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Royal London Global Equity Income 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 Income 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 a combination of income and capital growth (a total return) over the medium term, which should be considered as a period of 3-5 years, by predominantly investing in shares of companies globally. The Fund's performance target is to outperform, after the deduction of charges, the MSCI World Net Total Return Index GBP (the "Index") by 2% p.a. over rolling 3-year periods. The Fund also aims to produce an income 20% higher than the Index's income p.a. over rolling 3-year periods (after the deduction of any charges).

Fund value

	Total £m
30 September 2025	822.33

Fund analytics

	Fund
Fund launch date	25 February 2020
Fund base currency	GBP
Benchmark	MSCI World Index (Net Total Return, GBP)
Number of holdings	62
Active share (%)	81.8
Tracking error (%)	4.6

Ex-post tracking error calculated since inception to 30 September 2025. Please refer to the glossary for a description of the tracking error used.

Performance and activity

Performance

	Fund (%)	Benchmark (%)	Relative (%)
Quarter	8.04	9.19	(1.15)
YTD	9.10	9.25	(0.15)
1 Year	15.17	16.82	(1.65)
3 Years (p.a.)	17.41	15.83	1.58
5 Years (p.a.)	17.02	12.72	4.30
Since inception (p.a.)	15.58	12.47	3.11

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 Inc GBP. Source: Royal London Asset Management; Gross performance; Since inception date of the share class is 25 February 2020.

The benchmark in the above performance table shows MSCI All Countries World Net Total Return Index since inception up to 21 August 2023, and the MSCI World Net Total Return Index, when the benchmark changed, thereafter.

Performance commentary

The fund underperformed a strong benchmark over the quarter. This was the result of the negative effects of asset allocation, as stock selection had a beneficial effect. In a risk-on environment, the overweight position in consumer staples proved negative.

Some of the best performers again came from the technology sector, helping the fund to keep pace with the index. Holdings in semiconductor memory manufacturers Micron Technology and Samsung Electronics contributed positively to returns. We view these as late-cycle companies operating in a historically commoditised memory market, that are now showing signs of transformation due to rising demand from AI workloads and tight supply conditions.

Shares in Taiwan Semiconductor Manufacturing Company (TSMC) made a positive contribution to fund performance in the third quarter. The company, currently in the Accelerating phase of the Life Cycle, reported another strong set of results and raised its full year guidance to 30% revenue growth year on year, driven by robust AI and data centre demand. TSMC is the largest global semiconductor foundry and remains the dominant force in its market.

Holdings in these technology names helped to mitigate the impact from the fund's large underweight exposure to key benchmark constituents like NVIDIA, Tesla and Apple which continued to perform strongly, but are less attractive from the perspective of income investors.

In recent months there has been a downturn in sentiment towards companies that could be perceived as losers in the AI revolution. Data and analytics provider FactSet is one such company. Fears over what the application of artificial intelligence means for data / software incumbents continued to weigh on FactSet shares.

Similar fears hit the shares of Wolters Kluwer, which detracted from returns. The company is a provider of software and information services across healthcare, legal, tax & accounting, and compliance. Although results were solid – revenue up 6%, margins expanding, and strong recurring, cloud-based growth – shares were hit by investor anxiety over AI disruption to some of its core products. The CEO transition, while clear and orderly, added further uncertainty.

Performance and activity

Top 10 holdings

	Weighting (%)
ALPHABET INC CLASS A	6.33
MICROSOFT CORP	6.02
BROADCOM INC	4.16
JPMORGAN CHASE	2.72
ELI LILLY	2.65
CME GROUP INC CLASS A	2.36
TAIWAN SEMICONDUCTOR MANUFACTURING	2.30
MERCK & CO INC	2.10
STEEL DYNAMICS INC	2.05
ABBVIE INC	2.03
Total	32.72

Fund activity

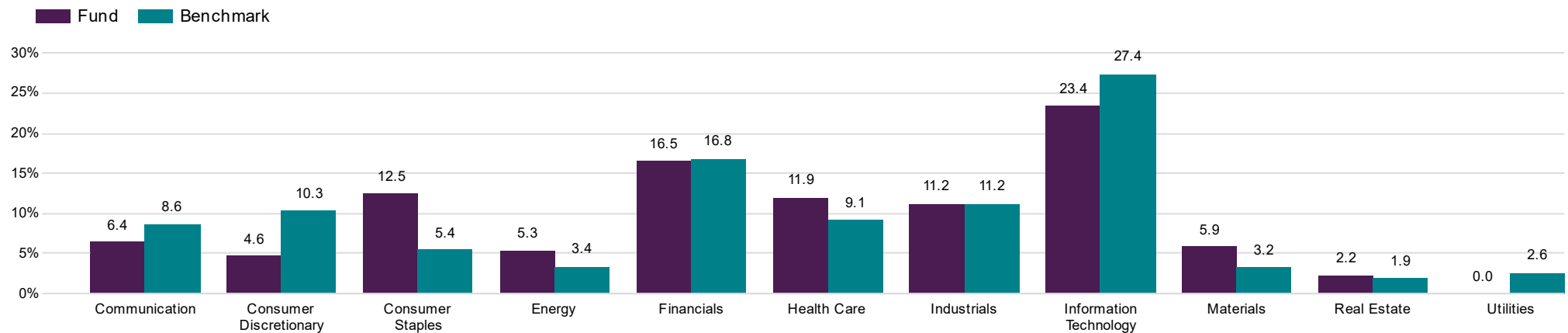
We continue to focus on allocating capital to wealth creating companies that offer an attractive income profile.

Transactions during the quarter included the purchase of Siemens. 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. Cyclical support from German fiscal spending should boost the recovery in its automation business, while recent software acquisitions and its SaaS transition pave the wave for sustained margin improvement.

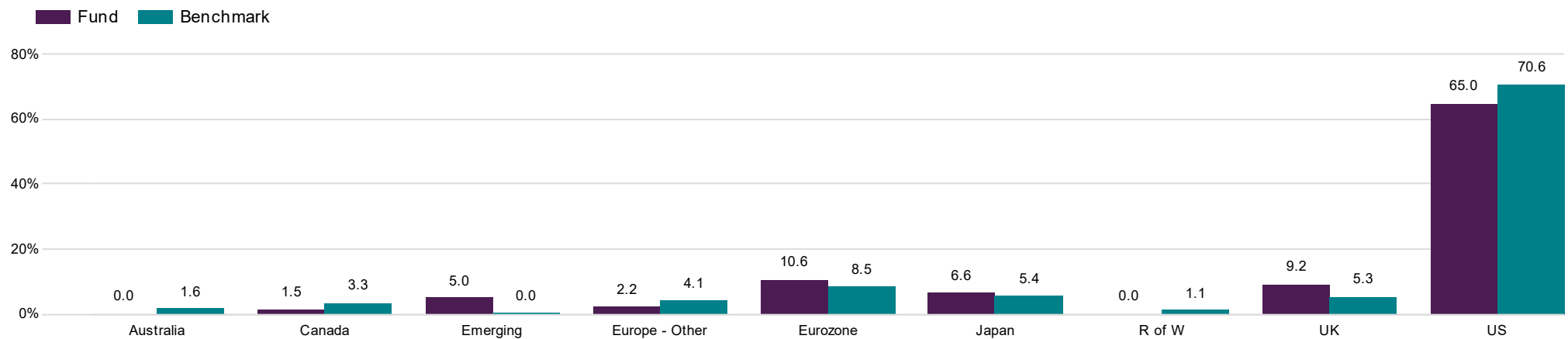
We also purchased insurance company Admiral, which we view as a differentiated Slowing & Maturing and appreciate management’s choice to refocus on core markets. Admiral has a single focus on a relatively mature motor insurance market. It has continuously taken market share and generated market leading returns thanks to cost leadership in direct selling and ownership of data-rich price comparison websites, which support its investment moat. The strength of this moat could become increasingly important in the coming years, with technology breakthrough in areas like autonomous vehicles and AI / advanced computing potentially transforming the industry.

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	16	40
Number of engagements	18	111

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	2
Climate	4
Climate - Transition Risk	3
Climate - Physical Risk	1
Diversity	2
Gender Diversity	2
Environment	2
Governance	13
Corporate Governance	10
Remuneration	3

Social & Financial Inclusion	8
Just transition	4
Labour & Human Rights	4
Technology, Innovation & Society	3
Technology & Society	3

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.

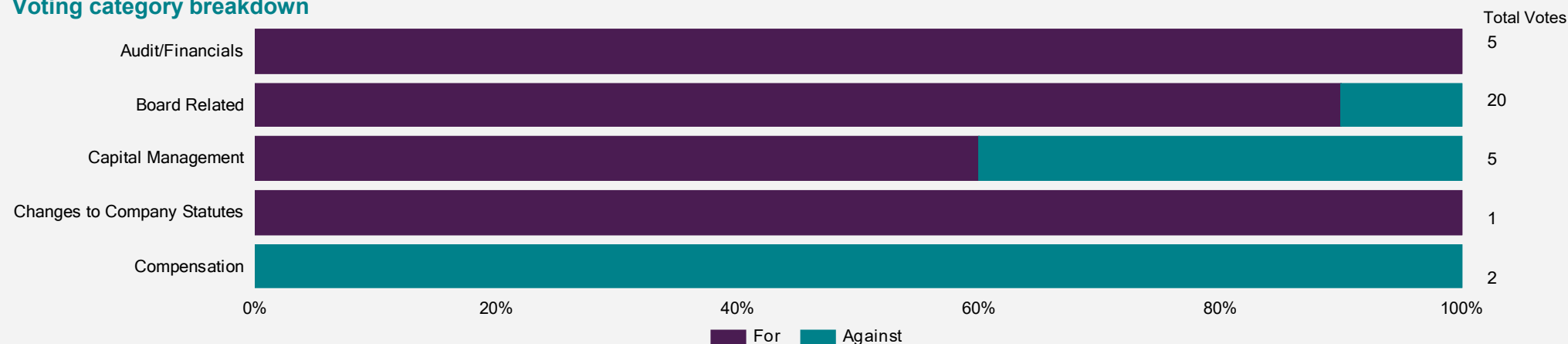
Outcome:

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.

Fund Voting

Voting category breakdown



Notable votes

Ashtead Group Plc

Remuneration Report - against: We continue to oppose the combined LTIP introduced last year due to the level of vesting at threshold performance and poor engagement practices, noting that over one-third of shareholders voted against it. In addition, we have concerns over the choice of some targets under the annual bonus plan.

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

For professional clients only, not suitable for retail clients.

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.

Charges from capital risk

Charges are taken from the capital of the Fund. Whilst this increases the yield, it also has the effect of reducing the potential for capital growth.

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)	8.04	12.59	15.17	61.91	119.54	17.41	17.02
Fund (net)	7.85	12.19	14.35	58.45	111.78	16.57	16.18

Annualised (%)

The benchmark in the above performance table shows MSCI All Countries World Net Total Return Index since inception up to 21 August 2023, and the MSCI World Net Total Return Index, when the benchmark changed, thereafter.

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)	15.17	19.38	17.75	4.27	30.05
Fund (net)	14.35	18.53	16.91	3.52	29.11

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 Income Fund M Inc 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.

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.

Total return

A total return is a combination of capital growth and income. Capital growth is defined as the rise in an investment's value over time and income as the payment an investment generates, such as dividends or bond coupons.

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).