For professional clients only, not suitable for retail clients. This is a marketing communication.

This fund uses the Sustainability Focus label which is for funds that invest mainly in assets that focus on sustainability for people or the planet.

Sustainability Focus

Royal London Global Sustainable Equity Fund

Quarterly Investment Report

30 September 2025

ROYAL LONDON ASSET MANAGEMENT

Quarterly Report

The fund as at 30 September 2025

The purpose of this report is to provide an update on the Royal London Global Sustainable Equity 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.

Contents

ROYAL LONDON
ASSET MANAGEMENT

The fund

Fund performance objective and benchmark

The Fund's financial objective is to achieve capital growth and outperform, after the deduction of charges, the MSCI All Countries World Net Total Return Index GBP by 2.5% p.a. over rolling 5-year periods.
The Fund's sustainability objective is to invest in companies that make a positive contribution to one or more of the "Sustainability Themes" (Clean, Healthy, Safe, Inclusive), through their products or services as determined by the Investment Manager using its "Sustainability Standard".

Fund value

	Total £m
30 September 2025	442.09

Fund analytics

	Fund
Fund launch date	25 February 2020
Fund base currency	GBP
Benchmark	MSCI All Country World Index (MSCI ACWI) (Net Total Return, GBP)
Number of holdings	41

Performance and activity

Performance

	Fund (%)	Benchmark (%)	Relative (%)
Quarter	6.60	9.55	(2.95)
YTD	9.29	10.18	(0.89)
1 Year	10.72	16.84	(6.13)
3 Years (p.a.)	16.40	15.66	0.75
5 Years (p.a.)	11.19	12.62	(1.43)
Since inception (p.a.)	13.59	12.38	1.21

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 25 February 2020.

Performance commentary

The fund underperformed the MSCI All-Countries World Index (ACWI) benchmark during the third quarter.

We continue to apply our tried and tested investment process focusing on finding the most attractive companies from a sustainability and financial standpoint as we believe these companies can offer high and more durable long-term growth as well as being more resilient.

The top performing sectors in Q3 were technology and communication services driven by US megacaps on the back of several AI announcements. Meanwhile, the worst performing sectors were the more defensive ones, such as consumer staples, real estate and healthcare.

During the quarter, electrical installation company Comfort Systems contributed positively to performance as it continues to see strong demand for its services across the US, and in particular from data centre customers. Another positive contributor was Taiwan Semiconductor Manufacturing Company (TSMC) which is the largest global semiconductor foundry (essentially outsourced semiconductor manufacturing). TSMC manufactures semiconductors for its clients, who are usually fabless semiconductor design companies including Qualcomm, NVIDIA, Broadcom, and AMD. The company performed positively on the back of increased demand for semiconductors to power AI applications.

Shimano, a Japanese provider of bicycle components, detracted from performance after the company reported results which fell short of investors' expectations. London Stock Exchange Group (LSEG) also detracted. While results were generally in line with expectations, investors are worried about the risk of increased competition and disruption from AI applications.

Performance and activity

Top 10 holdings

	Weighting (%)
COMFORT SYSTEMS USA INC	5.12
TAIWAN SEMICONDUCTOR MANUFACTURING	5.08
MICROSOFT CORP	4.78
STANDARD CHARTERED PLC	3.88
MERCADOLIBRE INC	3.76
NVIDIA CORP	3.68
AIA GROUP LTD	3.56
WR BERKLEY CORP	3.33
WESTINGHOUSE AIR BRAKE TECHNOLOGIE	3.30
CORE & MAIN INC CLASS A	3.06
Total	**39.56**

Fund activity

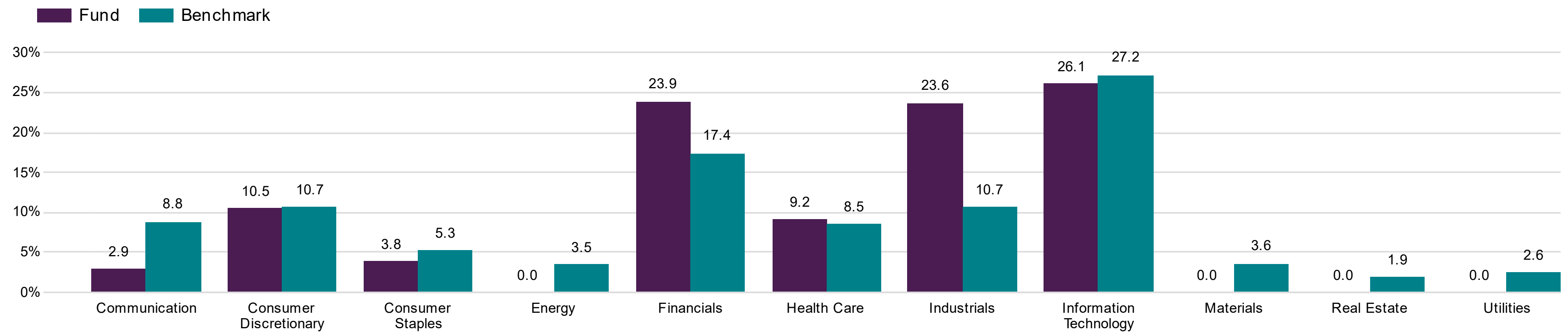
Given our expectations for ongoing market volatility, effective portfolio construction remains our focus, and we have made a number of changes to our fund to ensure it is appropriately diversified and resilient across a range of potential market outcomes.

During the quarter, we initiated a new position in British bank NatWest as it continues to benefit from a higher interest rate environment. We also started a position in Baycurrent, a Japanese IT services and consulting company, which stands to benefit as it helps enable digitalisation of the Japanese corporate sector. Lastly, we started a new position inWest Pharmaceutical, a packaging provider for the pharmaceutical industry.

To fund these new positions we exited our position in Bank Rakyat, a provider of microfinance and banking services in Indonesia, due to deteriorating corporate governance. We also exited our position in Danish pharmaceutical company Novo Nordisk on the back of increased uncertainty over its position in the very competitive field of obesity drugs. Fiserv, a payment processing company, was also exited following disappointing performance and a change in management.

Fund breakdown

Sector weights



Characteristics and climate

Sustainability approach

The Fund's sustainability objective is to invest in companies that make a positive contribution to one or more of the "Sustainability Themes" (Clean, Healthy, Safe, Inclusive), through their products or services as determined by the Investment Manager using its "Sustainability Standard". The Sustainability Standard requires 50% of a company's revenues to be derived from product or services aligned to one or more of the four Sustainability themes.

Overall, at least 70% of the Fund is invested in sustainable companies. Up to 30% may be held in non-sustainable companies that do not conflict with the sustainability objective for any of the four sustainability themes of the Fund.

Fund exclusions

Exclusion criteria that make sure a fund does not invest into a specific service or product. Royal London Asset Management has a controversial weapons exclusion across all investments.

Pornography production	✓
Non-health animal testing	✓
Armament manufacturing	✓
Fossil fuel extraction	✓
Gambling establishments	✓
Nuclear-power generation	✓
Tobacco manufacturing	✓

Climate metrics

	Fund	Benchmark	Difference (%)
Financed emissions (tCO2e)	3,341	n/a	n/a
Financed emissions coverage	100.00%	n/a	n/a
Carbon footprint (tCO2e/$M invested)	5.65	38.75	(85.43)
Carbon footprint coverage	100.00%	98.81%	1.21
Weighted average carbon intensity (tCO2e/$M sales)	26.20	110.10	(76.20)
Weighted average carbon intensity coverage	100.00%	98.84%	1.18

All climate metrics presented above are for Scope 1-2 emissions. Unless specified in the objective, the data is for information only and should not be taken to mean they are being managed to/controlled.

Implied temperature rise

	Fund (%)	Benchmark (%)	Difference (%)
Implied temperature rise (ITR) coverage	100.00	98.69	1.33
% of portfolio below 2°C ITR	50.23	49.01	2.49
% of portfolio below 1.5°C ITR	25.54	23.37	9.29

SBTi net - zero

	Fund (%)	Benchmark (%)	Difference (%)
SBTi Net-Zero committed	21.02	20.55	2.27
SBTi Near-Term committed	5.99	3.98	50.49
SBTi Near-Term targets set	39.79	52.78	(24.62)

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	35
Number of engagements	13	101

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.

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.

Total engagements by theme and topic

Climate	**2**
Climate - Physical Risk	2
Diversity	**4**
Ethnic Diversity	2
Gender Diversity	2
Governance	**1**
Corporate Governance	1
Social & Financial Inclusion	**4**
Just transition	2
Labour & Human Rights	1
Social & Financial inclusion	1

Technology, Innovation & Society	**8**
Technology & Society	6
Cybersecurity	2

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

Fund Engagement

Engagement outcomes

Tesco Plc - Workplace culture

Purpose:

The purpose of this engagement with Tesco PLC, a multinational retailer, was to follow up on RLAM's workplace culture-related concerns, specifically around the transparency of misconduct reporting. The meeting aimed to understand the company's current approach, recent policy developments, and future plans for data collection and reporting, particularly in light of upcoming regulatory obligations.

Outcome:

Tesco acknowledged our concerns and confirmed that improving data collection systems is now a strategic priority. The company has introduced new policies and operational protocols covering bullying, harassment and third-party conduct, including customers and contractors. Legal changes around employer responsibility to prevent sexual harassment have prompted Tesco to strengthen its controls and training programmes. While there is no defined timeline for improved disclosures, the company is actively developing mechanisms to support effective reporting and expects greater clarity on timelines later this year.

Tesco confirmed that it will be subject to Corporate Sustainability Reporting Directive (CSRD) obligations by 2027 or 2028 and aims to have a comprehensive dataset in place by then. Current disclosures lack sufficient detail on reported cases of harassment, bullying, racism and other misconduct. The workplace relations team, responsible for policies, redundancies, store closures and union relations, has shaped the company's response to sexual harassment. New policies now cover third party conduct and customer interactions, with a 2024 anti-harassment training refresher planned. Tesco has developed a group wide sexual harassment blueprint and continues to run annual awareness campaigns. Risk assessments are under way to identify higher risk roles, and specialist support is being provided for line managers. The Protector Line whistleblowing service has seen more consistent reporting, attributed to increased awareness. RLAM reiterated its request for improved disclosures and offered to share best practice examples. Further engagement is planned to explore collaborative improvements in workplace culture transparency.

Market commentary

Market overview

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 cut 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.

Broad commodities ended higher as precious metals continued to rally. Gold made new all-time highs above $3,800 and recorded its strongest month in more than 14 years in September.

The US dollar stabilised after its worst H1 in nearly 50 years; sterling weakened against most majors on fiscal concerns ahead of the Autumn budget.

Outlook

Over many decades, there's been a strong correlation between innovation and growth. In the last 60 years we've seen the mainframe computer, PC, internet, smartphones and now AI transform the world we live in. Each of these waves of innovation has created significant investment opportunities and risks. In the last 15 years, most of the value creation in global markets has come from the so called Magnificent Seven; the large US technology companies which have innovated to create new markets.

This is important as we live in unusually innovative times. AI has the potential to be much more impactful than the internet and to benefit all businesses and consumers. Obesity drugs have the potential to meaningfully enhance the health and wellbeing of a major segment of society, including reducing addiction to harmful substances as well as weight reduction. In our view, if innovation drives growth, then there are good reasons to be optimistic.

Further Information

Please click on the links below for further information:

Stewardship and Responsible Investment at RLAM

Responsible Investment

Royal London Voting and Engagement

TCFD climate report

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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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.

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

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.

Responsible investment risk

The Fund can only invest in holdings that demonstrate compliance with certain sustainable indicators or ESG characteristics. This reduces the number securities in which the Fund can invest and there may as a result be occasions where it forgoes more strongly performing investment opportunities, potentially underperforming non-sustainable funds.

Performance to 30 September 2025

Cumulative (%)

	3 Month	6 Month	1 Year	3 Years	5 Years
Fund (gross)	6.60	18.20	10.72	57.78	69.97
Fund (net)	6.40	17.78	9.92	54.41	63.96

Annualised (%)

3 Years (p.a.)	5 Years (p.a.)
16.40	11.19
15.57	10.39

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)	10.72	22.49	16.35	(12.92)	23.71
Fund (net)	9.92	21.61	15.51	(13.55)	22.83

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 Sustainable Equity Fund M Acc GBP share class.

Glossary

Carbon footprint

Exposure to high emitters in the portfolio, expressed in tCO2e/$M invested. Financed emissions are divided by the portfolio value, the same approach for listed companies and private issuers is applied in this metric.

Derivatives

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

ESG Integration

The consideration of environmental, social and governance (ESG) risk as part of the investment process. ESG integration does not mean the fund is trying to achieve a particular positive ESG outcome. Please check prospectus documentation for details on specific fund-level objectives.

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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.

Environmental, social and governance

A list of predefined criteria that determines how a company operates in terms of sustainability and overall corporate governance.

Exclusions

Explicitly prohibits investing in a particular company, sector, business activity, country or region.

Financed emissions

The emissions from activities in the real economy that are financed through lending and investment portfolios, expressed in tCO2e. Emissions are attributed to a portfolio based on the portion of the company's value the portfolio holds, and using different accounting values for public and private corporates. We provide financed emissions for scope 1 and 2 emissions.

Fund restrictions definitions

Alcohol: Companies which have involvement in brewing, distillation or sale of alcoholic drinks.

Animal Welfare: Companies that conduct animal testing (other than for purposes of human or animal health and/or where it is required by law or regulation).

Armaments: Companies who manufacture armaments or nuclear weapons or associated products.

Controversial Weapons: Weapons which have an indiscriminate and disproportional impact on civilians or weapons that are illegal and prohibited by international conventions and treaties.

Fossil Fuels: Companies involved in the exploration, extraction or refining of oil, or gas, or coal, plus any activity relating to thermal coal.

Fund restrictions definitions

Gambling: Companies who promote irresponsible gambling which includes betting shops, casinos or amusement arcades.

High Environmental Impact: Companies which have a high environmental impact, and which have 'no evidence' of appropriate environmental management systems.

Human Rights Risks: Companies with a strategic presence operating in countries of concern and which have 'no evidence' of policies or systems to manage human rights risks.

Nuclear Power: Companies who generate energy from Nuclear Power.

Nuclear Weapons: Companies that manufacture, nuclear; or are involved in the production of intended-use parts, whole weapons systems, or exclusive delivery platforms.

Tobacco: Companies which are growing, processing or selling tobacco products.

Adult Entertainment: Companies which own or produce adult entertainment services, or engage in the distribution or sale of adult entertainment services.

Implied temperature rise (ITR)

ITR aims to measure the global warming outcome from the emissions trajectory of a company, if the whole economy followed the same trajectory.

Number of holdings

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

Glossary

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.

Promotes environmental or social factors

An ESG Fund promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.

SBTi

The Science-Based Targets initiative is a consortium of organisations that set up the definition and promotion of science-based target setting.

Sector weights

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

Sustainable fund objective

A product that has sustainable investment or a reduction in carbon emissions as its objective.

Top 10 holdings

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

Weighted Average Carbon Intensity (WACI)

Portfolio's exposure to carbon-intensive companies, expressed in tCO2e / $M revenue. Scope 1 and scope 2 GHG emissions are divided by companies revenues, then multiplied based on portfolio weights (the current value of the investment relative to the current portfolio value). The WACI is calculated as a weighted average sum of the holdings with carbon intensity coverage.