How we consider sustainability factors when we decide where to invest your money

Phoenix

Sustainability issues bring financial risks and opportunities

Sustainability issues, climate change and the move to a low-carbon future, bring financial risks and opportunities. That's why we consider these factors when we decide where to invest your money. We can also influence companies to reduce their impact on people and the planet.

Useful information about this Fund	
Managed by: Phoenix Unit Trust Managers	**Launched on:** 24/04/2025
Fund name: PUTM ACS Sustainable Index Global Short Duration Credit Fund	**Fund identifier:** FCA PRN Reference – 1033201

The Fund has a sustainability goal to reduce its carbon intensity to achieve net zero emissions by 2050

The Fund's sustainability objective is to decarbonise in line with the objectives of the Paris Agreement, in order to achieve net zero by 2050, as measured by Scope 1 and 2 (direct and indirect) emissions intensity on an inflation adjusted Enterprise Value including Cash (EVIC) basis.

EVIC measures the total value of a company, by considering the value of the company's equity, debts and cash holdings.

EVIC is used to calculate our share of corporate emissions and the economic emissions intensity of investments. It helps you compare emissions between funds and can be used to track emissions reductions over time. Funds with a lower economic intensity are typically more carbon-efficient and have lower Greenhouse Gases (GHG) emissions with each unit invested.

How we measure and assess if the portfolio of the Fund has improved in line with our definition of sustainability

2019 onwards
Through a **7%** average annual decrease in inflation-adjusted EVIC, Scope 1 & 2

2030
A **50%** reduction in inflation adjusted EVIC, scope 1&2 by 2030 against 2019 baseline

2050
To **net zero** greenhouse gas emissions by 2050

The Fund aims to invest in companies that are well placed for the Net Zero transition

We assess this through an increase in:

- MSCI's Low Carbon Transition Score (LCT)

MSCI's Low Carbon Transition (LCT) score is designed to identify potential climate transition leaders and laggards by measuring a company's current exposure to and management of climate transition risks and opportunities across its operations and supply chain. The LCT score is from 0-10, where 0 is the highest risk and 10 is the lowest risk.

Sustainability Improvers

This fund is classified as a Sustainability Improvers Fund. It invests mainly in assets that may not be sustainable now, with an aim to improve their sustainability for people or the planet over time.

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

We screen out and exclude companies that could present a financial risk

These include companies that are involved in:

- Controversial Weapons (Zero Tolerance)
- Tobacco Production (>1% of revenue from this activity)
- Thermal Coal Mining and Energy production (>5% of revenue)
- Unconventional Oil and Gas (>5% of revenue)
- United Nations Global Compact (UNGC) breaches
- Lowest ESG score rating
- Severe ESG controversies

This data has been gathered from MSCI. This report has been published on 07/05/2025 using the most up to date information.

Please note: Certain Environmental, Social and Governance (ESG) data is reported on an annual basis and therefore carries a different date to the holdings data, which can be challenging when assessing a company's sustainability profile at a specific point in time.

Sustainability Approach

The Fund will favour investments in companies that are managing or planning to manage the financial risks associated with climate change effectively, and aims to achieve the below:

a. support the broader transition of the global real economy to net zero, by taking a 'whole economy' approach and seeking improvement across all sectors and industries
b. managing climate change transition risks by directing capital towards companies that have credible plans to achieve net zero by 2050; and
c. increasing investment in climate solutions.

Stewardship is a vital part of achieving our sustainability goals

Our stewardship strategy focuses on the worst-performing emitters. It helps us to identify and engage with companies that could have the greatest impact on carbon-reducing goals and the overall sustainability objective of the strategy.

Sustainability Metrics

How we're performing against our sustainability aims

What we're targeting	The KPI we're measuring	How the Fund's doing	How the market* is doing
Annual reduction 7% per year in carbon emission intensity	Scope 1 & 2 EVIC emission intensity ($tCO_2e/\$m$)	25.00	47.33
Additional features relative to the wider market*	**Sustainability characteristics we are measuring**	**How the Fund's doing**	**How the market* is doing**
5% uplift in low carbon transition score	MSCI's Low Carbon Transition Score (LCT)	6.00	5.50
50% increase in climate solution investment	Green revenue	6.36	4.08

**The wider market refers to the parent index Bloomberg Global Aggregate Corporate 1-5 Year Index*

How to interpret the measures

- Scope 1 & 2 EVIC emission intensity ($tCO_2e/\$m$) – emissions intensity is a metric which expresses carbon footprint per $ invested. A lower emissions intensity is better for the environment, whilst a higher one is less so.
- Low-Carbon Transition (LCT) Score calculates a company's climate transition risk by aggregating Scope 1, 2 and 3 emissions, emissions avoided, and the quality of the company's climate management into a score between 0 (highest risk) and 10 (lowest risk).
- Green Revenue – higher green revenue indicates increasing investment in climate solutions.

Further Details

Find further details of this fund:

Fund prospectus
Available on request

Key Investor Information
Available on request

Fund Climate Report
Available here