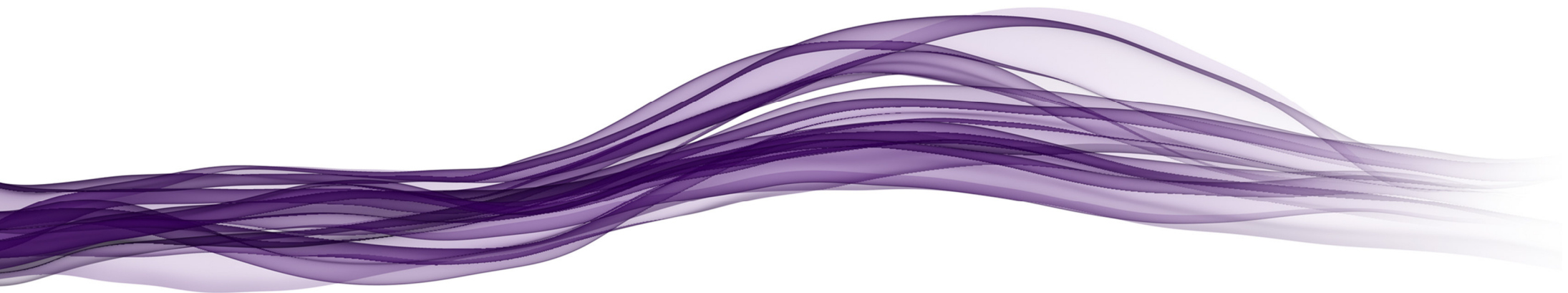


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Royal London Global Equity Diversified Fund

Quarterly Investment Report

30 September 2025



Quarterly Report

The fund as at 30 September 2025

The purpose of this report is to provide an update on the Royal London Global Equity Diversified 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's investment objective is to achieve capital growth over the long term (7 years) by investing at least 80% in the shares of companies globally that are listed on stock exchanges. The Fund's performance target is to outperform, after the deduction of charges, the MSCI World Net Total Return Index GBP (the "Index") by 0.4-0.8% per annum over rolling 3-year periods. The Index is considered an appropriate benchmark for the Fund's performance, as the Fund's potential investments will predominantly be included in the Index.

Fund value

	Total £m
30 September 2025	6,808.98

Fund analytics

	Fund
Fund launch date	10 October 2017
Fund base currency	GBP
Benchmark	MSCI World Index (Net Total Return, GBP)
Number of holdings	192
Active share (%)	57.6
Tracking error (%)	1.8

Ex-post tracking error calculated 3 years to 30 September 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	8.79	9.19	(0.40)
YTD	7.66	9.25	(1.59)
1 Year	14.35	16.82	(2.47)
3 Years (p.a.)	17.00	16.21	0.79
5 Years (p.a.)	14.95	13.48	1.47
Since inception (p.a.)	13.40	12.12	1.28

Past performance is not a guarantee or reliable indicator of future returns. 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 underperformed its benchmark over the quarter. This was mainly the result of stock selection, as asset allocation proved a small positive influence on returns.

Much of the underperformance has come from companies in the Compounding and Slowing & Maturing stages of the Life Cycle. These stages are typically made up of quality-growth and quality-value companies, which tend to exhibit a high degree of resilience and predictable growth. This has been out of favour amid the continued recent strength in equity markets. However, we believe the market is overly pessimistic on their prospects for sustained double-digit cash flow growth at attractive valuations.

Looking at individual contributors to performance, Halozyme shares performed well following a strong set of quarterly results. Revenue growth exceeded expectations, prompting the company to raise its full year guidance for the second time this year. Growth continues to be fuelled by the three blockbuster drugs enabled by its ENHANZE technology: DARZALEX SC, Phesgo and VYVGART Hytrulo. We continue to believe the shares are undervalued with perceived uncertainty of the business after the ENHANZE patent expiry creating a potential disconnect from the fundamentals.

One of the top performers over the quarter was Alnylam Pharmaceuticals. The stock was driven by a significant second quarter earnings beat and subsequent upgrades. The strong financial momentum was further bolstered by positive clinical news throughout the quarter, including the compelling new long-term data for the HELIOS-B Phase 3 study for its drug Vutrisiran, presented at a major cardiology conference. The company's focus spans rare genetic conditions, cardiovascular diseases, metabolic disorders, and neurological conditions.

Alphabet continues to perform well as it is one of the perceived winners in the AI era, supported by underlying demand that is already materialising in strong earnings and cash flow growth. We remain positive on Alphabet's investment case. Its current valuation offers a significant margin of safety, while the company boasts a strong balance sheet and offers multiple drivers for future wealth creation.

On the downside, shares in Constellation Software suffered due to concerns about the direction of its AI strategies and the departure of the CEO, Mark Leonard due to ill-health after 30-years at the helm. We remain confident that the decentralised business model ranging across multiple niche software verticals, the strong incentive framework and unique culture will limit the impact of these on the economic prospects of the company.

Performance and activity

Performance commentary (continued)

Sprouts Farmers Market detracted from returns. The company is in the Compounding phase of its Life Cycle, but it is still benefiting from strong growth rates as it expands geographically from its west coast US base. 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 in August. Although results were solid – revenue up 6%, margins expanding, and strong recurring, cloud-based growth – shares were hit by investor anxiety over AI disruptions in its clinical solutions division. There was also uncertainty around the CEO transition. Continued share buybacks at lower August price levels underscored recent weakness.

Performance and activity

Top 10 holdings

	Weighting (%)
NVIDIA CORP	5.69
MICROSOFT CORP	5.36
APPLE INC	4.83
ALPHABET INC CLASS A	4.75
AMAZON COM INC	3.30
JPMORGAN CHASE	2.13
BROADCOM INC	1.86
META PLATFORMS INC CLASS A	1.54
ELI LILLY	1.38
BERKSHIRE HATHAWAY INC CLASS B	1.26
Total	32.11

Fund activity

We bought a new position in gold miner Agnico Eagle (Mature). Within the metals & mining sector, our analysis has been through the lens of the capital cycle: look for opportunities where capital has left the industry, and therefore supply is unable to respond to a near-term demand shock. For gold, we found the capital cycle is not disrupted on a cyclical basis, but on a structural basis. With 99% of the world's gold already above ground, high prices do not catalyse supply as in other commodities. Demand is therefore the key marginal driver. Here too we think the outlook is asymmetric. We think the external environment remains significantly skewed to the upside. Agnico Eagle is, in our view, the highest quality gold miner in the world.

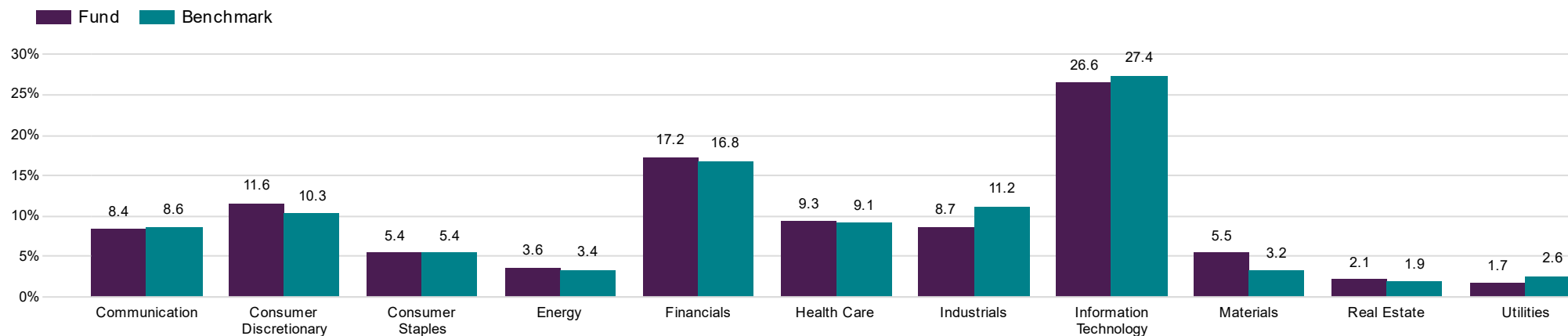
We initiated a position in Banco Santander, a globally diversified banking group with strong franchises in Europe and Latin America. The investment thesis is built on the bank's ability to deliver consistent returns through geographic diversification, digital innovation, and disciplined cost control. While macro uncertainty and regulatory pressures have weighed on European banks broadly, Santander's exposure to faster-growing markets and its improving capital position support a more constructive outlook. We view the current valuation as attractive relative to its long-term earnings potential.

We purchased Siemens (Compounder) for the portfolio. Through a series of divestitures and spin-offs, Siemens has transformed from a ten-division mega conglomerate, to a Compounder focussed on electrification and digitalisation. Its Smart Infrastructure division has delivered strong organic growth as the "electrification of everything" supports structural demand from grid hardening to data centre power infrastructure, and we expect it to continue to sustain organic. Cyclical support from German fiscal spending should boost the recovery in its automation business, while recent EDA software acquisitions and SaaS transition pave the wave for sustained margin improvement.

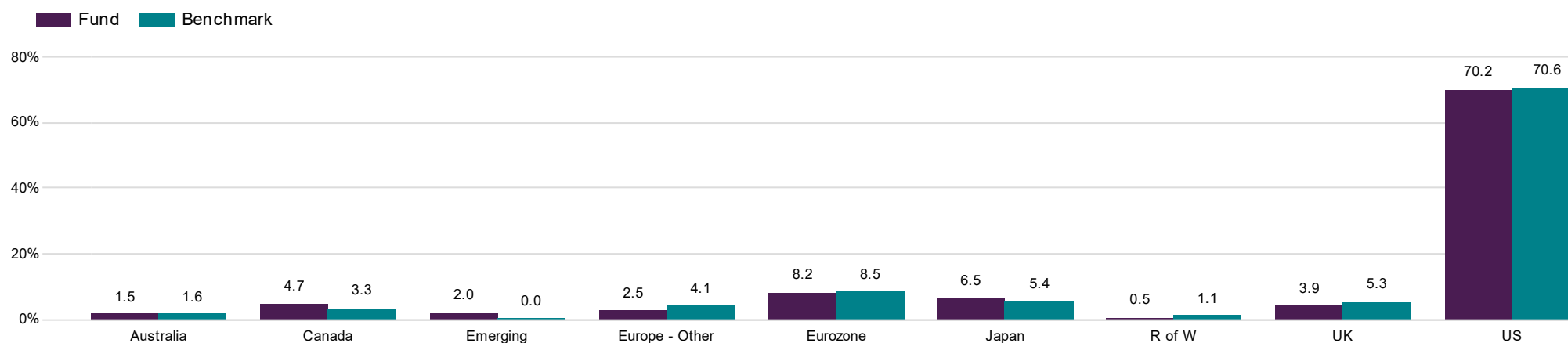
We sold the holding in MEG Energy due to its pending acquisition. The company received a bid from Strathcona Resources, which was followed by a competing offer from Cenovus Energy. The Cenovus bid was deemed likely to proceed, and the discount to completion was narrow, meaning the upside potential was limited.

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	35	102
Number of engagements	43	234

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



Biodiversity	11
Climate	9
Climate - Transition Risk	8
Climate - Physical Risk	1
Diversity	3
Gender Diversity	3
Environment	5
Governance	15
Corporate Governance	12
Remuneration	3

Social & Financial Inclusion	13
Just transition	6
Labour & Human Rights	5
Social & Financial inclusion	2
Technology, Innovation & Society	8
Technology & Society	6
Cybersecurity	2

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.

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

Fund Engagement

Engagement outcomes

KB Financial Group Inc - Gender diversity

Purpose:

The purpose of our engagement with KB Financial Group Inc., a South Korean financial services provider, was to discuss the company's gender diversity strategy, recruitment pipeline, benefits, retention and external factors influencing progress. The meeting also covered the company's approach to empowering women in management and supporting career progression.

Outcome:

KB Financial Group Inc. aims to increase female representation in core management roles, with 270 female executives currently accounting for 20 per cent of the group, a level noted as higher than peers. The diversity goal focuses on main subsidiaries, which represent 91 per cent of total employees. The company has set 2027 targets, such as having 30% of HQ teams and the corporate banking team comprised of women. The company reports that female representation across subsidiaries is around 47 per cent. Recruitment is supported by competency and mentoring programmes, and each subsidiary runs its own development initiatives. While promotion tracking is not formalised, there has been a noticeable increase in female representation.

To support retention, the company offers a three year rehire option following a two-year childcare leave, introduced in January 2024. Executive key performance indicators remain primarily financial, and gender diversity is a company-wide policy but is not yet linked to pay incentives. KB Financial Group Inc. reports no gender-based discrepancies in workplace treatment or pay, supported by internal data. Despite cultural and structural challenges, the company continues to pursue diversity goals regardless of political or policy headwinds. An environmental, social and governance committee will review the 2027 goals, with potential expansion to 2030 or 2035, targeting 40 per cent female representation. We will continue our engagement on gender diversity targets.

Shell Plc - Multi-thematic

Purpose:

This meeting was our first interaction with Shell PLC, a global energy company, under the strategic engagement programme, covering various material issues beyond climate concerns. Our strategic engagement programme delivers structured, outcome-focused dialogue with companies where we hold significant cross-asset positions, aiming to address material ESG risks and opportunities. RLAM sought to understand Shell's environmental risk management, water stewardship, labour practices, and business ethics. Key topics included legacy liabilities in the Niger Delta, water management, supply chain labour rights, health and safety, and anti-bribery controls.

Outcome:

Shell provided detailed responses on its management of environmental liabilities in Nigeria, including financial provisions and lessons learned from the divestment of onshore assets. The company outlined its approach to remediation, compensation and ongoing stakeholder engagement, noting that outcome-based metrics and community feedback are increasingly integrated into risk mitigation strategies. On water stewardship, Shell has reduced freshwater consumption in high stress areas by 36 per cent, exceeding its 2025 target of 15 per cent reduction. The company has completed 18 water stewardship assessments and prioritises site level risk management, community engagement and governance processes aligned with the Corporate Sustainability Reporting Directive.

Labour practices were discussed in detail, with Shell highlighting enhanced value chain due diligence, contract clauses for suppliers and subcontractors and multiple grievance channels. The company described continuous improvement efforts, including linking executive compensation to safety performance and learning from severe incidents. On ethics and compliance, Shell's governance framework includes board oversight, dedicated whistleblowing hotlines and regular audits of high-risk suppliers. Shell emphasised its commitment to transparency, continuous improvement and stakeholder engagement. Next steps include continued dialogue on best practice disclosures, sharing examples with Shell's teams and monitoring progress on remediation, water stewardship, labour rights and ethics controls. We will continue to engage with Shell on climate issues in our Net Zero Stewardship Programme.

Market commentary

Market review

After a volatile second quarter shaped by the initial shock of US trade tariff announcements, markets stabilised over the summer and several global indices made their way to new highs. In the US, equities were propelled by a robust earnings season and optimistic business surveys. During August there was a brief bout of weakness in markets amid downward revisions to the US labour market data. However, the announcement of this year's first rate cut buoyed sentiment across the board, helping the rally to continue.

Asian equities produced strong returns. Japan performed strongly, benefiting from a favourable US trade deal and better-than-expected economic growth. China's performance has also been particularly strong, supported by an extended trade truce with the US and government initiatives to bolster its domestic technology sector. Emerging markets have benefited from a weaker US dollar and progress on trade talks, although country-specific issues, such as the impact of US tariffs on India, created divergence in performance.

The strongest returns over the quarter were concentrated in large growth names in the US and Asia's more cyclical and technology sectors. However, as we move into the final quarter of the year, risk factors, including inflation surprises, political uncertainty, and rotations in factor leadership, could reshape the narrative. During the second quarter the MSCI World Growth Index rose 13.6% while the MSCI World Value Index rose in value by 10.8%.

Business surveys look consistent with most major global economies seeing growth in the third quarter, showing a degree of resilience in the face of global trade tensions and higher US tariff rates. August saw President Trump implement an updated set of country tariffs after the previous reciprocal tariff pauses expired. Tariffs ended the quarter at their highest levels since the 1930s (bar those seen briefly in April when trade tensions escalated with China). US labour market data became a focus of attention over the quarter with low payroll readings and large downward back revisions that suggested the jobs market was in worse shape than previously thought. Despite inflation remaining above target, the Federal Reserve resumed rate cuts and the Bank of England reduced rates further. The price of WTI crude oil rose 6.3% over the quarter to \$65.50 per barrel, while copper futures fell 1.7% in US dollar terms.

Outlook

Our process ensures we are always alert to new opportunities brought about by changes to the investment environment. As a team, we have reviewed over 1,200 companies across 18 fundamental groups so far this year. These have ranged across the Life Cycle with recent work on US industrials, aerospace & defence and concept stocks focussed on the Accelerating cohort. Meanwhile work on metals & mining, European banks, US utilities and real estate has also revealed a range of attractive opportunities.

Following the recent update to our Life Cycle classification algorithm, the portfolio is now overweight in Accelerating companies. Our exposure to Slowing & Maturing names has also been a point of focus. While our names in Slowing & Maturing and some in Compounding have detracted, we are actively working to improve the risk-reward balance across each stage and remain confident in our approach.

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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This is a financial promotion and is not investment advice.

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Issued in October 2025 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.rlam.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.

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

Changes in currency exchange rates may affect the value of your investment.

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 30 September 2025

Cumulative (%)

	3 Month	6 Month	1 Year	3 Years	5 Years	3 Years (p.a.)	5 Years (p.a.)
Fund (gross)	8.79	14.12	14.35	60.22	100.78	17.00	14.95
Fund (net)	8.68	13.89	13.89	58.27	96.72	16.52	14.48

Annualised (%)

Year on year performance (%)

	30/09/2024 - 30/09/2025	30/09/2023 - 30/09/2024	30/09/2022 - 30/09/2023	30/09/2021 - 30/09/2022	30/09/2020 - 30/09/2021
Fund (gross)	14.35	20.98	15.81	(0.90)	26.45
Fund (net)	13.89	20.49	15.34	(1.30)	25.94

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.

Source: RLAM as at 30 September 2025. All figures are mid-price to mid-price for the Royal London Global Equity Diversified 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).