waste efficiency estimation models. Impact Cubed updated data sourcing, risk models and quality assurance processes to improve the quality and consistency of gender equality and board independent data. As such, a direct comparison of performance of the previous reference period may not be appropriate. Further details on the metric and underlying methodology is available from the third-party.

Carbon analytics

The primary source of carbon analytics reported are derived from MSCI ESG Research, MSCI. Further details on climate data and metrics are available from the provider.

Portfolio measurement (current profile): Carbon emissions

Carbon emissions analysis (Figure 3) looks at a portfolio's contribution to climate change in terms of its current emissions profile. Carbon emissions may be calculated based on absolute emissions (financed emissions) or an intensity-based metric. Carbon emissions data, metrics and analysis reported come from MSCI, for both the fund and the Broad Market Global IG Corps Index.

A note on the data reported:

- As this is a fixed income portfolio, the investor allocation base we have used for the metrics is EVIC (in the calculation), as opposed to using market capitalisation (which tends to be the measure for equity portfolios).
- We have reported both 'disclosed' and 'estimated' data supplied by MSCI, as well as applied subsidiary mapping to the investment universe. Estimated data is based on MSCI's proprietary scope 1+2 carbon emissions estimation model, with scope 3 data also based on its own estimation model.
- For the calculations, derivatives such as options, non-corporate issuers or companies outside of our vendor's coverage are excluded from the analysis, with the weights of the remaining companies rebalanced such that the 'covered' portfolio weight equals 100%.

Portfolio measurement (current profile): Issuers with carbon emissions reductions targets

Understanding current climate risks and opportunities within the fund can be gained by knowing how the issuers in the portfolio are positioned to respond to the transition risks that will arise from efforts to limit climate change in line with the Paris Agreement. We have reported the exposure to companies that are addressing climate change by adopting carbon reduction targets, and those which are validated by the SBTI for the fund and the Broad Market Global IG Corps Index (Figure 4). This information is sourced from MSCI. Further information is available from the third-party (including their climate targets and commitments dataset and MSCI ESG Ratings Methodology: carbon emissions key issue, October 2023).

Portfolio alignment to a net-zero trajectory – Implied Temperature (ITR)

Considering metrics and analytics which enable an understanding of a portfolio's alignment with a net-zero trajectory is helpful to understanding the portfolio's direction of travel on a forward-looking basis. We have reported data from MSCI, to consider the portfolio's temperature alignment (Figure 5). Further information is available from MSCI on its ITR methodology.

The ITR metric is a modelled, forward-looking metric that indicates what the global average temperature increase would be in 2100, relative to pre-industrial times, if the global economy had the same carbon profile as the issuer or portfolio. This metric considers the current emissions of issuers, their disclosed targets, and the likelihood of achieving established targets. It provides an indication of the alignment of an issuer or portfolio to a temperature pathway. The ITR is inclusive of scope 1, 2 and 3 emissions.

Some things to note:

- The net-zero 2050 budget over- or undershoot is calculated by companies being allocated an initial absolute carbon budget for the time frame 2020-2050 based on sectoral decarbonisation pathways, then converting those into company-level budgets, using revenue or investment values as a proxy for fair-share budget allocations, leveraging of the Network of Central Banks and Supervisors for Greening the Financial System's (NGFS) net-zero 2050 scenario and sectoral carbon intensities. This initial carbon budget is rolled over to the following years by subtracting realized emissions for those years and adjusting for market share. The Intergovernmental Panel on Climate Change (IPCC) provides the remaining global carbon budget for different temperature rises and probabilities. Details are available here.
- Transient Climate Response to Cumulative Carbon emissions (TCRE) factor of 0.000545°C warming per Gt CO_2 is used, based on the IPCC Physical Science Basis report (2013), and the report is available here. The TCRE provides a relationship that links each additional unit of emissions emitted beyond the available remaining global 2°C carbon budget to degrees of additional warming. This value is used to convert a portfolio's allocated carbon budget over/undershoot into a degree of warming.

Nature-related risks

Nature refers to the natural world, and is generally considered to consist of four realms: land, oceans, freshwater and atmosphere. Nature-derived services, such as fresh water, genetic diversity in nature and wetlands and forests are important for the global economy. The final recommendations in September 2023 by the TNFD provide a voluntary framework and sector-specific guidance for the disclosure of nature-related dependencies, impacts, risks, and opportunities.

The TNFD defines nature-related risks as potential threats posed to an organisation, which are linked to its (and wider society's) dependencies and impacts on nature. These can derive from physical, transition, and systemic risks, which may create a disruption in an issuer's activities or value chains, volatility in raw materials prices, adaptation costs, stranded assets, or capital destruction, amongst others. There are also nature-related opportunities, which create positive outcomes for organisations and nature by creating positive impacts on nature or mitigating negative impacts on nature.

These include activities that avoid, reduce, mitigate, or manage nature-related risks, or that actively work to reverse the loss of nature, including through restoration or regeneration of nature, and implementation of nature-based solutions. Figure 6 shows portfolio level (for the fund and the Broad Market Global IG Corp Index) exposure to TNFD priority sector, and exposure to issuers with operations or activities in sensitive locations. These are two core metrics recommended for asset managers by the TNFD.

TNFD priority sectors are where issuers may face significant impacts and/or dependences from nature. Examples of industries being: paper and forest products, energy, mining, transportation, food and beverages, apparel, utilities, chemicals, pharmaceuticals, semiconductors and construction (as these are adapted from Sector guidance: Additional guidance for financial institutions, Taskforce on Nature-related Financial Disclosures (TNFD), June 2024). Corporate investments have been categorised into the sixteen TNFD priority sectors, based on the corporate entity's Nomenclature of Economic Activities (NACE) Class Code for the highest revenue earning activity. Priority sectors are based on Additional Guidance for financial institutions, TNFD, June 2024.

Operations in sensitive areas identifies companies with three or more known physical assets in biodiversity-sensitive areas denoted as either being healthy forests, intact biodiversity areas, prime areas for conservation or deforestation fronts. This has been conducted based on MSCI data (based on Biodiversity-Sensitive Areas and Deforestation Screening Metrics).

As exposure to a priority sector and/or operations in sensitive locations is not necessarily indicative of the potential risk that issuers may face, the analysis is supplemented by evaluating whether issuers with operations in sensitive locations may have potential biodiversity-related risks. This is based on whether issuers are potentially negatively affecting local biodiversity and have no impact assessment, and/or have experienced a biodiversity-related controversy with severe impact on local biodiversity. The analysis was conducted using MSCI data (based on SFDR Adverse Impact Metrics Methodology, May 2024). This metric is in line with the Sustainable Finance Disclosure Regulation (SFDR) Principle Adverse Impact (PAI) indicator on biodiversity (Indicator 7). Understanding of nature-related risks can be enhanced by determining the materiality of nature-related dependencies and impacts.

Nature-related impacts consider the interplay between an organisation's operations and nature, and how that relationship may result in direct and indirect risks in the form of regulatory, legal, reputational, and market risks. Nature-related dependencies consider the extent to which a decline in an ecosystem service may present a financial risk to a business.

Figure 7 provides an assessment of the fund's nature-related dependencies and impacts using the ENCORE tool. Issuers' nature-related dependences and impacts (and risk level) is based on ENCORE categorisations, which are mapped to issuers based on their primary revenue-generating activity data, using Nomenclature of Economic Activities (NACE) codes. Nature-related impacts and dependencies are defined as per ENCORE but grouped based on RBC GAM analysis.

RBC GAM groupings (with ENCORE categories in parenthesis) are as follows:

- For nature-related dependencies: Climate and air quality (Air Filtration; Global climate regulation; Local (micro and meso) climate regulation; Noise attenuation; Other regulating and maintenance service - Mediation of sensory impacts (other than noise)); Cultural, recreational, and educational services (Education, scientific and research services; Recreation-related services; Spiritual, artistic and symbolic services; Visual amenity services); Habitat and biodiversity (Biological control; Genetic material; Nursery population and habitat maintenance; Other provisioning services - Animal-based energy, Pollination); Soil and waste management services (Biomass provisioning; Other regulating and maintenance service - Dilution by atmosphere and ecosystems; Soil and sediment retention; Soil quality regulation; Solid waste remediation); and Water management and quality services (Flood mitigation services; Rainfall pattern regulation; Storm mitigation; Water flow regulation; Water purification; Water supply).
- For nature-related impacts: Climate change (Emissions of GHG); Pollution (Emissions of non-GHG air pollutants; Emissions of toxic soil and water pollutants; Emissions of nutrient soil and water pollutants; Disturbances (e.g., noise, light); Generation and release of solid waste); Natural resource use (Other biotic resource extraction (e.g. fish, timber); Other abiotic resource extraction; Area of freshwater use; Volume of water use); and Change in land and sea use (Area of land use; Area of seabed use; Introduction of invasive species).

Positive impact profile: issuer-level impact

Sustainable Impact Solutions

This analysis (Figure 8) looks at positive impact on the environment or society generated by companies in the fund associated with specific sustainability themes, based on revenue exposure. By breaking down companies' sustainable impactful revenue contributions to a range of factors, MSCI has provided the building blocks for impact attribution. Further information is available from the third-party on their sustainability impact solutions.

The MSCI metrics are based on disclosed activities, disclosed revenues and estimates of revenues that are extrapolated from company disclosures and eligible sources (such as NGOs). It is calculated as a weighted average of each company's percent of revenue generated by sustainable impact solutions goods and services. To avoid the possibility of overstating revenue exposure, companies outside of the coverage universe are treated as having 0% revenue from Sustainable Impact Solutions. Portfolio-level results for Sustainable Impact categories may not equal the sum of results for underlying categories due to the existence of revenue associated with multiple categories. The 13 impact solutions are grouped within four broad categories: basic needs (nutrition, affordable real estate, major disease treatment, sanitation), empowerment (small and medium-sized enterprises finance, education, connectivity), climate change (alternative energy, energy efficiency, green building), and natural capital (sustainable water, pollution prevention, sustainable agriculture). Utilising the 13 impact factors defined by our vendor, we then re-categorised these to align with our seven impact-aligned 'People' and 'Planet' themes.

Additionally, to be eligible to contribute, an issuer also must maintain minimum ESG standards of conduct, which has been defined as companies with very severe and severe controversies, with their worst ESG Ratings of 'CCC' and 'B', direct involvement in predatory lending, involvement in controversial weapons, >5% revenue from conventional weapons or firearms, and >10% revenue from alcohol or tobacco production).

A further analysis using the impact revenue metric (Figure 9) shows the difference in actual dollar (USD) figures between a USD1 million investment in the fund and the Broad Market Global IG Corps Index as a proxy for the general credit market. Looking at data analysis from a fixed income perspective, we determined how to apportion those impactful revenues between debt, as compared to equity holders. We have worked with the third-party to apply a methodology for allocation of impactful revenues by using percentage of EVIC as the basis for ownership, rather than the traditional percentage ownership of market capitalisation.

Net Impact Ratio (NIR)

We have reported on data from The Upright Project throughout the report for issuers as well as at portfolio level (Figure 11, 12 and 13), which is based on a net impact model that measures in relative terms, the net sum of the costs ('negative') and benefits ('positive') that a company creates from the products and services it offers. Since net impact is a measure of the costs and benefits, it can also be thought of as net value creation of a company. Net impact can be aggregated with a metric called NIR, which is calculated as (positive impacts - negative impacts)/positive impacts. The logic of the metric is similar to net profit ratio. The net impact model produces quantitative estimates of the costs and benefits related to each product and service in each of the various impact categories that form four impact dimensions (environment, health, knowledge and society) as they occur within a company, as well as upstream and downstream in the value chain.

Utilising AI and machine learning, the model collects information from scientific literature and public statistical databases, combines it with the product information to arrive at impact estimates of each product or service, and allocates a proportion of the global budget for each of the impact categories to enable aggregation up to a portfolio level. The maximum value for the NIR of a company is 100%, representing a theoretical company with no negative impacts. A company's contribution to the portfolio NIR is affected by its share of the portfolio and score for the impact in question. Values for each impact category are expressed as impact cents per dollar of revenue. Impact cents represent the impact a company or portfolio has in a particular category relative to the size of the company. Impact cents are designed to be comparable between impact categories, as well as between companies or portfolios, regardless of their size. Further information on the NIR is available from the provider.

Alignment to the UN SDGs

Reporting of portfolio alignment to the UN SDGs (Figure 14) is done using analytics from MSCI. Specifically, it focuses on the SDG product alignment analysis, which comprises scores and assessment measuring the net impact of a company's products and services on achieving targets associated with each of the 17 SDGs. The MSCI SDG alignment methodology is designed to use qualitative and quantitative inputs to evaluate companies' alignment with specific SDGs. Estimated revenue from products and services that contribute positively to addressing an SDG are scored based on revenue ranges (0%-100%), and estimated revenue from products and services that are negatively aligned with an SDG are scored (0-10) based on revenue ranges of the same scoring range.

Instead of using direct conversion from revenue percentages for the positive and negative alignment scores, MSCI applies scoring ranges to account for revenue estimation. For example, where between 25-50% of a company's revenue comes from products with positive impact, the result is a positive alignment score of 7. A resulting SDG product alignment score is calculated as the sum of a company's positive alignment score and negative alignment score for that SDG.

Alignment to EU taxonomy

The EU Taxonomy regulation aims to establish a common language that investors can use when investing in projects and economic activities that have a substantial positive impact on climate and the environment. This taxonomy translates the EU's environmental objectives into a classification system for environmentally sustainable economic activities making a substantial contribution to those objectives.

There are four tests when considering taxonomy criteria. For economic activity to be taxonomy eligible, it must pass the first test; 1) making a substantial contribution to at least one of the environmental objectives. To be considered taxonomy aligned, it must also pass three remaining tests, 2) doing no significant harm to any of the other five environmental objectives, 3) complying with minimum safeguards, and 4) complying with the technical screening criteria.

The taxonomy complements the EU's CSRD regulation, as companies that fall under these scopes have a mandatory obligation to disclose alignment of their activities or investments with the criteria set out in the taxonomy.

To determine the taxonomy alignment of the portfolio (Figure 15), the analysis involved a number of steps to provide figures:

Firstly, corporate issuers in scope of CSRD disclose their taxonomy alignment in their annual disclosures. MSCI taxonomy data was used (for all environmental objectives) for corporate issuers (both financial and non-financial) held in portfolios.

The alignment of issuers within the portfolio is then weighted at portfolio level based on investment exposure as a proportion of total investments. For example, if a portfolio has two issuers, each with 50% portfolio weighting, and one of the issuers has a 30% taxonomy alignment (with the other issuer having zero alignment), our portfolio alignment would be 15%.

6.3 Fund holdings

Figure 25: List of fund holdings (issuers)

Issuer	Theme
African Development Bank	Achieving an inclusive society
Banque Federative du Credit Mutuel SA	Achieving an inclusive society
CoBank ACB	Achieving an inclusive society
Cooperatieve Rabobank UA	Achieving an inclusive society
CTP NV	Achieving an inclusive society
IHS Holding Ltd	Achieving an inclusive society
IHS Netherlands Holdco BV	Achieving an inclusive society
Jerrold Finco PLC	Achieving an inclusive society
La Banque Postale SA	Achieving an inclusive society
London & Quadrant Housing Trust	Achieving an inclusive society
Millicom International Cellular SA	Achieving an inclusive society
Motability Operations Group PLC	Achieving an inclusive society
Nationwide Building Society	Achieving an inclusive society
NatWest Group PLC	Achieving an inclusive society
OneMain Finance Corp	Achieving an inclusive society
Sovereign Housing Capital PLC	Achieving an inclusive society
Telefonica Celular del Paraguay SA	Achieving an inclusive society
George Washington University/The	Building knowledge & skills
HCA Inc	Building knowledge & skills
Informa PLC	Building knowledge & skills
McGraw-Hill Education Inc	Building knowledge & skills
Navient Corp	Building knowledge & skills
Pearson Funding PLC	Building knowledge & skills
RELX Finance BV	Building knowledge & skills
Sanoma Oyj	Building knowledge & skills
SLM Corp	Building knowledge & skills
UNITE Group PLC/The	Building knowledge & skills
Wolters Kluwer NV	Building knowledge & skills
Ambipar Lux Sarl	Enabling a circular economy
Carrier Global Corp	Enabling a circular economy
Clarios Global LP / Clarios US Finance Co	Enabling a circular economy
Darling Ingredients Inc	Enabling a circular economy
FCC Servicios Medio Ambiente Holding SAU	Enabling a circular economy
Infineon Technologies AG	Enabling a circular economy
Interface Inc	Enabling a circular economy
International Bank for Reconstruction & Development	Enabling a circular economy
Johnson Controls International plc	Enabling a circular economy
Mondi Finance PLC	Enabling a circular economy
ProGroup AG	Enabling a circular economy
Prysmian SpA	Enabling a circular economy
Renewi PLC	Enabling a circular economy
Siemens Financieringsmaatschappij NV	Enabling a circular economy
Aegea Finance Sarl	Ensuring clean & plentiful water
Affinity Water Finance PLC	Ensuring clean & plentiful water
Bazalgette Finance Plc	Ensuring clean & plentiful water
Ecolab Inc	Ensuring clean & plentiful water

Figure 25: List of portfolio holdings (issuers) (cont'd)

Issuer	Theme
Holding d'Infrastructures des Metiers de l'Environnement	Ensuring clean & plentiful water
Northumbrian Water Finance PLC	Ensuring clean & plentiful water
Severn Trent Utilities Finance PLC	Ensuring clean & plentiful water
Suez SACA	Ensuring clean & plentiful water
Veralto Corp	Ensuring clean & plentiful water
Alexandria Real Estate Equities Inc	Ensuring good health, safety & wellbeing
Becton Dickinson Euro Finance Sarl	Ensuring good health, safety & wellbeing
BUPA Finance PLC	Ensuring good health, safety & wellbeing
CSL Finance PLC	Ensuring good health, safety & wellbeing
Eurofins Scientific SE	Ensuring good health, safety & wellbeing
Fresenius Medical Care AG	Ensuring good health, safety & wellbeing
Healthcare Realty Holdings LP	Ensuring good health, safety & wellbeing
Hikma Finance USA LLC	Ensuring good health, safety & wellbeing
Ipsen SA	Ensuring good health, safety & wellbeing
Johns Hopkins Health System Corp/The	Ensuring good health, safety & wellbeing
Kerry Group Financial Services Unltd Co	Ensuring good health, safety & wellbeing
LifePoint Health Inc	Ensuring good health, safety & wellbeing
Lonza Finance International NV	Ensuring good health, safety & wellbeing
Roquette Freres SA	Ensuring good health, safety & wellbeing
Sartorius Finance BV	Ensuring good health, safety & wellbeing
UCB SA	Ensuring good health, safety & wellbeing
Clean Renewable Power Mauritius Pte Ltd	Promoting clean & safe energy
Continuum Energy Aura Pte Ltd	Promoting clean & safe energy
Continuum Green Energy India Pvt / Co-Issuers	Promoting clean & safe energy
Eaton Capital UnLtd Co	Promoting clean & safe energy
HA Sustainable Infrastructure Capital Inc	Promoting clean & safe energy
Orsted AS	Promoting clean & safe energy
ReNew Pvt Ltd	Promoting clean & safe energy
Sociedad de Transmision Austral SA	Promoting clean & safe energy
SSE PLC	Promoting clean & safe energy
TC Dudgeon Ofto PLC	Promoting clean & safe energy
Terna - Rete Elettrica Nazionale	Promoting clean & safe energy
Vestas Wind Systems A/S	Promoting clean & safe energy
Aptiv Swiss Holdings Ltd	Promoting sustainable mobility & infrastructure
Autoliv Inc	Promoting sustainable mobility & infrastructure
Contemporary Ruiding Development Ltd	Promoting sustainable mobility & infrastructure
Deutsche Bahn AG	Promoting sustainable mobility & infrastructure
DSB	Promoting sustainable mobility & infrastructure
Empresa de Transporte de Pasajeros Metro SA	Promoting sustainable mobility & infrastructure
KB Home	Promoting sustainable mobility & infrastructure
LG Energy Solution Ltd	Promoting sustainable mobility & infrastructure
MTR Corp CI Ltd	Promoting sustainable mobility & infrastructure
Tyco Electronics Group SA	Promoting sustainable mobility & infrastructure

Source: RBC GAM, as at 30 June 2025.

The holdings list is on a unique issuer basis, with each being listed once. The fund's portfolio will contain a much larger number of positions, and the example is not intended to indicate overall portfolio performance that may be expected to be achieved by the fund. The information provided in this example of a holding is to illustrate the investment process of the strategy and should not be deemed a recommendation to buy or sell any security or financial instrument.

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