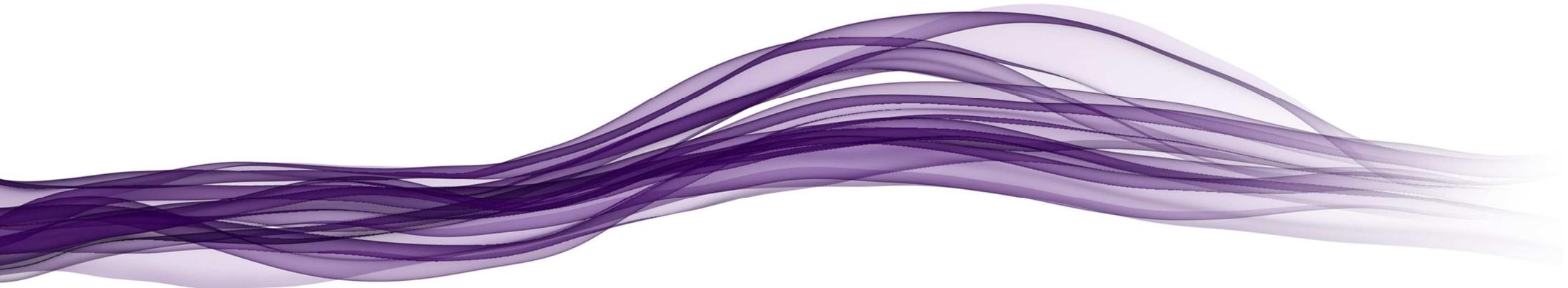


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Royal London Global Equity Select Fund

Quarterly Investment Report

31 December 2025



Quarterly Report

The fund as at 31 December 2025

The purpose of this report is to provide an update on the Royal London Global Equity Select Fund. The report has been produced by Royal London Asset Management. The report starts with a summary dashboard showing key information about the fund. A glossary is located at the end of the report covering the description of some of the more technical terms used within the report. All data is as at the report date unless otherwise stated.

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The fund

Fund performance objective and benchmark

The Fund aims to provide a return greater than that of the MSCI World Net Total Return Index GBP by 2.5% per annum over rolling 3-year periods, through capital growth, after the deduction of charges.

Fund value

	Total £m
31 December 2025	488.41

Fund analytics

	Fund
Fund launch date	10 October 2017
Fund base currency	GBP
Benchmark	MSCI World Index (Net Total Return, GBP)
Number of holdings	40
Active share (%)	75.5
Tracking error (%)	4.7

Ex-post tracking error calculated 3 years to 31 December 2025 using EOD prices. Please refer to the glossary for a description of the tracking error used.

Performance and activity

Performance

	Fund (%)	Benchmark (%)	Relative (%)
Quarter	4.85	3.21	1.64
1 Year	9.88	12.75	(2.87)
3 Years (p.a.)	19.69	16.72	2.97
5 Years (p.a.)	17.94	12.50	5.43
Since inception (p.a.)	16.76	12.16	4.60

Past performance is not a guarantee or reliable indicator of future returns. The impact of fees or other charges, including tax, where applicable, can be material on the performance of your investment. The impact of fees reduces your investment. Please refer to the Glossary for the basis of calculation and impact of fees. Performance and since inception date based on M Acc GBP. Source: Royal London Asset Management; Gross performance; Since inception date of the share class is 5 March 2018.

Performance commentary

The fund outperformed its benchmark over the quarter, benefiting particularly from positive stock selection. Amid concerns about valuations in parts of the market, investors began to appreciate companies with more defensive qualities, such as relatively reliable revenues. Some of our holdings benefited from these attributes and returned to favour over the quarter.

Shares in Steel Dynamics performed well over the quarter, following positive earnings in October. The ramp-up of their Sinton steel mill in Texas has led to an increase in volumes and the pricing environment has now stabilised, with some suggestions from management that pricing could increase in 2026. Alongside this, their investment into aluminium should start to turn profitable in the coming year. Eli Lilly was a key contributor to performance. The primary driver was the company's dominant position in the fast-growing GLP-1 drug market and a rotation into the defensive sectors of the market. Third-quarter results, released at the end of October, were exceptional, due to explosive demand for its metabolic franchise (Mounjaro for diabetes and Zepbound for obesity), which together generated more than \$10 billion in quarterly sales and captured leading US market share.

Alphabet was a key positive contributor to performance following positive results, which helped investors to better appreciate its differentiated positioning in AI. In particular, the release of the Gemini 3 model has been widely accepted as market leading, reducing fears of competition from OpenAI and Anthropic. We remain bullish on the long-term opportunities for the company as a Compounder.

On the downside, 3i Group experienced significant underperformance, driven by idiosyncratic factors rather than broad market trends. Despite the company announcing a 10% dividend increase and a £1 billion commitment to new UK and European deals, sentiment reversed after management flagged a more cautious outlook. Sprouts Farmers Market detracted from returns after it missed revenue estimates and issued weak guidance for quarterly same-store sales growth. This news unfortunately overshadowed strong store expansion in the most recent quarter. The company's strong emphasis on organic and natural foods continues to resonate well with consumers, and this had been the catalyst behind the remarkable recent share price performance. However, the impact of tariffs on the consumer, potentially slower than expected store openings and Amazon's intention to re-enter the grocery delivery market has caused investors to discount the shares. Wolters Kluwer, a provider of software and information services across healthcare, legal, tax & accounting, and compliance, detracted from fund performance over the quarter. In recent months shares have been hit by investor anxiety over AI disruptions in its clinical solutions division. There was also uncertainty around the CEO transition. The emergence of potential alternatives to their existing products diminished our conviction in the future growth and we reduced the fund's position in the company.

Performance and activity

Top 10 holdings

	Weighting (%)
NVIDIA CORP	6.42
ALPHABET INC CLASS A	6.27
MICROSOFT CORP	5.95
AMAZON COM INC	5.86
TAIWAN SEMICONDUCTOR MANUFACTURING	4.32
SAFRAN SA	4.14
VISA INC CLASS A	3.99
STEEL DYNAMICS INC	3.96
BANCO SANTANDER SA	3.66
ELI LILLY	3.55
Total	48.11

Fund activity

Recent transactions included the purchase of Kinder Morgan, an energy infrastructure business, with a portfolio of irreplaceable transmission and gathering pipelines. It transports over 40% of US natural gas production and is the largest independent refined products transporter and terminal operator. Data centres, and their energy intensive always-on nature, are expected to further increase the demand of energy over the next five years. Kinder Morgan's backlog has tripled from \$3bn in 2023 to over \$9bn pipeline projects today.

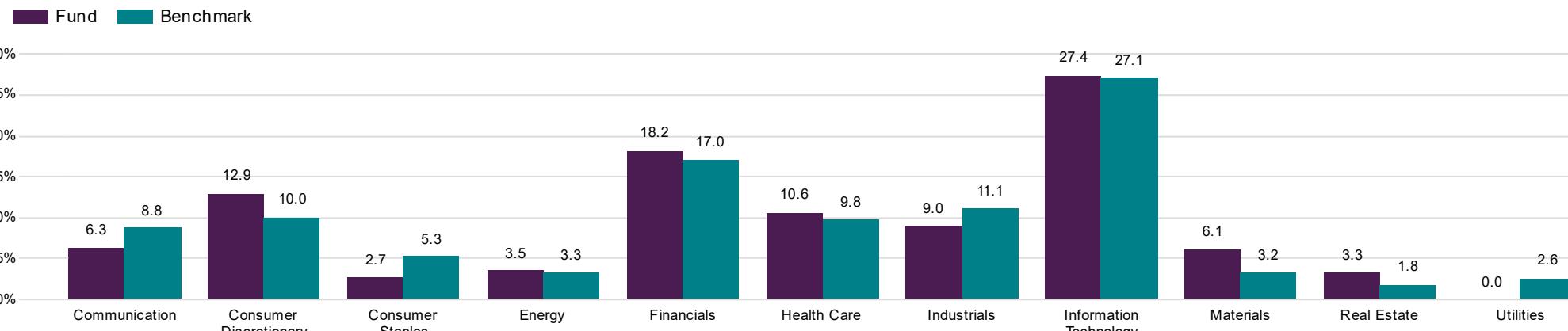
We purchased Intel, which is a Turnaround opportunity. Competitive forces from both demand and supply resulted in Intel's leadership and attractive returns being eroded away. Under new management, the company has secured strategic investments from both the US government and Nvidia. The strategic importance of chip manufacturing means the US administration is highly incentivised to influence companies to contract with its local champion. This creates an environment where the natural competitive forces observed across the Life Cycle are damped by regulatory protection. These strategic equity injections have also strengthened Intel's financial position following its period of heavy investment, removing another potential barrier to customer adoption for its foundry services.

To help fund these trades, we sold our positions in Wolters Kluwer and Constellation Software. These companies are classified as Compounders in our Life Cycle process and have rising competitive threats from AI. We have lower conviction around our ability to assess their terminal value.

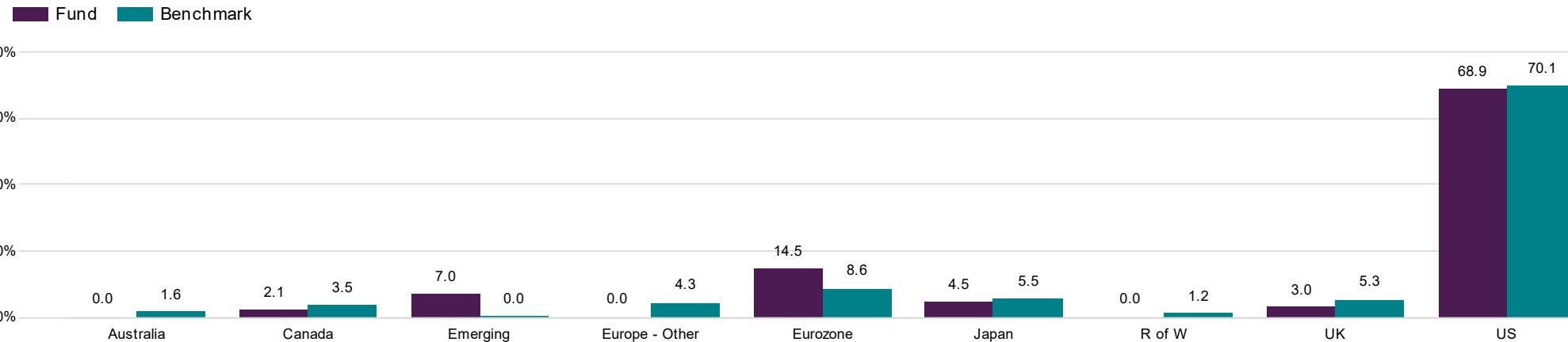
We also sold the position in US insurer Brown & Brown, as the soft pricing in the US insurance market has been broadly confirmed and a subdued hurricane season means this likely extends into next year. Its shares have recently suffered due to concerns over its valuation amid falling profit margins.

Fund breakdown

Sector weights



Regional weights



Fund Engagement

Engagement definition

Engagement is active dialogue with investee companies (or other entities). There are two types: engagement for information, which is dialogue as part of investment research or ongoing monitoring, without specific objectives for change, and engagement for change, which is purposeful dialogue to influence positive change, with defined objectives and demonstrable outcomes.

Engagements

Engagement activity	Fund 3 months	Fund 12 months
Number of entities engaged	11	25
Number of engagements	15	69

This is an estimate. Some engagements at the issuer level may not have been attributed to the specific bond held in the fund, resulting in a lower number of engagement activities.

Total engagements by theme and topic



Climate	7
Climate - Transition Risk	7
Governance	5
Corporate Governance	3
Remuneration	2
Social & Financial Inclusion	1
Labour & Human Rights	1
Technology, Innovation & Society	7
Technology & Society	7

The numbers of engagements and themes/topics discussed may differ where a single engagement covers multiple themes/topics.

Engagement focus

Firm-wide engagement activity is centred around six themes which we have identified in consultation with our clients. These are: climate change; nature and biodiversity; health; governance and corporate culture; social and financial inclusion; innovation, technology and society. Portfolio level engagements are not thematic and are focussed on issues specific to managing the portfolio and meeting the investment objective.

Engagement data represents all engagements undertaken at both firm and portfolio level across Royal London Asset Management, and may not be limited to those undertaken solely for the purpose of managing the fund.

Fund Engagement

Engagement outcomes

Microsoft Corp – Sustainable and Ethical AI

Purpose:

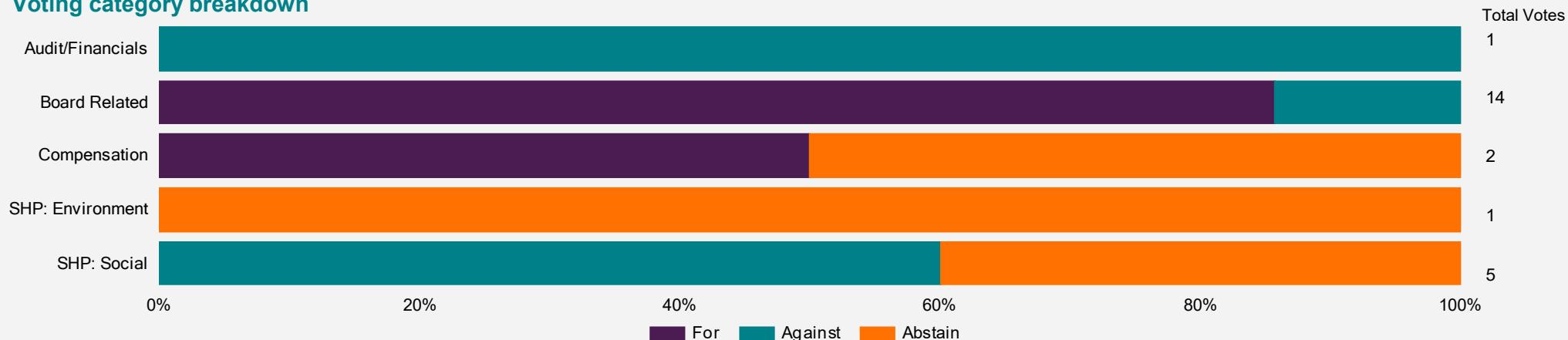
Microsoft Corp was engaged to review its sustainability performance and address investor concerns related to human rights and ethical AI practices.

Outcome:

Microsoft reaffirmed its commitment to achieving hourly carbon-free energy matching, a leading-edge approach that ensures its data centres run on clean energy every hour of the day rather than relying on annual averages. This positions Microsoft ahead of many peers in decarbonisation efforts. However, the company acknowledged gaps in its human rights due diligence for commercial agreements, particularly following concerns about the use of its cloud and AI services in sensitive contexts. In response, Microsoft has launched a review of its ethical AI governance and oversight framework. The company is evaluating when additional safeguards should apply beyond standard protocols and plans to share its findings in a forthcoming report. We will continue to monitor progress and encourage Microsoft to strengthen its governance framework and provide clearer evidence of how these measures mitigate human rights risks.

Fund Voting

Voting category breakdown



Notable votes

Microsoft Corporation

Elect Hugh F. Johnston - against: We are concerned that holding two external public board roles, in addition to an executive position, may limit the nominee's ability to devote sufficient time to their core responsibilities and shareholder obligations.

Elect Satya Nadella - against: The nominee serves as both Chairman and CEO. We would prefer to see these roles separated and an independent chair appointed.

Advisory Vote on Executive Compensation - abstain: While CEO pay is performance-based, with equity delivered exclusively through performance stock awards, we hold an ongoing concern over the relatively short LTIP performance period.

Ratification of Auditor - against: We have concerns with the independence of the Auditor, Deloitte & Touche, which has served for over 40 years.

Market commentary

Market review

Global equities rose over the quarter, adding to a positive year as a whole. There was strong performance from all major markets – the US, Europe, UK and Japan – with the US lagging in common currency terms after the US dollar weakened significantly. But beneath the surface there were some signs of rising risk awareness and concerns about the ongoing trajectory of technology-sector earnings.

Most major economies produced growth in the fourth quarter, continuing to show some resilience in the face of this year's higher US tariff rates and global trade tensions. Despite inflation generally remaining above central bank targets, there were further rate cuts, from the US Federal Reserve and Bank of England. However, the US rate cut in December was accompanied by language suggesting a pause after three cuts in the final four months of 2025.

Asian and emerging markets again performed strongly over the quarter, despite some profit taking in the fourth quarter at the end of an excellent year. Chinese equities were among the strongest gainers over the quarter. Advances in Chinese AI stocks boosted the technology sector, while investors also took confidence from evidence that China has succeeded in diversifying its trade partners to help offset the impact of US tariffs.

Japan was one of the standout markets over 2025 and the fourth quarter, powered by technology stocks. Sentiment was also boosted by election results. The country's new Prime Minister, Sanae Takaichi is regarded as a supportive to corporate reform and likely to enact growth policies, including an increase in government spending.

The effect of currency movements had a strong impact on returns. European equities underperformed in local currency terms during 2025 and over the quarter. However, for sterling- and euro-based investors, actual returns were very different. Over 2025, the trade-weighted US dollar suffered its steepest decline since 2009. The euro and sterling were major beneficiaries and after accounting for currency moves, European equities were among the top performers.

Outlook

Corporate earnings revisions and geopolitical developments, including trade tensions and energy price volatility, remain key factors determining market direction. Overall, while the backdrop for equities is improving with inflation trending lower, near-term volatility is likely as markets balance hopes for monetary easing against concerns about slowing global growth.

Within the market, the focus over the last year has all been about the generative AI super cycle and the magnificent few companies that drive it. This concentration has been so extreme, and the narrative so compelling, that it has left huge parts of the equity universe completely ignored. This includes many companies defined by old-fashioned quality, consistency, and profit. Some of the most fundamentally sound, profitable, and dependable businesses are currently trading on the lowest relative valuations that we have seen for years, when compared to the broader index. As AI productivity gains finally trickle down to the 'real economy' (e.g. industrials, manufacturing, services), we are likely to see an acceleration of quality company earnings that the market simply cannot ignore forever.

Overall, the portfolio continues to navigate a complex and momentum-driven market with a disciplined yet adaptive approach. Strategic research prioritisation, risk-aware positioning, and a focus on long-term value creation remain central to the investment philosophy. The team is committed to refining its responsiveness to market signals and maintaining competitive performance.

Further Information

Please click on the links below for further information:



Find out more

In an uncertain geopolitical and economic environment, we recognise the importance of keeping our clients updated on our current investment thinking.

Articles, videos, podcasts and webinars giving the latest views of our investment experts can be found in the Our Views section of www.rlam.com, including regular updates from our Fixed Income, Global Equity, Sustainable and Multi Asset teams.

Disclaimers

Important information

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Issued in January 2026 by Royal London Asset Management Limited, 80 Fenchurch Street, London EC3M 4BY. Authorised and regulated by the Financial Conduct Authority, firm reference number 141665. A subsidiary of The Royal London Mutual Insurance Society Limited.

The Fund is a sub-fund of Royal London Equity Funds ICVC, an open-ended investment company with variable capital with segregated liability between sub-funds, incorporated in England and Wales under registered number IC000807.

The Authorised Corporate Director (ACD) is Royal London Unit Trust Managers Limited, authorised and regulated by the Financial Conduct Authority, with firm reference number 144037.

For more information on the fund or the risks of investing, please refer to the Prospectus or Key Investor Information Document (KIID), available via the relevant Fund Information page on www.rlams.com.

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Risks and Warnings

Investment risk

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

Concentration risk

The price of Funds that invest in a reduced number of holdings, sectors, or geographical areas may be more heavily affected by events that influence the stockmarket and therefore more volatile.

EPM techniques risk

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

Exchange rate risk

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

Liquidity risk

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

Emerging markets risk

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

Counterparty risk

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

Performance to 31 December 2025

Cumulative (%)

	3 Month	6 Month	1 Year	3 Years	5 Years	3 Years (p.a.)	5 Years (p.a.)
Fund (gross)	4.85	10.71	9.88	71.57	128.25	19.69	17.94
Fund (net)	4.66	10.31	9.10	67.97	120.32	18.85	17.10

Annualised (%)

Year on year performance (%)

	31/12/2024 - 31/12/2025	31/12/2023 - 31/12/2024	31/12/2022 - 31/12/2023	31/12/2021 - 31/12/2022	31/12/2020 - 31/12/2021
Fund (gross)	9.88	22.21	27.77	1.84	30.64
Fund (net)	9.10	21.35	26.87	1.12	29.72

Past performance is not a guarantee or reliable indicator of future returns. The impact of fees or other charges, including tax, where applicable, can be material on the performance of your investment. The impact of fees reduces your investment.

Source: RLAM as at 31 December 2025. All figures are mid-price to mid-price for the Royal London Global Equity Select Fund M Acc GBP share class.

Glossary

Active share

Active share is a measure used to assess the degree of difference between the portfolio's holdings and its benchmark.

Derivatives

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

Efficient Portfolio Management (EPM) techniques

The Fund may engage in EPM techniques including holdings of derivative instruments. The use of these instruments may expose the Fund to volatile investment returns and increase the volatility of the net asset value of the Fund. EPM techniques may involve the Fund entering into transactions with counterparties where there may be a risk of counterparty default. The Fund's ability to use EPM strategies may be limited by market conditions, regulatory limits and tax considerations.

Number of holdings

Total number of unique holdings of the Fund excluding cash, currency and derivatives.

Performance

The Fund price is taken at mid-day using swing prices where applicable, while the index performance is priced at close of business. Significant intra-day market movements at the start or end of the day may therefore distort comparisons.

Pricing

The Fund's price may swing to bid or offer to protect existing investors from the costs associated with buying or selling the fund's underlying assets when other investors are entering or leaving the fund. Performance is based on this pricing.

Regional weights

Breakdown of holdings by country of risk relative to the benchmark index and grouped using RLAM's proprietary regional classification scheme.

Rolling 3-year period

A rolling 3-year period is any period of three years, no matter which day you start on.

Sector weights

Breakdown of holdings by GICS (Global Industry Classification Standard) sector relative to the benchmark index.

Top 10 holdings

Top 10 assets held by market value, excluding derivatives and cash.

Tracking error

Tracking error indicates how closely a fund follows its benchmark index. It is a measure of the risk in the fund that is due to active management decisions made by the fund manager. It is calculated on an ex-post basis (actual basis, post period end).