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

Royal London Global Sustainable Equity Fund (IRL)

Quarterly Investment Report

30 June 2026

ROYAL LONDON
ASSET MANAGEMENT

Quarterly Report

The fund as at 30 June 2026

The purpose of this report is to provide an update on the Royal London Global Sustainable Equity Fund (IRL). 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 aims to provide a return over rolling 5-year periods, through capital growth after the deduction of charges. Investments in the Fund will adhere to the Investment Manager's Ethical and Sustainable Investment Policy, as detailed further below and in the "RESPONSIBLE INVESTMENT" section of the Prospectus. The performance comparator for the Fund is MSCI All Countries World Net Total Return Index USD (the "Benchmark"). The Benchmark is being used by the Fund for performance comparison purposes only and the Fund does not intend to track it.

Fund value

	Total $m
30 June 2026	209.37

Fund analytics

	Fund
Fund launch date	13 July 2021
Fund base currency	USD
Benchmark	MSCI All Country World Index (MSCI ACWI) (Net Total Return, USD)
Number of holdings	41

Performance and activity

Performance

	Fund (%)	Benchmark (%)	Relative (%)
Quarter	11.22	14.93	(3.70)
YTD	7.06	11.25	(4.19)
1 Year	17.25	23.67	(6.42)
3 Years (p.a.)	16.83	19.68	(2.85)
Since inception (p.a.)	9.08	10.85	(1.77)

Past performance is not a guarantee or reliable indicator of future returns. The impact of fees or other charges, including tax, where applicable, can be material on the performance of your investment. The impact of fees reduces your investment. Please refer to the Glossary for the basis of calculation and impact of fees. Performance and since inception date based on M Acc USD. Source: Royal London Asset Management; Gross performance; Since inception date of the share class is 13 July 2021.

Performance commentary

The fund underperformed the benchmark during the second 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 technology sector was the best performing sector in the second quarter, followed by financials. Areas of the technology sector exposed to hardware and AI-related memory were extraordinarily strong performers during the period under review. Stocks like Micron and SK Hynix soared over 200% this quarter amid a shortage of the components used in AI data centre fabrication.

The primary detractor from relative performance was our underweight allocation to the IT sector. Through the quarter we maintained a conservative stance towards parts of the technology sector, in particular to AI hardware. This allocation decision hurt relative performance as the sector saw strong gains during the quarter. Specifically, our lack of exposure to highly cyclical commodity-memory manufacturers (e.g., Micron, Samsung) represented a headwind to performance, as those names experienced exponential short-term appreciation driven by acute near-term component shortages in data centre fabrication.

Meanwhile, the financial sector continues to benefit from a resilient growth backdrop and higher interest rates. Otherwise, the industrial sector also performed well, being driven by companies exposed to AI and the data centre build out.

The worst performing sector was energy. This was primarily a function of lower oil prices reflecting the market's view that the worst of the Strait of Hormuz supply disruption is behind us.

TSMC, Texas Instruments and Comfort Systems were notable positive contributors in Q2 with each seeing strong growth and expanding margins due to the strength in end markets related to AI.

Intuit meanwhile was a notable detractor – the small business accounting software company reported slightly disappointing results, particularly related to their tax division which gave the market concern that that part of their business was facing disruption from AI. Beyond Intuit, the key contributors to the relative underperformance of the portfolio came from a lack of exposure to memory companies including Samsung, Micron and SK Hynix.

Performance and activity

Top 10 holdings

	Weighting (%)
Taiwan Semiconductor Manufacturing Co., Ltd. Sponsored ADR	6.06
NVIDIA Corporation	4.48
Alphabet Inc. Class A	4.37
ASML Holding NV	4.22
Texas Instruments Incorporated	4.15
Comfort Systems USA, Inc.	4.07
MercadoLibre, Inc.	3.71
Standard Chartered PLC	3.40
Visa Inc. Class A	3.28
Diploma PLC	3.10
Total	**40.84**

Fund activity

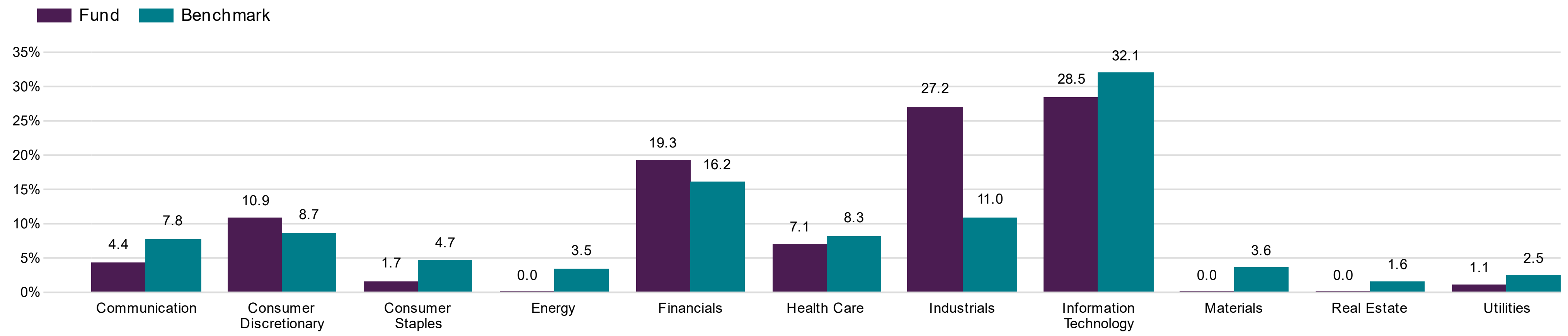
Given our expectations for ongoing market volatility, effective portfolio construction remains our focus, and we have made a number of changes to our fund to ensure it is appropriately diversified and resilient across a range of potential market outcomes.

In the quarter we exited Japanese bicycle component manufacturer, Shimano, due to a lack of growth and increased competition, and sold UK food retailer Tesco with the proceeds recycled into Compass, a leader in outsourced contract catering based on relative valuation and risk-adjusted return analysis.

A new position was started in SK Hynix in order to reduce our underweight exposure to memory stocks, reflecting the strong demand backdrop and pricing the sector is seeing.

Fund breakdown

Sector weights



Characteristics and climate

Sustainable investment rationale

The Fund focuses on the sustainability of the products and services of the companies it invests in, as well as their standards of environmental, social, governance ("ESG") management, alongside financial analysis. The investment approach is fundamentally based on positive screening; identifying companies that are making a positive contribution towards a cleaner, healthier, safer and more inclusive society, through assessing both what a company does and how it does it, and through active engagement to encourage continual improvement. The fund will not invest in companies that undertake business activities deemed to be detrimental to society and that breach our Do No Significant Harm principle. Further details of the Funds Sustainable Investment process can be found in the ethical and sustainable investment policy at www.rlam.com

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.

Adult entertainment	✓	High environmental impact	✓
Alcohol	✓	Human rights issues	✓
Animal welfare	✓	Nuclear power	✓
Armaments	✓	Nuclear weapons	✓
Fossil fuels	✓	Tobacco	✓
Gambling	✓	UNGC / OECD violators	✓

Climate metrics

	Fund	Benchmark	Difference (%)
Financed emissions (tCO2e)	970	n/a	n/a
Financed emissions coverage	100.00%	n/a	n/a
Carbon footprint (tCO2e/$M invested)	4.67	34.29	(86.39)
Carbon footprint coverage	100.00%	99.60%	0.41
Weighted average carbon intensity (tCO2e/$M sales)	31.13	115.24	(72.99)
Weighted average carbon intensity coverage	100.00%	99.72%	0.28

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	99.49	0.52
% of portfolio below 2°C ITR	42.08	46.08	(8.69)
% of portfolio below 1.5°C ITR	23.68	22.86	3.56

SBTi net - zero

	Fund (%)	Benchmark (%)	Difference (%)
SBTi Net-Zero committed	20.48	17.64	16.11
SBTi Near-Term committed	-	1.22	n/a
SBTi Near-Term targets set	46.01	51.33	(10.35)

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	8	19
Number of engagements	10	51

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	1
Climate - Transition Risk	1
Diversity	1
Gender Diversity	1
Governance	4
Corporate Governance	4
Social & Financial Inclusion	3
Labour & Human Rights	3
Technology, Innovation & Society	3
Technology & Society	3

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

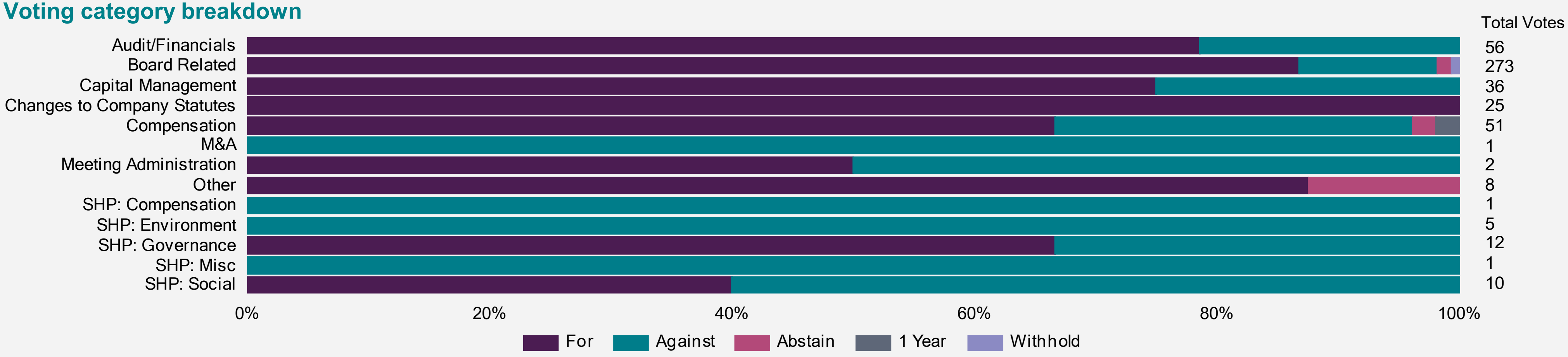
Engagement focus

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

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

Fund Voting

Voting category breakdown



Notable votes

Amazon.com Inc.

Elect Jonathan J. Rubinstein - against:
We voted against as the nominee serves as incumbent Chair of the E&S Committee. Our primary concern this year relates to Amazon's oversight of human rights risks associated with AWS, particularly in higher risk government and defence contexts. Amazon provides limited disclosure on how it monitors, enforces and escalates compliance with its AWS Acceptable Use Policy at a customer level, despite credible and ongoing concerns raised by external stakeholders, including the UN.
While the company references high level policies and past examples of human rights due diligence, it has not demonstrated how these translate into systematic customer level due diligence, oversight, or escalation in practice. This includes unresolved governance and transparency gaps relating to AWS contracts under Project Nimbus, which have previously been raised by shareholders and employees. We would therefore encourage Amazon to conduct and disclose a Human Rights Impact Assessment covering AWS contracts, in a manner comparable to the Devices Supply Chain HIRA. In addition, we remain supportive of the request to commission an independent, third party assessment of Amazon's adherence to its stated commitments on workers' freedom of association and collective bargaining, and the Board's oversight of these issues. While we continue to appreciate the company's disclosures to date, given the ongoing issues raised over the company's labour practices and legal action in the UK, we would welcome an independent assessment in this area to provide valuable assurance given persistent concerns regarding labour practices.

Texas Instruments Inc.

Elect Todd M. Bluedorn - against:
We voted against as this nominee serves as chair of the governance and stockholder relations committee and we have some concerns that the board adopted an exclusive forum provision during the year under review without shareholder approval.

Fund Voting

Notable votes

Texas Instruments Inc.

Elect Haviv Ilan - against:
We voted against this nominee who serves as both Chair and CEO. We would prefer to see these roles separated. We would also welcome an engagement opportunity to discuss human rights risks and disclosures.
Advisory Vote on Executive Compensation - against:
We continue to have concerns that the awards granted under the long-term incentive plan are not sufficiently performance based, and that certain bonus awards are discretionary and without clear disclosure of the maximum limits.

Market commentary

Market overview

Headlines and markets were dominated by the US and Iran during the past quarter. The disruption to oil supply via the Strait of Hormuz pushed oil prices to levels last seen following the Russian invasion of Ukraine in 2022. However, a ceasefire was announced towards the end of the period, causing prices to fall back to pre-crisis levels.

The effect on equities was significant volatility, though this was not enough to prevent a positive quarter for most markets. In the US, the main positive driver was further progress among large-cap technology and semiconductor stocks, as investors responded to another solid earnings season, evidence of sustained AI infrastructure spending, and relief that growth momentum remains intact. Strong earnings and technology leadership pushed both the S&P 500 and Nasdaq to fresh highs. However, these gains were tempered towards the end of the quarter, amid significant volatility. There were signs that investors have become increasingly concerned about the narrow nature of the rally, and that valuations among large AI-related technology stocks could have risen too far.

Elsewhere, Asia and emerging markets delivered some prolific returns, driven in particular by Korean and Taiwanese indices, which hit record highs. This reflected the performance of AI-related hardware stocks, including SK Hynix, Samsung and Taiwan Semiconductor Manufacturing Co (TSMC). Demand for advanced microchips and increased memory to boost AI infrastructure is coming from so-called hyperscalers, such as Microsoft, Google and Amazon, which are using these products in their data centres and to enhance their AI capabilities.

Given the relatively low weighting of AI-related technology stocks in European indices, returns from markets in the region were more subdued. However, sectors such as financials, defence and industrials continued to attract investor attention, resulting in positive returns overall.

From a macroeconomic perspective, growth forecasts remain subdued, while inflation is still above central bank target levels. The major change over the quarter was central bank rate expectations. At the start of the period, markets were pricing in multiple hikes in the US, euro zone and UK, but these expectations were tempered as the period progressed – with the changing outlook proving a key driver of markets over the quarter.

Outlook

While AI is clearly driving a large share of equity market and economic optimism, we believe that current market moves do not yet match the late-stage excesses of 1999 and the internet boom. More importantly, the lesson from the internet era is that investors often correctly identify a transformative technology but misjudge its economics and eventual winners: early leaders can fade, while overlooked incumbents or later movers may prove more successful. In that sense, AI may well reshape the economy profoundly, but uncertainty remains around which business models will generate durable profits and whether today's apparent winners will still lead in the long run.

Recent events in the Middle East have increased uncertainty, but we believe they are more likely to reinforce the inflationary and more fragmented investment environment that has existed since 2021 than fundamentally alter it. In that context, the key determinant of market outcomes over the next year is still likely to be the pace and direction of AI adoption, and whether current fears around disruption create opportunities in durable, high-quality businesses whose long-term competitive positions remain intact.

Sustainable companies may stand to relatively benefit from recent market events. Companies that have proactively improved energy efficiency and reduced reliance on fossil fuels should be relatively better placed if energy prices remain elevated, while renewable technologies that support localised and renewable energy production are also becoming increasingly important

We are not complacent, however, and have used periods of market weakness to add selectively to quality companies at more attractive valuations. As always, we will keep an open mind as events evolve, but we continue to believe that periods of uncertainty and volatility can create attractive opportunities for long-term investors.

Further Information

Please click on the links below for further information:

- Stewardship and Responsible Investment at RLAM
- 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

For professional clients only, not suitable for retail clients.

This is a financial promotion and is not investment advice.

Telephone calls and written communications may be recorded and monitored. For further information please see the Privacy Policy at www.rlam.com.

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

Notice for UK Investors

The Fund is recognised in the UK under the Overseas Fund Regime (OFR) but is not a UK authorised fund and is not authorised by the Financial Conduct Authority (FCA). It is therefore not subject to the same regulatory oversight as UK authorised Funds and is not required to adhere to the UK sustainable investment labelling disclosure requirements. Most of the protections provided by the UK regulatory system, and the compensation under the Financial Services Compensation Scheme, will not be available. Investors are strongly encouraged to seek independent financial advice before making any investment decisions.

The Fund is a sub-fund of Royal London Asset Management Funds plc, an open-ended investment company with variable capital (ICVC), with segregated liability between sub-funds.

Incorporated with limited liability under the laws of Ireland and authorised by the Central Bank of Ireland as a UCITS Fund. It is a recognised scheme under the Financial Services and Markets Act 2000.

The Management Company is FundRock Management Company SA, Registered office: Airport Center Building, 5 Heienhaff, L-1736 Senningerberg, Luxembourg and is authorised and regulated by the Commission de Surveillance du Secteur Financier (CSSF).

The Investment Manager is Royal London Asset Management Limited.

The Prospectus and Key Investor Information Document (KIID) are available in English via the relevant Fund Information page on www.rlam.com. A summary of investor rights is also available in English, and can be accessed at www.rlam.com/uk/policies-and-regulatory

RLAM may terminate the arrangements made for marketing of the fund pursuant to Article 93a of Directive 2009/65/EC.

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.

MSCI indexes and data are the intellectual property of MSCI Inc. MSCI has no liability to any person for any loss, damage, cost, or expense suffered as a result of any use of or reliance on any of the information.

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.

Exchange rate risk

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

Liquidity risk

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

Emerging markets risk

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

Counterparty risk

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

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.

Derivative risk

Derivatives are highly sensitive to changes in the value of the underlying asset which can increase both Fund losses and gains. The impact to the Fund can be greater where they are used in an extensive or complex manner, where the Fund could lose significantly more than the amount invested in derivatives.

Performance to 30 June 2026

Cumulative (%)

	3 Month	6 Month	1 Year	3 Years	Since Inception
Fund (gross)	11.22	7.06	17.25	59.49	54.00
Fund (net)	11.00	6.62	16.29	55.57	47.81

Annualised (%)

3 Years (p.a.)	Since Inception (p.a.)
16.83	9.08
15.86	8.18

Year on year performance (%)

	30/06/2025 - 30/06/2026	30/06/2024 - 30/06/2025	30/06/2023 - 30/06/2024	30/06/2022 - 30/06/2023	30/06/2021 - 30/06/2022
Fund (gross)	17.25	13.16	20.18	25.82	-
Fund (net)	16.29	12.23	19.20	24.80	-

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

Source: RLAM as at 30 June 2026. All figures are mid-price to mid-price for the Royal London Global Sustainable Equity Fund (IRL) M Acc USD share class. Since inception date 13 July 2021.

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.

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.

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

Fund restrictions definitions

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.

Performance

Both the Fund and Index performance are based on close of business prices.

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.

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.

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). Ex-post risk statistics are calculated using daily return data.

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.