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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 Sustainable Leaders Trust

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 Sustainable Leaders Trust. 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 over the medium term, which should be considered as a period of 3-5 years, and to outperform the FTSE All-Share Index (the "Index") over a 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 Adviser using its "Sustainability Standard".

Fund value

	Total £m
30 September 2025	2,676.44

Fund analytics

	Fund
Fund launch date	29 May 1990
Fund base currency	GBP
Benchmark	FTSE All-Share Index (Total Return, GBP)
Number of holdings	40

Performance and activity

Performance

	Fund (%)	Benchmark (%)	Relative (%)
Quarter	2.08	6.87	(4.79)
YTD	9.53	16.58	(7.05)
1 Year	8.68	16.17	(7.50)
3 Years (p.a.)	13.35	14.45	(1.10)
5 Years (p.a.)	9.27	12.98	(3.71)
10 Years (p.a.)	10.54	8.11	2.42
Since inception (p.a.)	9.07	8.12	0.95

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 C Acc GBP. Source: Royal London Asset Management; Gross performance; Since inception date of the share class is 29 May 1990.

Performance commentary

The fund underperformed its benchmark over the quarter. The fund's overweight position in technology stocks had a negative effect on returns, as did the underweight position in materials stocks.

One of the main detractors from performance was the lack of exposure to defence stocks, such as Rolls Royce and BAE Systems, which continued to perform well amid further geopolitical instability across the world. Similarly, the fund underperformed due to not holding mining and energy stocks, as these sectors rebounded during the quarter.

In terms of individual holdings, Sage Group detracted from returns. Investors became concerned that the software company's products and services could be replicated by competing AI solutions, leading to a potential drop in demand. The same concerns hit London Stock Exchange, with worries that its data services could be disrupted by AI. Meanwhile, the holding in Greggs also detracted from returns amid signs that the downturn in consumer spending is hitting revenues.

On the upside, holdings in the financials sector were positive contributors. The fact interest rates have remained higher than expectations at the start of the year has been beneficial for lenders such as Lloyds Banking Group. Companies with exposure to Asia have performed particularly well, with Standard Chartered and Prudential benefiting from the comparative strength of the region.

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.

Performance and activity

Top 10 holdings

	Weighting (%)
STANDARD CHARTERED PLC	6.43
HSBC HOLDINGS PLC	6.06
PRUDENTIAL PLC	5.77
RELX PLC	5.27
ASTRAZENECA PLC	5.16
EXPERIAN PLC	4.81
LLOYDS BANKING GROUP PLC	4.52
TESCO PLC	4.50
LONDON STOCK EXCHANGE GROUP PLC	4.15
COMPASS GROUP PLC	4.06
Total	**50.73**

Fund activity

We purchased BT Group, as we believe the company's management is performing well in executing a turnaround strategy. The company is also attractively valued.

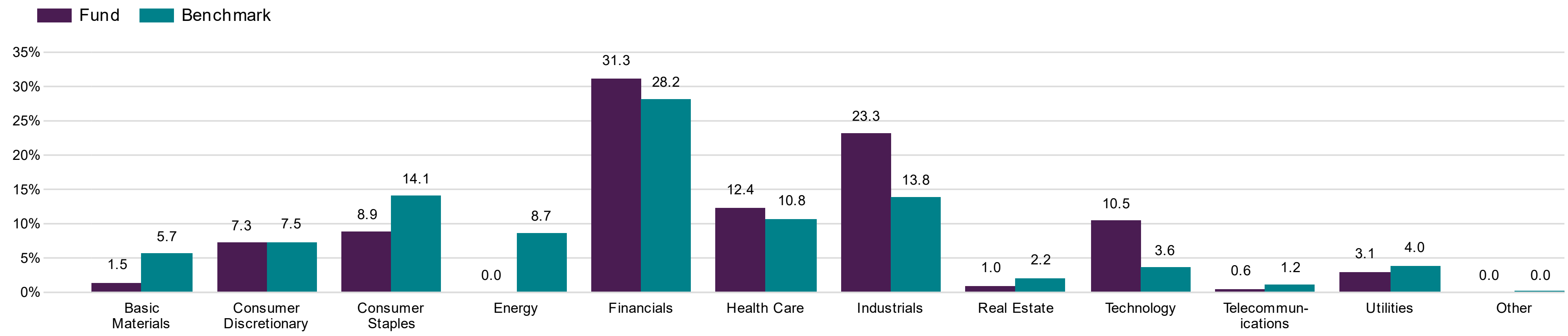
We also started a new position in US water distribution company Core & Main. We purchased the stock after its share price fell due to an announcement about weaker residential demand. We saw the valuation as attractive following this decline.

We exited holdings in Pearson Group, the education provider, and in utility company Severn Trent. The sales were used to fund opportunities elsewhere.

Our sustainable strategies are orientated to those companies that have a net benefit to society and create value for investors through their products and services and the way they manage environmental, social and governance (ESG) issues. Areas such as healthcare and technology remain at the core of the equity portfolios, complemented by engineering, utilities, selected financial services, and companies that lead their industries in ESG performance. This means that we do not invest in some sectors, such as oil & gas, extractive industries, or tobacco. We believe that the exposure to those sectors which offer a positive contribution to society is consistent with outperformance over the medium term.

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)	30,140	n/a	n/a
Financed emissions coverage	99.03%	n/a	n/a
Carbon footprint (tCO2e/$M invested)	8.37	53.77	(84.43)
Carbon footprint coverage	99.03%	94.36%	4.94
Weighted average carbon intensity (tCO2e/$M sales)	23.13	81.01	(71.45)
Weighted average carbon intensity coverage	99.03%	94.35%	4.96

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	99.03	94.14	5.19
% of portfolio below 2°C ITR	63.49	54.76	15.95
% of portfolio below 1.5°C ITR	31.96	32.89	(2.81)

SBTi net - zero

	Fund (%)	Benchmark (%)	Difference (%)
SBTi Net-Zero committed	37.21	36.36	2.33
SBTi Near-Term committed	0.72	4.73	(84.76)
SBTi Near-Term targets set	65.79	53.75	22.40

Fund Engagement

Engagement definition

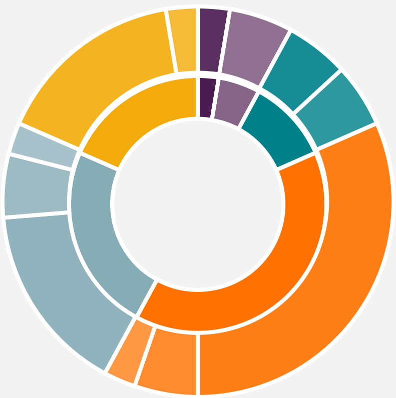
Engagement is active dialogue with investee companies (or other entities). There are two types: engagement for information, which is dialogue as part of investment research or ongoing monitoring, without specific objectives for change, and engagement for change, which is purposeful dialogue to influence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

Engagements

Engagement activity	Fund 3 months	Fund 12 months
Number of entities engaged	20	36
Number of engagements	26	117

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	**1**
Climate	**2**
Climate - Physical Risk	2
Diversity	**4**
Ethnic Diversity	2
Gender Diversity	2
Governance	**15**
Corporate Governance	12
Remuneration	2
Board	1
Social & Financial Inclusion	**9**
Just transition	6
Social & Financial inclusion	2
Labour & Human Rights	1
Technology, Innovation & Society	**7**
Technology & Society	6
Cybersecurity	1

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

Bunzl Plc - Workplace culture

Purpose:

The purpose of the engagement meeting with Bunzl, a global distribution and outsourcing company, was to discuss the company's approach to workforce engagement, whistleblowing, and reporting on workplace conduct, as well as to explore opportunities for improving transparency and disclosures.

Outcome:

Bunzl has shown a strong commitment to workforce engagement, with directors leading listening sessions across regions and languages. Although its decentralised model creates challenges for centralised reporting, the company is open to improving disclosures and performance monitoring. Bunzl shared whistleblowing data, noting an increase in reports, particularly from recent acquisitions in Latin America, which the company suggests growing employee confidence in reporting mechanisms. Serious cases are escalated to the board, with outcomes ranging from dismissals to educational interventions. The company is strengthening local reporting, conducting annual self-assessments, and using employee surveys, including discrimination-specific questions, to monitor culture, with positive results observed.

We encouraged Bunzl to enhance the granularity of its Speak Up data, benchmark performance against industry standard, provided by Navex, a leading compliance and risk management platform, and showcase positive survey outcomes. The company is considering tracking substantiation rates for future board reporting. Next steps include delivering a more detailed breakdown of Speak Up data, exploring external benchmarking, and reporting substantiation rates by risk category.

Compass Group Plc - Workplace culture

Purpose:

The purpose of our follow-up with Compass Group PLC, a global foodservice, to seek further clarity on two points: the availability of comparable misconduct data for FY2023 to enable year-on-year comparison, and further insight into the substantiation rate for retaliation cases, which appeared slightly higher than the external benchmark.

Outcome:

Compass Group PLC confirmed that comparable data for FY2023 and FY2024 has been collected and analysed and shared a detailed table with RLAM illustrating key indicators across both years. The company acknowledged our suggestion to include year on year comparisons in future disclosures and indicated that this is under review.

Regarding retaliation cases, Compass explained that a previously broader definition led to higher volumes and variance in substantiation outcomes. In FY2025, the company refined its triage methodology to align with global best practice, resulting in a significant decrease in both the volume and substantiation rate of retaliation cases year to date. These changes reflect a more targeted and precise approach to case assessment and reporting. The company emphasises that these changes are part of a maturing approach to risk management and reporting, not a reduction in commitment to addressing workplace issues. Next steps include continued monitoring and refinement of reporting processes, with a view to including year on year comparisons in future disclosures.

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.

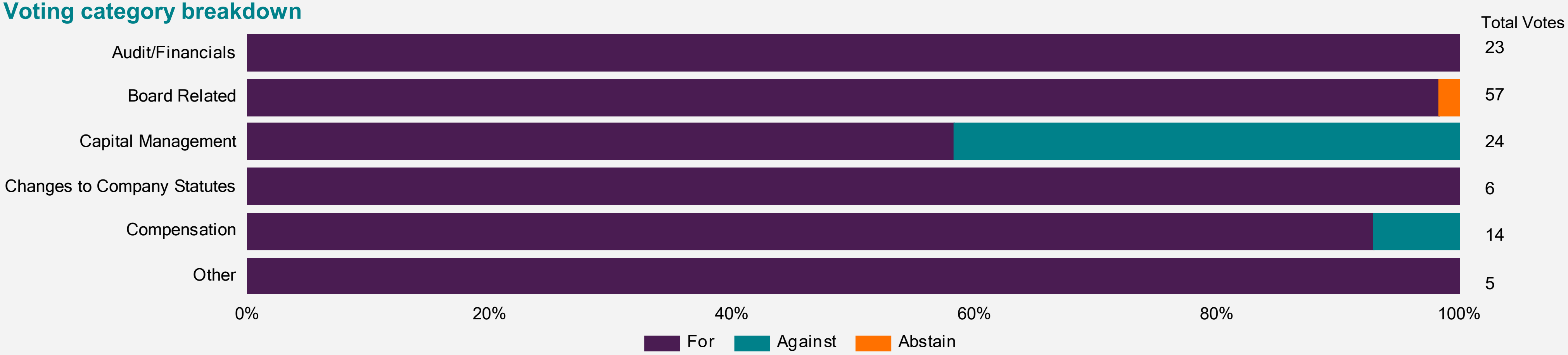
Outcome:

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.

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.

Dr. Martens Plc

Elect Paul Mason - abstain: As highlighted in previous years, while we acknowledge the presence of a senior independent director, we would prefer to see the appointment of a fully independent Chair to the board. We would welcome engagement with the company to further discuss the issue.

Market commentary

Market overview

It was a positive three months for financial markets, buoyed by expectations for interest rate cuts in the US and a broadly resilient global economy despite the previous imposition of tariffs. Commodities also posted strong gains, most notably precious metals, as investors increasingly demand hard assets as a hedge against a weaker US dollar.

UK equities rose to an all-time high against this backdrop, perhaps serving a reminder that the fortunes of the market are not closely tied to that of the underlying economy. There was something of a cyclical shape to the market over the period, as seen by a strong rally in the mining sector, while industrials also outperformed. Aerospace and defence companies continued to move higher, reflecting positive outlook for European defence budgets. A weaker British pound also aided companies in sectors with a high degree of international earnings. Corporate activity remains a theme that is alive and well in the UK market reflecting attractive valuations. Elsewhere, shareholder returns in the form of dividends and share buybacks remained a support to the market.

The Bank of England cut rates by 25bps in August. That was followed by an expected September ‘on hold’ decision and, over the quarter, markets greatly reduced the implied probability of a November rate cut. Inflation remained well above the Bank of England’s target. August inflation data was broadly in line, with CPI steady at 3.8% year-on-year and core falling to 3.6% from 3.8%. Services inflation was a touch lower than expected at 4.7% year-on-year after 5.0%. Inflation was widely expected to increase further in the near-term.

Focus on UK public finances increased over the quarter. The government’s decision to water down flagship welfare reforms, in order to avoid a parliamentary defeat, intensified concerns around the UK’s fiscal trajectory with those welfare reforms originally expected to cut several billion pounds of government spending. There were also press reports that the OBR intended to revise down its productivity growth forecasts with potentially sizeable implications for the fiscal projections. Expectations firmed that more tax hikes are likely at the Autumn Budget.

Outlook

Contrary to the general negative consensus, we continue to see many world class businesses in the UK market that we believe will reward shareholders over the long term. We believe the UK markets offers similar risk-adjusted returns than global equities due to their lower risk characteristics and lower valuations.

The outlook for corporate profits depends upon where your operations are. The US naturally feels it offers stronger growth than any other major economy, largely reflecting their strong bias to technology – although uncertainties about the new administration’s policies could see a slowdown or in the worst-case scenario a contraction of earnings. Other regions seem to be improving although from a low base.

While an improved global backdrop has been supportive for equity markets, the domestic outlook remains somewhat subdued; consumers and businesses alike must wait late into November for the Chancellor to deliver a budget that is widely expected to further increase the UK tax burden. This is something of an overhang for the UK economy in what is normally a seasonally important period of trading. While clearly this presents risks of a slowdown in the final quarter of the year, and nobody knows for sure what the upcoming budget will contain, anything that falls short of the worst-case scenarios set out by various commentators may restore some confidence going into the new year.

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 Trust is an authorised unit trust scheme. The Manager is RLUM Limited, authorised and regulated by the Financial Conduct Authority, with firm reference number 144032.

For more information on the Trust 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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FTSE makes no claim, prediction, warranty or representation either as to the results to be obtained from the Fund or the suitability of the Index for the purpose to which it is being put by Royal London Asset Management.

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.

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)	2.08	8.77	8.68	45.68	55.84
Fund (net)	1.89	8.36	7.87	42.45	50.13

Annualised (%)

	3 Years (p.a.)	5 Years (p.a.)
Fund (gross)	13.35	9.27
Fund (net)	12.50	8.46

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)	8.68	15.42	16.13	(12.35)	22.05
Fund (net)	7.87	14.56	15.27	(13.00)	21.15

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 Sustainable Leaders Trust C 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.

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.

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.

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

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

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.

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.

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.

Glossary

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.

Rolling 5-Year Period

A rolling 5-year period is any period of five years, no matter which day you start on.

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 FTSE ICB (Industry Classification Benchmark) 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 tCO_2e / $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.