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Royal London US Equity Trust

Quarterly Investment Report

31 March 2026

Quarterly Report

The fund as at 31 March 2026

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

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The fund

Fund performance objective and benchmark

The Scheme aims to provide a return greater than that of the MSCI USA £ Net Total Return Index over rolling 5-year periods, through capital growth, after the deduction of charges. The Index has been selected as a target benchmark because it is representative of the type of companies in which the Scheme invests, and it is therefore an appropriate measure for the Scheme's performance. The performance comparator for the Scheme is the IA North America sector (the "IA Sector").

Fund value

	Total £m
31 March 2026	371.48

Fund analytics

	Fund
Fund launch date	19 February 2001
Fund base currency	GBP
Benchmark	MSCI USA Index (Net Total Return, GBP)
Number of holdings	118
Active share (%)	45.4
Tracking error (%)	2.1

Ex-post tracking error calculated 3 years to 31 March 2026. Please refer to the glossary for a description of the tracking error used.

Performance and activity

Performance

	Fund (%)	Benchmark (%)	Relative (%)
Quarter	(5.84)	(2.70)	(3.14)
1 Year	11.86	14.83	(2.97)
3 Years (p.a.)	15.64	15.39	0.26
5 Years (p.a.)	13.26	12.15	1.11
10 Years (p.a.)	15.37	14.56	0.80
Since inception (p.a.)	8.83	8.44	0.39

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 A Inc GBP. Source: Royal London Asset Management; Gross performance; Since inception date of the share class is 19 February 2001.

Please note the fund name changed from Royal London US Growth Trust to Royal London US Equity Trust on 31 July 2025.

Performance commentary

The fund underperformed its benchmark over the quarter. This was the result of stock selection within the consumer discretionary and consumer staples sectors.

As investors continue to sift through the likely AI winners and losers, data centre infrastructure provider Vertiv moved very much into the former camp. Its shares experienced a strong rise in February, reflecting robust order growth tied to AI data-centre investment with rising demand for high-density power and cooling solutions. Its shares suffered in March amid the rotation away from stocks with high geopolitical exposure and towards more defensive parts of the market, but it still produced positive returns over the quarter.

Micron Technology was another holding that is benefiting from the AI revolution. Surging demand for its processors helped the company to recent record profits. Micron also released an outlook that surpassed investors' previous expectations about earnings.

Energy stocks were among the market's top performers amid soaring oil and gas prices. The fund's position in Valero Energy contributed strongly to relative performance. However, a lack of exposure to other index heavyweights, such as Chevron, outweighed this benefit to some extent.

On the downside, the holding in Microsoft underperformed due to the shift in market leadership away from highly valued US mega-cap growth stocks, particularly toward the end of the review period. This rotation was linked to concerns about technology-sector valuations and sustainability of earnings growth.

The holding in Alphabet detracted from relative returns following a period of strong multi-year performance. The share price reached an all-time high in February, before falling back more than 20%. At the start of the year, Alphabet announced capital expenditure that was ahead of expectations, fuelling concerns about the effects on profit margins. This overshadowed results that were very encouraging.

Performance and activity

Top 10 holdings

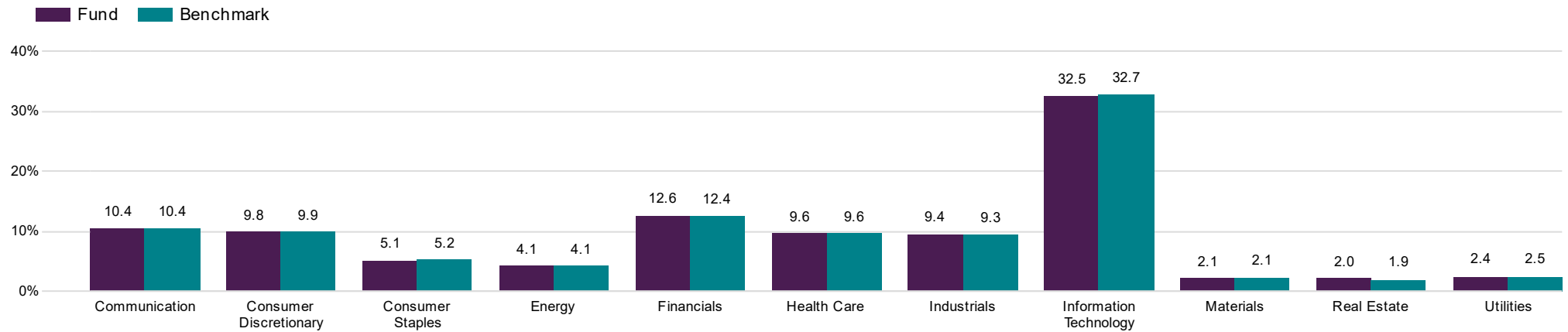
	Weighting (%)
NVIDIA CORP	7.93
APPLE INC	6.96
ALPHABET INC CLASS A	6.94
MICROSOFT CORP	5.58
AMAZON COM INC	3.99
JPMORGAN CHASE	2.68
BROADCOM INC	1.99
META PLATFORMS INC CLASS A	1.86
ELI LILLY	1.82
BERKSHIRE HATHAWAY INC CLASS B	1.74
Total	41.49

Fund activity

Overall, we believe that business fundamentals are the long-term drivers of stock prices. However, we recognise that different fundamentals matter at different points of a company's life, and that these are often unappreciated or misunderstood by the market. Our approach therefore aims to identify and exploit these inefficiencies, identifying stocks that we believe have superior shareholder wealth creation potential, at attractive prices.

Fund breakdown

Sector 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	10	49
Number of engagements	12	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.

Total engagements by theme and topic



Biodiversity	1
Climate	6
Climate - Transition Risk	6
Governance	4
Corporate Governance	3
Remuneration	1
Social & Financial Inclusion	2
Labour & Human Rights	2
Technology, Innovation & Society	4
Technology & Society	4

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

Sylvamo Corporation – Nature

Purpose:

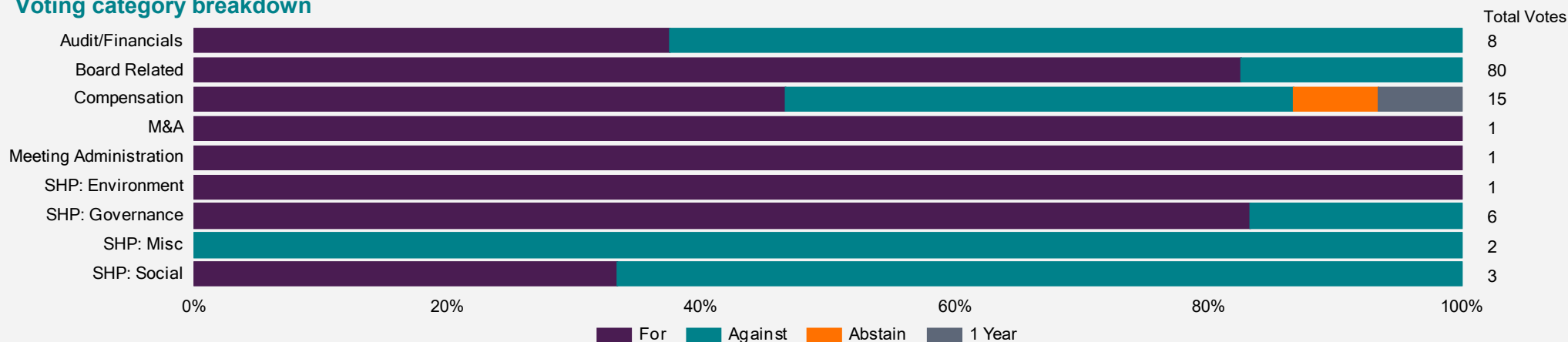
We reached out to Sylvamo Corporation, a paper manufacturer, to discuss how it identifies and manages climate- and nature-related risks across its operations and forestry assets. The engagement aims to focus on forest management, nature impacts and how physical climate risks are assessed and reflected in longer-term planning.

Outcome:

The letter marked the continuation of a dialogue with the company on climate and nature-related risks. We set out areas where clearer information would support investor understanding, including how Sylvamo assesses climate physical risks such as drought and wildfire, how these risks influence forest management and capital spending, and how nature considerations are integrated into its broader sustainability approach. We will continue engagement to seek greater clarity and to encourage alignment with evolving best practice on climate resilience, nature and biodiversity.

Fund Voting

Voting category breakdown



Notable votes

Apple Inc

Advisory Vote on Executive Compensation - abstain:

We abstained due to concerns that the long-term incentive framework remains overly concentrated around a single measure, with pay outcomes appearing highly replicable across incentives, raising questions on the stretch and resilience of performance assessment.

Shareholder Proposal - Report on Risks and Costs Associated With China - against:

We voted against as the requested disclosure was not considered likely to provide sufficient additional value at this time, given the breadth of information already available and the rapidly evolving nature of the topic.

Tyson Foods, Inc.

Elect John H. Tyson - against: We would prefer the appointment of a fully independent chair.

Elect Mike D. Beebe - against: As a governance committee member, we remain concerned about the absence of a credible Scope 3 strategy, lack of interim 2030 targets, and insufficient progress on nature-related risk management, despite multiple engagement attempts.

Elect Maria Claudia Borrás - against: For the same governance committee accountability concerns on Scope 3, interim targets and nature risk.

Elect Maria N. Martínez - against: For the same governance committee accountability concerns on Scope 3, interim targets and nature risk.

Elect Cheryl S. Miller - against: For the same governance committee accountability concerns on Scope 3, interim targets and nature risk.

Elect David J. Bronczek - against: We remain concerned about the company's multi-class structure without a reasonable sunset, alongside the continuing concerns on Scope 3, nature-related risk management and limited diversity disclosures.

Fund Voting

Notable votes

Tyson Foods, Inc.

Elect Olivia L. Tyson - against: The nominee is not independent and serves on the remuneration committee, which we do not consider sufficiently independent.

Advisory Vote on Executive Compensation - against:

We voted against due to concerns regarding remuneration practices, including the use of upward discretion on bonuses, retention/one-off elements, and overall pay-for-performance alignment.

Shareholder Proposals:

Disclosure of Vote Results by Share Class - for: We supported improved transparency on voting outcomes, particularly for non-controlling shareholders.

Report on Environmental and Health Harms from Waste Lagoons - for: We supported the request for additional disclosure given the potential materiality of impacts.

Report on Impact of U.S. Immigration Policy Changes - for: We supported additional disclosure into this area.

Visa Inc

Elect Denise M. Morrison - against: We opposed due to the nominee's role on the remuneration committee and our longstanding concerns regarding remuneration.

Elect William J. Ready - against: We opposed due to concerns regarding the nominee's time commitments, given other positions held.

Advisory Vote on Executive Compensation - against:

We voted against as, despite engagement, key concerns remain-particularly regarding bonus discretion and short performance periods-and have not been sufficiently addressed.

Amendment to Certificate of Incorporation to Limit the Liability of Certain Officers - against:

We voted against as the amendment may reduce accountability by limiting liability for breaches of the duty of care, and the board has not demonstrated a compelling need.

Shareholder Proposals:

Independent Chair - against: We voted against as the company already meets the intent of the proposal.

Right to Act by Written Consent - for: We supported as written consent can enable shareholders to act on important matters between annual meetings.

Report on Risk Management Concerning Deepfake Content - against: We voted against as the proponent did not provide a sufficiently compelling rationale and we have no material concerns at this time.

Report on ROI of Inclusion Programs - against: We voted against as there was insufficient evidence that the company's approach to inclusion programs has been contrary to shareholder interests.

Market commentary

Market review

Global equities made a steady start to the year as investors focused on the path of disinflation, the timing of policy easing, and the resilience of economic activity. However, all this was upended in March. Risk sentiment deteriorated late in the quarter amid an escalation in geopolitical risk and a sharp move higher in energy prices, which revived inflation concerns and weighed on equities. March was the worst month for global equities since the start of the Ukraine conflict in 2022, which more than wiped out the previous two months' gains.

The US was one of the weakest performing markets, as expectations for early interest rate cuts were pushed further out by a renewed bout of inflation anxiety linked to higher oil prices. Large technology stocks were a notable drag on performance, having already come under pressure earlier in the quarter due to valuation concerns and uncertainty around the impact of new AI capabilities on software business models. As volatility increased, investors rotated away from last year's technology leaders toward a broader mix of sectors, including more rate sensitive and value-oriented stocks.

European equities also gave back January and February's gains as rising energy prices led to concerns that inflation could remain above target. Markets in the region had previously benefited from falling inflation, raising hopes that European policy rates are near their peak. Energy and defence stocks provided pockets of relative strength during March. This helped to support the UK market, which was slightly more resilient.

Asia was one of the more resilient regions, though the performance of markets varied greatly. Taiwanese and Korean stocks had produced strong double-digit returns prior to the Middle East conflict, but came under pressure as investors assessed Asia's dependence on energy imports. Japan was one of the few markets to finish the quarter higher, benefiting from yen weakness and expectations of increased fiscal support following the ruling Liberal Democratic Party's decisive victory in February's snap election.

Outlook

At time of writing, market direction remains highly dependent on developments in geopolitics and the inflation outlook. A de-escalation in the Middle East would likely relieve pressure on energy prices and help stabilise sentiment, while central banks appear inclined to remain cautious and firmly data led.

Beyond the geopolitical outlook, corporate earnings and economic data over the coming months will be important in determining whether the recent shock proves temporary or more persistent. Until there is greater clarity, volatility is likely to remain elevated, with markets sensitive to both macro data and political headlines.

Overall, we are continuing to navigate a complex and momentum-driven market with a disciplined yet adaptive approach. Strategic research prioritisation, risk-aware positioning, and a focus on long-term value creation remain central to the investment philosophy. The team is committed to refining its responsiveness to market signals and maintaining competitive performance.

Further Information

Please click on the links below for further information:



Find out more

In an uncertain geopolitical and economic environment, we recognise the importance of keeping our clients updated on our current investment thinking.

Articles, videos, podcasts and webinars giving the latest views of our investment experts can be found in the Our Views section of www.rlam.com, including regular updates from our Fixed Income, Global Equity, Sustainable and Multi Asset teams.

Disclaimers

Important information

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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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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

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.

Counterparty risk

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

Performance to 31 March 2026

Cumulative (%)

Annualised (%)

	3 Month	6 Month	1 Year	3 Years	5 Years	3 Years (p.a.)	5 Years (p.a.)
Fund (gross)	(5.84)	(2.10)	11.86	54.71	86.47	15.64	13.26
Fund (net)	(6.07)	(2.59)	10.74	49.89	76.20	14.43	11.99

Please note the fund name changed from Royal London US Growth Trust to Royal London US Equity Trust on 31 July 2025.

Year on year performance (%)

	31/03/2025 - 31/03/2026	31/03/2024 - 31/03/2025	31/03/2023 - 31/03/2024	31/03/2022 - 31/03/2023	31/03/2021 - 31/03/2022
Fund (gross)	11.86	2.25	35.26	(2.98)	24.22
Fund (net)	10.74	1.24	33.69	(4.18)	22.68

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 31 March 2026. All figures are mid-price to mid-price for the Royal London US Equity Trust A Inc GBP share class.

Glossary

7-Year rolling period

Any period of seven years, no matter which day you start on.

Active share

Active share is a measure used to assess the degree of difference between the portfolio's holdings and its benchmark.

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.

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).