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Royal London Multi-Asset Funds ICVC Annual Report

For the year ended 31 December 2022



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* The Authorised Corporate Director's report comprises these items, together with the following for each individual sub-fund: Manager's Investment Report; Investment Objective and Policy and Portfolio Statement.

The Director is referred to as the AIFM and ACD interchangeably.

Company Information

Company

Royal London Multi-Asset Funds ICVC

Registered in England with Company Number IC001058

Registered office:

80 Fenchurch Street, London EC3M 4BY

Director

The Authorised Corporate Director (ACD) is Royal London Unit Trust Managers Limited which is the sole director. The ACD also acts as the Alternative Investment Fund Manager (AIFM).

Place of business and Registered office:

80 Fenchurch Street, London EC3M 4BY

Authorised and regulated by the Financial Conduct Authority; a member of The Investment Association (IA).

T: 020 7506 6500

F: 020 7506 6503

Directors

R.A.D. Williams

A. Hunt

R. Kumar

S. Spiller

J. Brett (Non-executive Director)

H. Georgeson

J.M. JACKSON (Non-executive Director, appointed 1 April 2022)

Investment Adviser

Royal London Asset Management Limited

Place of business and Registered office:

80 Fenchurch Street, London EC3M 4BY

Authorised and regulated by the Financial Conduct Authority.

Depositary

HSBC Bank plc

8 Canada Square, Canary Wharf, London E14 5HQ

Authorised and regulated by the Financial Conduct Authority.

Registrar

SS&C Financial Services International Limited

The Register may be inspected at:

SS&C House, St Nicholas Lane, Basildon, Essex SS15 5FS

Authorised and Regulated by the Financial Conduct Authority.

Independent Auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

7 More London Riverside, London SE1 2RT

Directors' Report

We are pleased to present the Annual Report for Royal London Multi-Asset Funds ICVC, covering the year from 1 January 2022 to 31 December 2022.

Royal London Multi-Asset Funds ICVC ('the Company') is authorised and regulated by the Financial Conduct Authority and is structured as an umbrella investment company, in that the Company proposes to issue shares linked to different sub-funds which have been established.

The Company is a non-UCITS retail scheme and qualifies as an Alternative Investment Fund within the meaning of AIFMD.

The sub-funds in existence during the year from 1 January 2022 to 31 December 2022 were:

Royal London GMAP Conservative Fund
(launched 14 March 2016)

Royal London GMAP Defensive Fund
(launched 14 March 2016)

Royal London GMAP Balanced Fund
(launched 14 March 2016)

Royal London GMAP Growth Fund
(launched 14 March 2016)

Royal London GMAP Adventurous Fund
(launched 14 March 2016)

Royal London GMAP Dynamic Fund
(launched 14 March 2016)

Royal London Monthly Income Bond Fund
(launched 25 June 2018, terminated 29 June 2022)

Royal London Multi Asset Strategies Fund
(launched 23 November 2018)

An ICVC may comprise a single Fund or may be structured as an umbrella with a number of different sub-funds, each with its own portfolio of underlying assets invested in accordance with the investment objective and policy applicable to that sub-fund.

Currently, the Funds of an umbrella company are ring-fenced, and consequently creditors of the company may not look to all the assets of the company for payment regardless of the sub-fund in respect of which that creditor's debt has arisen.

Shareholders are not liable for the debts of the Company.

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority.

For and behalf of Royal London Unit Trust Managers Limited

Authorised Corporate Director

S. Spiller (Director)

R. Kumar (Director)

19 April 2023

Statement of Authorised Corporate Director's Responsibilities in Relation to the Financial Statements of the Company

The Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) ("the OEIC Regulations") and the Financial Conduct Authority Collective Investment Schemes Sourcebook (COLL) require the Authorised Corporate Director to prepare financial statements for each accounting period which give a true and fair view of the financial position of the Company for the year.

The financial statements are prepared on the basis that the Company will continue in operation unless it is inappropriate to assume this. In preparing the financial statements the Authorised Corporate Director is required to:

- select suitable accounting policies and then apply them consistently;
- make adjustments and estimates that are reasonable and prudent;
- comply with the requirements of the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association (now referred to as The Investment Association) in May 2014 (the 2014 SORP), as amended in 2017;
- comply with the disclosure requirements of the prospectus;
- follow United Kingdom Generally Accepted Accounting Practice and applicable accounting standards;
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements; and
- take reasonable steps for the prevention and detection of fraud and other irregularities.

The Authorised Corporate Director is responsible for the management of the Company in accordance with its Prospectus and the FCA's rules.

Statement of Depositary's Responsibilities

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Investment Funds Sourcebook, the Open Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors. The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Alternative Investment Fund Manager ("the AIFM") are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Scheme documents and the Regulations in relation to the investment and borrowing powers applicable to the Company.

Report of the Depositary to the Shareholders of the Royal London Multi-Asset Funds ICVC

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the AIFM:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company; and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company in accordance with the Regulations and Scheme documents of the Company.

HSBC Bank Plc

This report is given on the basis that no breaches are subsequently advised to us before the distribution date. We therefore reserve the right to amend the report in the light of such circumstances.

HSBC Bank Plc

19 April 2023

Independent Auditors' Report to the Shareholders of Royal London Multi-Asset Funds ICVC

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Royal London Multi-Asset Funds ICVC (the "Company"):

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 31 December 2022 and of the net revenue and the net capital losses on the scheme property of the Company and each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

Royal London Multi-Asset Funds ICVC is an Open Ended Investment Company ('OEIC') with 7 sub-funds. The financial statements of the Company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheets as at 31 December 2022 the Statements of Total Return and the Statements of Change in Net Assets Attributable to Shareholders for the year then ended; the Distribution Tables; the Accounting Policies (included in the Summary of Significant Accounting Policies); and the Notes to the Financial Statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's or any sub-funds' ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's or any sub-funds' ability to continue as a going concern.

Our responsibilities and the responsibilities of the Authorised Corporate Director with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Authorised Corporate Director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on our work undertaken in the course of the audit, the Collective Investment Schemes sourcebook requires us also to report certain opinions as described below.

Authorised Corporate Director's Report

In our opinion, the information given in the Authorised Corporate Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditors' Report to the Shareholders of Royal London Multi-Asset Funds ICVC (continued)

Report on the audit of the financial statements – continued

Responsibilities for the financial statements and the audit

Responsibilities of the Authorised Corporate Director for the financial statements

As explained more fully in the Statement of Authorised Corporate Director's Responsibilities in Relation to the Financial Statements of the Company, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the Company's and each of the sub-funds ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to wind up or terminate the Company or individual sub-fund, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Company or the sub-funds. Audit procedures performed included:

- Discussions with the Authorised Corporate Director, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Authorised Corporate Director's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent Auditors' Report to the Shareholders of Royal London Multi-Asset Funds ICVC (continued)

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
19 April 2023

Summary of Significant Accounting Policies

For the year ended 31 December 2022

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, in compliance with the Financial Conduct Authority's Collective Investment Schemes sourcebook. They have been prepared in accordance with FRS102 and the Statement of Recommended Practice for Authorised Funds (SORP) for Financial Statements of Authorised Funds issued by The Investment Management Association (now referred to as The Investment Association) in May 2014 (the 2014 SORP), as amended in 2017.

As stated in the Statement of Authorised Corporate Director's Responsibilities in relation to the Financial Statements of the Company on page 4, the Authorised Corporate Director continues to adopt the going concern basis in the preparation of the financial statements of the Company.

The accounting policies outlined below have been applied on a consistent basis throughout the year.

Further analysis of the distribution and the net asset position can be found within the Financial Statements of the individual sub-funds.

Basis of valuation of investments

The investments of the Company have been valued at closing bid price on 31 December 2022, the last valuation point in the accounting year.

Unquoted, suspended and delisted investments are valued based on the Authorised Corporate Director's opinion of fair value.

Investments in collective investment schemes (CIS) have been valued at bid prices. For those CIS funds that are not dual priced, single prices are used. These prices will be mid of the bid and offer price.

Derivative assets and liabilities are valued at the fair value price to close out the contract at the Balance Sheet date, using available market prices or an assessment of fair value based on counterparty valuations and appropriate pricing models.

The ACD employs continuous estimates and judgements when determining the valuation of the Royal London Property Fund and Royal London Property Trust.

Valuations of the investments held by these property CIS are determined independently using assumptions and recognised international valuation techniques. Their combined net asset valuations would have to change by the following percentages to result in a variance of 0.5% or greater to the total net asset value of each fund listed below:–

Royal London GMAP Defensive Fund 12.15%

Royal London GMP Balanced Fund 7.25%

Royal London GMAP Growth Fund 5.16%

Royal London GMAP Adventurous Fund 4.55%

Exchange rates

Assets and liabilities denominated in foreign currencies have been converted to sterling at the bid-market closing rates of exchange on 31 December 2022.

Foreign income and expenditure have been converted into sterling at the rate of exchange ruling at the date of transaction.

Recognition of revenue

Revenue from equities and non-equity shares (including distributions from collective investment schemes and Exchange Traded Funds) is recognised when the security is quoted ex-dividend.

Revenue received from investments in authorised collective investment schemes, which are purchased during the financial period, will include an element of equalisation which represents the average amount of revenue included in the price paid for shares or units. This equalisation is treated as capital and deducted from the cost of the investment.

Interest and revenue from bank balances and deposits and other securities is recognised on an accruals basis.

UK dividends are shown net of any associated tax credits attached to the income.

Dividends from UK REITs are split into PID (Property Income Distributions) and Non-PID components for tax purposes. Revenue arising from UK REITs tax-exempt rental business is colloquially known as PID revenue and is taxable in the hands of the Fund. A UK REIT may also carry out activities that give rise to taxable profits and gains, it is from these that the REIT will make a Non-PID distribution, these are treated for tax purposes in the same way as dividends from UK companies and are reflected under UK dividends within the revenue note.

Overseas revenue received after the deduction of withholding tax is shown gross of tax, with the tax consequences shown within the tax charge.

Interest earned on interest bearing securities are determined on an effective yield basis. Effective yield is a revenue calculation that reflects the amount of amortisation of any discount or premium on the purchase price over the remaining life of the security.

Summary of Significant Accounting Policies (continued)

For the year ended 31 December 2022

1. Accounting policies – continued

Recognition of revenue – continued

From 3 June 2019 when the fixed Fund Management Fee was introduced, management fees charged on underlying collective investment scheme investments are reimbursed back to the sub-funds by Royal London Asset Management Limited. The accrual and reimbursement of this fee (referenced as management fee rebates) is recognised as either capital or income in accordance with the management fee charged on the underlying Collective Investment Schemes. An agreement is also in place with Royal London Asset Management Limited to rebate 100% of the management fee for investments in other Royal London Asset Management collective investment schemes.

Treatment of expenses

Expenses are recognised on an accruals basis.

The underlying sub-funds may hold up to six share classes. Each share class suffers a different Fund Management Fee, which can be found in the constitution starting on page 104. Consequently the level of expenses attributable to each share class will differ.

The costs and charges detailed in the Prospectus, including the ACD's own fee, will be met out of this fixed Fund Management Fee. In the event the actual costs incurred by a sub-fund exceed the level of the fixed Fund Management Fee applicable to that share class, the ACD shall bear any such excess. Where the actual costs incurred by a sub-fund fall below the fixed Fund Management Fee, the ACD shall be entitled to retain any amount by which the fixed Fund Management Fee exceeds those actual costs.

Taxation

Royal London GMAP Conservative Fund and Royal London Multi Asset Strategies Fund satisfied the qualifying investments test of Statutory Instrument 2006/964 Authorised Investment Funds (Tax) Regulations 2006 Paragraph 19 throughout the period. All distributions made are therefore made as interest distributions for these two sub-funds.

Provision is made for taxation at current rates on the excess of investment revenue over allowable expenses, with relief for overseas taxation taken where appropriate.

Deferred tax is provided on all timing differences that have originated but not reversed by the balance sheet date. Deferred tax is not recognised on permanent differences.

Deferred tax assets are recognised only to the extent that it is more likely than not that there will be taxable profits from which the future reversal of the underlying timing differences can be deducted.

Treatment of derivative contracts

The unrealised gains or losses on Forward Foreign Exchanges (FFX) are disclosed in the Portfolio Statements, where such contracts are held by an individual sub-fund.

The unrealised gains or losses on open future contracts are disclosed in the Portfolio Statement, where such contracts are held by an individual sub-fund. The margins paid on these contracts are included in the amounts held at derivative clearing houses and brokers.

Motives and circumstances are used to determine whether returns on derivative contracts should be treated as capital or revenue. Where positions are undertaken to protect or enhance capital and the circumstances support this, the returns are included within net capital gains/losses in the Statement of Total Return. Where they are undertaken for generating or protecting revenue and the circumstances support this, the returns are treated as revenue and are included within the net revenue in the Statement of Total Return. The basis of apportionment is typically made by reference to the yield on the underlying security, index or other appropriate source.

Dilution adjustment

In order to mitigate the effect of dilution the Regulations allow the ACD to adjust the sale and purchase price of shares in the sub-funds to take into account the possible effects of dilution. This practice is known as making a "dilution adjustment" or operating swinging single pricing.

The power to make a dilution adjustment may only be exercised for the purpose of reducing dilution in the Funds.

The ACD reserves the right to make a dilution adjustment every day. The dilution adjustment is calculated using the estimated dealing costs of a sub-fund's underlying investments and taking into consideration any dealing spreads, commission and transfer taxes.

The need to make a dilution adjustment will depend on the difference between the net value of shares being acquired and the net value of shares being redeemed as a proportion of the total value of that Fund.

For historic swing factor percentages and frequency of adjustments by sub-fund please refer to the prospectus.

Summary of Significant Accounting Policies (continued)

For the year ended 31 December 2022

2. Distribution policies

Basis of distribution

Revenue produced by the sub-funds' investments accumulates during each accounting period. If at the end of the accounting period, revenue exceeds expenses, the net revenue of each sub-fund is available to be distributed, at share class level, to shareholders.

All sub-funds make dividend distributions except for the Royal London GMAP Conservative Fund and Royal London Multi Asset Strategies Fund, which pay out available income in the form of interest distributions.

Apportionment to multiple share classes

The allocation of revenue and expenses to each share class is based on the proportion of the sub-funds assets attributable to each share class on the day the revenue is earned or the expense is suffered. The ACD's fixed Fund Management Fee is specific to each share class.

Expenses

In determining the net revenue available for distribution, expenses related to the purchase and sale of investments are borne wholly by capital. All other expenses are borne by revenue on all the Funds.

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

3. Risk management policies

In accordance with its investment objective, the Company holds financial instruments such as equity collective investment schemes, bond collective investment schemes, derivatives, Exchange Traded Funds (ETFs) and short-term debtors and creditors.

The risks arising from the Company's financial instruments are summarised below.

Market and cash flow risk

Material exposure of the Company's assets and liabilities to interest bearing instruments results in the risk of changes in market interest rates which, in addition to other market price risk arising from the uncertainty of future prices, can cause the value of financial instruments to fluctuate. This, in combination with variable cash flows, can potentially significantly affect the Balance Sheet and Statement of Total Return.

The ACD adheres to the investment guidelines and investment and borrowing powers established in the Prospectus and in the Rules governing the operations of ICVCs. In this way the ACD monitors and controls the exposure to risk from any type of security, market sector or individual issuer.

Credit and liquidity risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty and issuer risk. Cash is held with reputable credit institutions and credit risk is assessed on a regular basis. Certain transactions in securities that the Company enters into expose it to the risk that a counterparty will not deliver the investment for a purchase, or cash for a sale after the Company has fulfilled its responsibilities. The Company only buys and sells investments through brokers which have been approved by the Manager as an acceptable counterparty and these are reviewed on an ongoing basis.

The Company's assets comprise mainly readily available realisable securities, which can be sold to meet funding requirements if and when necessary. The main liability of the Company is the redemption of any shares that investors wish to sell. Liquidity risk, mainly derived from the liability to shareholders, is minimised through holding cash and readily realisable securities which can meet the usual requirements of share redemptions. The Liquidity risk for all sub-funds has been deemed insignificant, therefore numerical disclosures are not required.

It should be noted however that with regards the Royal London Property Fund and Royal London Property Trust a three months advance notice, which can be waived at the ACD's discretion, of intention to redeem is required for these holdings. The ACD has measures in place to manage their liquidity profiles in line with any anticipated redemption flows to mitigate any credit risk to the fund. In exceptional circumstances resulting from market uncertainty, the ACD also has the right to suspend dealing in the Royal London Property Fund and the Royal London property Trust. As mentioned above the liquidity risk associated to this exceptional circumstance has been deemed insignificant.

Currency risk

The value of the Company's investments may be affected by currency movements since a proportion of the assets are denominated in currencies other than sterling. The ACD may, from time to time, seek to mitigate the effect of these currency exposures by covering a proportion of its investments using forward currency hedges. The risk of currency movements on the income property of the Company is minimised by converting income received in foreign currency into sterling on the date of transaction.

Summary of Significant Accounting Policies (continued)

For the year ended 31 December 2022

3. Risk management policies – continued

Interest rate risk

The Company has an indirect exposure to interest rate risk. It invests predominantly in bond collective investment schemes which subsequently invest in fixed and variable interest rate securities. There is also a small interest risk exposure on other fixed interest securities held by the Company. Any changes to interest rates relevant for particular securities may result in either revenue increasing or decreasing.

In general, if interest rates rise the revenue potential of the Company also rises but the value of fixed interest securities may decline. A fall in interest rates will, in general, have the opposite effect. Interest rate risk also applies to balances held at the bank as disclosed in the balance sheet. Changes to the rate of interest applied on the underlying balances will affect the Company accordingly. All cash balances earn interest at a variable rate.

Derivatives risk

The ACD may employ derivatives for the purpose of efficient portfolio management. All derivative trading is in the form of instruments listed on a regulated exchange. Financial futures are used in particular for efficient management of cashflow, i.e. to deal with the control of marginal cashflow monies – for example, investment of anticipated dividend receipts, as well as to effect re-allocations of assets. Futures allow the ACD to obtain market exposure quickly (thereby reducing risk) and cheaply (reducing cost).

Derivatives may be used to hedge against various risks as permitted by the Non-UCITS Retail Scheme regulations. The use of derivatives for hedging in a rising market may restrict potential gains.

The use of derivatives is not intended to increase the overall level of risk in the Fund. However, the use of derivatives may result in a fund being leveraged (where economic exposure and thus the potential for loss by the Fund exceeds the amount invested) and in these market conditions leverage may magnify losses.

Other

The Ukraine situation and inflation

For RLAM's views on the impact please refer to the Managers' Investment Reports.

RLAM is complying with all restrictions and sanctions issued by the relevant authorities. Economic sanctions placed on Russia are having a significant impact on global financial markets and commodity pricing. RLAM has no direct exposure to Russian companies and is closely monitoring the associated geo-political risks in relation to inflation, volatile markets and fair value pricing.

4. Cross holdings

There are no cross holdings within the Royal London Multi-Asset Funds ICVC.

Royal London GMAP Conservative Fund

Manager's Investment Report

Cumulative Performance

(% change to 31/12/22)

	1 year total return %	3 year total return %	5 year total return %
Royal London GMAP Conservative Fund, Class M Accumulation	-13.09	-8.09	-3.21
Royal London GMAP Conservative Fund, Class M Income	-13.14	-7.93	-3.02
Royal London GMAP Conservative Fund, Class P Accumulation	-13.08	-8.04	-
Royal London GMAP Conservative Fund, Class R Accumulation	-12.72	-6.88	-
GMAP Conservative Custom Benchmark*	-13.52	-9.16	-3.64
IA Sterling Strategic Bond	-11.70	-5.40	0.77

Class P Accumulation launched on 7 May 2019 and Class R Accumulation launched on 21 March 2018.

* Please refer to the Prospectus for details of the Custom Benchmark.

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up and investors may not get back the amount originally invested.

Source: RLAM and Lipper, as at 31 December 2022. Returns are net of management fees. Investors should also note that the total return is calculated on the Fund's official 2pm price whereas the Fund has been valued as at close of business for the Closing Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

On a net basis, the Fund returned -13.09% (M class, Accumulation) during the 12 months to 31 December 2022. Performance was largely driven by an overweight position in commodities and a preference for more defensive UK/Japanese equities over the tech heavy US. We remained underweight bonds for most of the year given inflationary pressures and were also largely negative on the outlook of global high-yield bonds.

Market and portfolio commentary

Equity markets fell over the volatile year as opening after the 2020 lockdowns and the invasion of Ukraine increasing energy prices caused high inflation; this led central banks to increase interest rates sharply from very low levels. Higher interest rates caused recession fears which also weighed on sentiment, leading global stock markets to post their worst annual performance since 2008. With recession risk still high and earnings showing signs of vulnerability, we remained defensively positioned in equities. In regions, we stayed tactically overweight the UK, given its sectoral composition giving it greater resilience in inflationary periods whilst opting for an underweight position in US stocks as higher interest rates derated growth stocks.

UK Gilt yields surged at the start of this year alongside other sovereign yields, as central banks began to increase rates and markets moved to price in tighter monetary policy. During the first quarter bond markets experienced their worst quarterly return since 1980. Having started the year at 1.1%, UK 10-year gilts ended the year at 3.7%. US bonds suffered their worst yearly loss since 1926. Credit spreads have widened over this year as financial conditions deteriorated, and rising recession fears saw risk appetite wane. On the back of this we underweight the asset class for most of the year, taking profits on our position towards the end of the year buying as yields became relatively attractive.

Commodities had a strong year. On a total return basis, the Bloomberg commodity index returned close to 30%. Commodities rallied particularly strongly at the start of the year as geopolitical tensions and tight supply provided a tail wind for the asset class. Commodities dipped from mid-year highs, as recession fears weighed against a strong rally in natural gas prices. We began the year with an overweight position in commodities and were able to partake in the strong rally, we then began gradually to take profits during the year and reduce our overweight position, on recessionary fears, ending the year moderately underweight. This was beneficial for performance.

UK Commercial property returns were negative, despite posting particularly strong returns at the beginning of the year. Performance stalled over the summer, however, with negative returns seen in the month of July, as economic uncertainty, higher debt servicing costs, and a surge in building costs weakened investor sentiment and saw yields begin to soften. October was the worst month on record in the history of the MSCI Monthly Index, followed by November which recorded the second worst month on record. Despite remaining positive of the long-term prospects of property within a diversified portfolio, we moved tactically underweight during the year based on increasing recessionary fears. This tactical positioning had a positive impact on performance.

Manager's Investment Report

Investment outlook

We expect global growth to weaken in the first half of 2023 with many economies moving into recession and unemployment rates rising (albeit from low levels in the US and UK). With Investment Clock moving into Reflation (weak growth and inflation moderating), we expect 2023 to be much more supportive for government bonds as central banks get to the end of their tightening (interest rates are likely to peak under 5% in the UK and US and there is the prospect of cuts next year). Much will depend on the path of core inflation and the absence of further inflation shocks with geopolitical causes. Either way, we expect stocks to underperform bonds, and as economies move into recession, we would not be surprised to see a second phase of the equity bear market driven by earnings weakening as the global economy deals with recessionary forces. Our active tactical asset allocation process seeks to adjust to macro and market conditions to deliver long term risk adjusted returns in changing environments.

Please see our Investment Clock blog at www.rlam.com/intermediaries/our-views/investment-clock/investment-clock-insights/ for our latest views, including our views on the impact of the Ukraine situation and inflation.

Trevor Greetham
Fund Manager
Royal London Asset Management Limited
31 December 2022

Please note that this commentary is written as at 31 December 2022. For further insights on market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Value Assessment report is available on www.rlam.com.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class M Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	121.52	121.63	114.94
Return before operating charges*	(15.24)	0.61	7.40
Operating charges	(0.67)	(0.72)	(0.71)
Return after operating charges*	(15.91)	(0.11)	6.69
Distributions on accumulation shares	(1.76)	(1.22)	(1.36)
Retained distributions on accumulation shares	1.76	1.22	1.36
Closing net asset value per share	105.61	121.52	121.63
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	(13.09)%	(0.09)%	5.82%
Other information			
Closing net asset value (£'000)	2,810	3,433	4,027
Closing number of shares	2,661,186	2,824,827	3,310,456
Operating charges	0.60%	0.60%	0.60%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	121.40	123.50	121.90
Lowest share price	98.91	117.50	108.40

Class M Income

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	112.37	113.63	108.58
Return before operating charges*	(14.07)	0.56	7.00
Operating charges	(0.62)	(0.68)	(0.67)
Return after operating charges*	(14.69)	(0.12)	6.33
Distributions on income shares	(1.63)	(1.14)	(1.28)
Closing net asset value per share	96.05	112.37	113.63
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	(13.07)%	(0.11)%	5.83%
Other information			
Closing net asset value (£'000)	230	285	326
Closing number of shares	239,104	253,854	287,181
Operating charges	0.60%	0.60%	0.60%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	112.20	115.10	114.70
Lowest share price	91.04	109.80	102.50

Class P Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	109.37	109.44	103.36
Return before operating charges*	(13.70)	0.53	6.66
Operating charges	(0.58)	(0.60)	(0.58)
Return after operating charges*	(14.28)	(0.07)	6.08
Distributions on accumulation shares	(1.63)	(1.14)	(1.28)
Retained distributions on accumulation shares	1.63	1.14	1.28
Closing net asset value per share	95.09	109.37	109.44
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	(13.06)%	(0.06)%	5.88%
Other information			
Closing net asset value (£'000)	4	37	275
Closing number of shares	4,878	33,676	251,006
Operating charges	0.55%	0.55%	0.55%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	109.20	111.10	109.70
Lowest share price	89.05	105.70	97.54

Class R Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	114.80	114.40	107.62
Return before operating charges*	(14.43)	0.57	6.94
Operating charges	(0.16)	(0.17)	(0.16)
Return after operating charges*	(14.59)	0.40	6.78
Distributions on accumulation shares	(2.15)	(1.66)	(1.78)
Retained distributions on accumulation shares	2.15	1.66	1.78
Closing net asset value per share	100.21	114.80	114.40
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	(12.71)%	0.35%	6.30%
Other information			
Closing net asset value (£'000)	403,307	371,806	234,758
Closing number of shares	402,449,924	323,885,913	205,204,929
Operating charges	0.15%	0.15%	0.15%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	114.70	116.60	114.60
Lowest share price	93.77	110.60	101.60

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 December 2022

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Bond Collective Investment Schemes – 95.31% (31/12/21 – 95.65%)			
21,240,900	Royal London Absolute Return Government Bond Fund R Acc [†]	22,902	5.64
40,835,245	Royal London Ethical Bond Fund R Acc [†]	40,546	9.98
29,149,570	Royal London Index Linked Fund R Acc [†]	25,106	6.18
69,479,639	Royal London Short Duration Global Index Linked Fund R Acc [†]	75,955	18.69
50,478,577	Royal London Short-Term Money Market Fund R Acc [†]	51,911	12.77
10,090,164	Royal London Sterling Liquidity Money Market R Inc [†]	10,090	2.48
64,407,054	Royal London Sustainable Managed Income Trust D Acc [†]	80,894	19.91
89,526,429	Royal London UK Government Bond Fund R Acc [†]	79,898	19.66
Total Bond Collective Investment Schemes		387,302	95.31
Government Bonds – 0.00% (31/12/21 – 3.23%)			
Total value of investments		387,302	95.31
Net other assets		19,049	4.69
Total net assets		406,351	100.00

[†] Related Party

All investments, except collective investment schemes and forward currency contracts, are listed on recognised stock exchanges and are “approved securities” within the meaning of the FCA rules unless otherwise stated.

Summary of Material Portfolio Changes

For the year ended 31 December 2022

Significant Purchases

	Cost £'000
Royal London Short-Term Money Market Fund R Acc	36,754
Royal London UK Government Bond Fund R Acc	30,817
Royal London Sustainable Managed Income Trust D Acc	30,658
Royal London Short Duration Global Index Linked Fund R Acc	13,872
Royal London Index Linked Fund R Acc	13,292
Royal London Ethical Bond Fund R Acc	11,365
Royal London Absolute Return Government Bond Fund R Acc	10,646
Royal London Sterling Liquidity Money Market R Inc	10,090
Royal London Short Term Fixed Income Enhanced Fund R Acc	3,899
Royal London Global High Yield Bond Fund R Acc	3,809
Subtotal	165,202
Total cost of purchases, including the above, for the year	165,762

Significant Sales

	Proceeds £'000
Royal London Short Term Fixed Income Enhanced Fund R Acc	29,911
Royal London Short Duration Global High Yield Bond Fund R Acc	23,052
Royal London UK Government Bond Fund R Acc	14,011
UK Treasury 1.75% 7/9/2022	12,000
Royal London Short Duration Global Index Linked Fund R Acc	4,912
Royal London Global High Yield Bond Fund R Acc	3,756
Royal London Sustainable Managed Income Trust D Acc	2,518
Royal London Index Linked Fund R Acc	2,476
Royal London Absolute Return Government Bond Fund R Acc	2,172
Royal London Ethical Bond Fund R Acc	1,545
Subtotal	96,353
Total proceeds from sales, including the above, for the year	96,900

Financial Statements

Statement of Total Return

For the year ended 31 December 2022

	Note	31 Dec 2022 £'000	31 Dec 2021 £'000
Income			
Net capital losses	2	(60,510)	(2,527)
Revenue	3	8,674	4,583
Expenses	4	(602)	(424)
Interest payable and similar charges		–	(1)
Net revenue before taxation		8,072	4,158
Taxation	5	(29)	(21)
Net revenue after taxation		8,043	4,137
Total (deficit)/return before distributions		(52,467)	1,610
Distributions	6	(8,072)	(4,158)
Change in net assets attributable to shareholders from investment activities		(60,539)	(2,548)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2022

	31 Dec 2022 £'000	31 Dec 2021 £'000
Opening net assets attributable to shareholders	375,561	239,386
Amounts receivable on creation of shares	94,931	148,169
Amounts payable on cancellation of shares	(12,095)	(14,335)
	82,836	133,834
Change in net assets attributable to shareholders from investment activities	(60,539)	(2,548)
Retained distribution on accumulation shares	8,493	4,889
Closing net assets attributable to shareholders	406,351	375,561

Balance Sheet

As at 31 December 2022

	Note	31 Dec 2022 £'000	31 Dec 2021 £'000
Assets			
Investments		387,302	371,347
Current assets:			
Debtors	7	466	169
Cash and bank balances	8	18,669	4,118
Total assets		406,437	375,634
Liabilities			
Creditors:			
Other creditors	9	83	71
Distribution payable		3	2
Total liabilities		86	73
Net assets attributable to shareholders		406,351	375,561

Notes to the Financial Statements

For the year ended 31 December 2022

1. Accounting policies

The accounting policies are set out in note 1 on pages 9 and 10.

2. Net capital losses

	31 Dec 2022 £'000	31 Dec 2021 £'000
The net capital losses during the year comprise:		
Realised (losses)/gains on non-derivative securities	(3,974)	4,541
Unrealised losses on non-derivative securities	(56,683)	(7,172)
Management fee rebates	147	104
Net capital losses	(60,510)	(2,527)

3. Revenue

	31 Dec 2022 £'000	31 Dec 2021 £'000
Distributions from overseas funds	201	727
Distributions from UK regulated collective investment schemes:		
Interest distribution	7,833	3,584
Bank interest	261	–
Management fee rebates	379	272
Total revenue	8,674	4,583

4. Expenses

	31 Dec 2022 £'000	31 Dec 2021 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	602	424
Total expenses	602	424

* Audit fee £17,935 (31/12/21: £16,333) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Dec 2022 £'000	31 Dec 2021 £'000
Corporation tax	29	21
Total tax charge for the year	29	21

b) Factors affecting total tax charge for the year

The tax assessed for the year is lower (31/12/21: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company (20%) (31/12/21: 20%).

The differences are explained below:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Net revenue before taxation	8,072	4,158
Corporation tax at 20% (31/12/21: 20%).	1,614	832

Effects of:

Taxable income charge in capital	29	21
Tax deductible interest distributions	(1,614)	(832)
Total tax charge for the year	29	21

Authorised Open Ended Investment Companies are exempt from tax on capital gains in the UK, therefore any capital gains/ (losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

6. Distributions

The distributions take account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Accumulation shares		
Interim	2,763	1,136
Final	5,730	3,753
	8,493	4,889
Income shares		
Interim	1	1
Final	3	2
	4	3
Net distributions for the year	8,497	4,892
Add: Amounts deducted on cancellation of shares	66	54
Deduct: Amounts received on the creation of shares	(491)	(788)
Net distributions for the year	8,072	4,158

The difference between the net revenue after taxation and the distribution paid is as follows:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Net revenue after taxation	8,043	4,137
Taxable income charge in capital	29	21
Net distributions for the year	8,072	4,158

Details of the distribution per share are set out on page 23.

7. Debtors

	31 Dec 2022 £'000	31 Dec 2021 £'000
Amounts receivable on creation of shares	284	5
Accrued revenue	182	164
Total debtors	466	169

8. Cash and bank balances

	31 Dec 2022 £'000	31 Dec 2021 £'000
Cash and bank balances	18,669	4,118
Total cash and bank balances	18,669	4,118

9. Other creditors

	31 Dec 2022 £'000	31 Dec 2021 £'000
Accrued management fee expenses	54	50
Corporation tax payable	29	21
Total other creditors	83	71

10. Reconciliation of number of shares

	Class M Accumulation	Class M Income
Opening shares at 01/01/22	2,824,827	253,854
Shares issued	407,543	32,469
Shares cancelled	(571,184)	(47,219)
Closing shares at 31/12/22	2,661,186	239,104

	Class P Accumulation	Class R Accumulation
Opening shares at 01/01/22	33,676	323,885,913
Shares issued	–	89,292,074
Shares cancelled	(28,798)	(10,728,063)
Closing shares at 31/12/22	4,878	402,449,924

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Fund Management fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end the balance due from Royal London Unit Trust Managers Limited in respect of these transactions was £231,000 (31/12/21: due to £44,000).

Amounts due from Royal London Unit Trust Managers Limited in respect of periodic charge rebates at the end of the year amounted to £80,000 (31/12/21: £96,000).

At the year end, 31 December 2022, 99.21% (31/12/21: 99.05%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

In the year the Fund had purchases in other Royal London products to the value of £165,762,000 (31/12/21: £219,621,000) and had sales in other Royal London products of £84,900,000 (31/12/21: £99,571,000).

The Fund at the year end, held a total value £387,302,000 (31/12/21: £359,230,000) in other Royal London Funds and a total revenue of £8,020,000 (31/12/21: £4,311,000) received during the year.

13. Risk disclosures

The policies applied to the management of risk disclosures are set out on pages 11 and 12.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 18. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

As most of the assets of the Royal London GMAP Conservative Fund are sterling denominated, exposure to foreign currency exchange risk is considered insignificant. The value of the Fund's assets/(liabilities) may be affected by currency movements.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £38,730,000 (31/12/21: £37,135,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £38,730,000 (31/12/21: £37,135,000). These calculations assume all other variables remain constant.

The only interest bearing assets are cash balances of £18,669,000 (31/12/21: £4,118,000) which earn interest by reference to SONIA or international equivalent.

This equates to 4.59% of the current Net Asset Value and 1.10% of the previous years.

The majority of the other financial assets are collective investment schemes which do not pay interest, however some of the underlying collective investment scheme investments may be directly or indirectly exposed to interest rate risk.

Interest risk is considered insignificant so no sensitivity analysis is required (31/12/21: n/a).

14. Portfolio transaction costs

	31 Dec 2022 £'000	31 Dec 2021 £'000
There were no transaction costs for the year ended 31 December 2022 (31/12/21: same).		
Total purchases	165,762	231,751
Total sales	96,900	99,571

The Fund had corporate actions of £90,000 during the year (31/12/21: none).

At the balance sheet date the portfolio dealing spread was 0.00% (31/12/21: 0.00%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

15. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- Category 1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Category 2 Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Category 3 Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

As at the year ended 31 December 2022

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Collective investment schemes	–	387,302	–	387,302
Total	–	387,302	–	387,302

As at the year ended 31 December 2021

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	12,117	–	12,117
Collective investment schemes	–	359,230	–	359,230
Total	–	371,347	–	371,347

16. Events after the balance sheet date

Class Z Accumulation launched 31 January 2023.

Subsequent to the Fund's year end, 31 December 2022, factors such as inflation and the Ukraine situation could cause the Fund to be impacted by resulting volatility in stock markets and adverse investor sentiment.

These events have been classified as non-adjusting subsequent event. The net asset value (NAV) of the Fund as at 17 April 2023 was £423,540,764. The impact of the market movements on the Fund's NAV between the end of the reporting period 31 December 2022 and the date of which the financial statements were authorised for issue was 4.30%.

There have been no significant redemptions during this period.

Distribution Tables

For the year ended 31 December 2022

Distribution in pence per share

Interim

Group 1: Shares purchased prior to 1 January 2022

Group 2: Shares purchased between 1 January 2022 and 30 June 2022

	Net income	Equalisation	Distribution paid 31/08/22	Distribution paid 31/08/21
Class M Accumulation				
Group 1	0.5148	–	0.5148	0.2770
Group 2	0.2282	0.2866	0.5148	0.2770
Class M Income				
Group 1	0.4762	–	0.4762	0.2581
Group 2	0.3659	0.1103	0.4762	0.2581
Class P Accumulation				
Group 1	0.4814	–	0.4814	0.2754
Group 2	0.4814	0.0000	0.4814	0.2754
Class R Accumulation				
Group 1	0.7327	–	0.7327	0.5116
Group 2	0.1806	0.5521	0.7327	0.5116

Final

Group 1: Shares purchased prior to 1 July 2022

Group 2: Shares purchased between 1 July 2022 and 31 December 2022

	Net income	Equalisation	Distribution payable 28/02/23	Distribution paid 28/02/22
Class M Accumulation				
Group 1	1.2491	–	1.2491	0.9425
Group 2	0.6775	0.5716	1.2491	0.9425
Class M Income				
Group 1	1.1498	–	1.1498	0.8787
Group 2	0.8034	0.3464	1.1498	0.8787
Class P Accumulation				
Group 1	1.1516	–	1.1516	0.8680
Group 2	1.1516	0.0000	1.1516	0.8680
Class R Accumulation				
Group 1	1.4154	–	1.4154	1.1503
Group 2	0.8827	0.5327	1.4154	1.1503

Royal London GMAP Defensive Fund

Manager's Investment Report

Cumulative Performance

(% change to 31/12/22)

	1 year total return %	3 year total return %	5 year total return %
Royal London GMAP Defensive Fund, Class M Accumulation	-5.76	0.69	5.16
Royal London GMAP Defensive Fund, Class M Income	-5.67	1.28	5.70
Royal London GMAP Defensive Fund, Class P Accumulation	-5.62	0.68	-
Royal London GMAP Defensive Fund, Class R Accumulation	-5.41	1.40	-
GMAP Defensive Custom Benchmark*	-5.35	2.55	8.50
IA Mixed Investment 0-35% Shares TR	-10.91	-4.78	0.15

Class P Accumulation launched on 9 May 2019 and Class R Accumulation launched on 21 March 2018.

* Please refer to the Prospectus for details of the Custom Benchmark.

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up and investors may not get back the amount originally invested.

Source: RLAM and Lipper, as at 31 December 2022. Returns are net of management fees. Investors should also note that the total return is calculated on the Fund's official 2pm price whereas the Fund has been valued as at close of business for the Closing Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

On a net basis, the Fund returned -5.76% (M class, Accumulation) during the 12 months to 31 December 2022. Performance was largely driven by an overweight position in commodities and a preference for more defensive UK/Japanese equities over the tech heavy US. We remained underweight bonds for most of the year given inflationary pressures and were also largely negative on the outlook of global high-yield bonds.

Market and portfolio commentary

Equity markets fell over the volatile year as opening after the 2020 lockdowns and the invasion of Ukraine increasing energy prices caused high inflation; this led central banks to increase interest rates sharply from very low levels. Higher interest rates caused recession fears which also weighed on sentiment, leading global stock markets to post their worst annual performance since 2008. With recession risk still high and earnings showing signs of vulnerability, we remained defensively positioned in equities. In regions, we stayed tactically overweight the UK, given its sectoral composition giving it greater resilience in inflationary periods whilst opting for an underweight position in US stocks as higher interest rates derated growth stocks.

UK Gilt yields surged at the start of this year alongside other sovereign yields, as central banks began to increase rates and markets moved to price in tighter monetary policy. During the first quarter bond markets experienced their worst quarterly return since 1980. Having started the year at 1.1%, UK 10-year gilts ended the year at 3.7%. US bonds suffered their worst yearly loss since 1926. Credit spreads have widened over this year as financial conditions deteriorated, and rising recession fears saw risk appetite wane. On the back of this we underweight the asset class for most of the year, taking profits on our position towards the end of the year buying as yields became relatively attractive.

Commodities had a strong year. On a total return basis, the Bloomberg commodity index returned close to 30%. Commodities rallied particularly strongly at the start of the year as geopolitical tensions and tight supply provided a tail wind for the asset class. Commodities dipped from mid-year highs, as recession fears weighed against a strong rally in natural gas prices. The year began with an overweight position in commodities and were able to partake in the strong rally, we then began gradually to take profits during the year and reduce our overweight position, on recessionary fears, ending the year moderately underweight. This was beneficial for performance.

UK Commercial property returns were negative, despite posting particularly strong returns at the beginning of the year. Performance stalled over the summer, however, with negative returns seen in the month of July, as economic uncertainty, higher debt servicing costs, and a surge in building costs weakened investor sentiment and saw yields begin to soften. October was the worst month on record in the history of the MSCI Monthly Index, followed by November which recorded the second worst month on record. Despite remaining positive of the long-term prospects of property within a diversified portfolio, we moved tactically underweight during the year based on increasing recessionary fears. This tactical positioning had a positive impact on performance.

Manager's Investment Report– continued

Investment outlook

We expect global growth to weaken in the first half of 2023 with many economies moving into recession and unemployment rates rising (albeit from low levels in the US and UK). With Investment Clock moving into Reflation (weak growth and inflation moderating), we expect 2023 to be much more supportive for government bonds as central banks get to the end of their tightening (interest rates are likely to peak under 5% in the UK and US and there is the prospect of cuts next year). Much will depend on the path of core inflation and the absence of further inflation shocks with geopolitical causes. Either way, we expect stocks to underperform bonds, and as economies move into recession, we would not be surprised to see a second phase of the equity bear market driven by earnings weakening as the global economy deals with recessionary forces. Our active tactical asset allocation process seeks to adjust to macro and market conditions to deliver long term risk adjusted returns in changing environments.

Please see our Investment Clock blog at www.rlam.com/intermediaries/our-views/investment-clock/investment-clock-insights/ for our latest views, including our views on the impact of the Ukraine situation and inflation.

Trevor Greetham
Fund Manager
Royal London Asset Management Limited
31 December 2022

Please note that this commentary is written as at 31 December 2022. For further insights on market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Value Assessment report is available on www.rlam.com.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class M Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	122.95	115.47	115.22
Return before operating charges*	(6.53)	8.20	0.92
Operating charges	(0.71)	(0.72)	(0.67)
Return after operating charges*	(7.24)	7.48	0.25
Distributions on accumulation shares	(1.79)	(1.48)	(1.13)
Retained distributions on accumulation shares	1.79	1.48	1.13
Closing net asset value per share	115.71	122.95	115.47
* after direct transaction costs of:	0.03	0.02	0.01
Performance			
Return after charges	(5.89)%	6.48%	0.22%
Other information			
Closing net asset value (£'000)	40,085	31,458	28,055
Closing number of shares	34,644,521	25,586,092	24,296,002
Operating charges	0.60%	0.60%	0.60%
Direct transaction costs	0.02%	0.02%	0.01%
Prices[^]			
Highest share price	123.30	123.70	116.70
Lowest share price	113.40	116.00	101.80

Class M Income

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	114.27	108.58	109.43
Return before operating charges*	(6.02)	7.76	0.85
Operating charges	(0.67)	(0.68)	(0.63)
Return after operating charges*	(6.69)	7.08	0.22
Distributions on income shares	(1.66)	(1.39)	(1.07)
Closing net asset value per share	105.92	114.27	108.58
* after direct transaction costs of:	0.03	0.02	0.01
Performance			
Return after charges	(5.85)%	6.52%	0.20%
Other information			
Closing net asset value (£'000)	8,402	7,292	6,924
Closing number of shares	7,931,746	6,381,547	6,376,898
Operating charges	0.60%	0.60%	0.60%
Direct transaction costs	0.02%	0.02%	0.01%
Prices[^]			
Highest share price	114.60	116.20	110.90
Lowest share price	105.20	108.50	96.72

Class P Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	110.16	103.55	103.29
Return before operating charges*	(5.87)	7.20	0.80
Operating charges	(0.59)	(0.59)	(0.54)
Return after operating charges*	(6.46)	6.61	0.26
Distributions on accumulation shares	(1.64)	(1.40)	(1.06)
Retained distributions on accumulation shares	1.64	1.40	1.06
Closing net asset value per share	103.70	110.16	103.55
* after direct transaction costs of:	0.03	0.02	0.01
Performance			
Return after charges	(5.86)%	6.38%	0.25%
Other information			
Closing net asset value (£'000)	210	382	236
Closing number of shares	202,216	346,764	227,618
Operating charges	0.55%	0.55%	0.55%
Direct transaction costs	0.02%	0.02%	0.01%
Prices[^]			
Highest share price	110.50	110.80	104.70
Lowest share price	101.70	104.00	91.30

Class R Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	114.29	107.32	106.71
Return before operating charges*	(6.17)	7.14	0.76
Operating charges	(0.17)	(0.17)	(0.15)
Return after operating charges*	(6.34)	6.97	0.61
Distributions on accumulation shares	(2.07)	(1.77)	(1.42)
Retained distributions on accumulation shares	2.07	1.77	1.42
Closing net asset value per share	107.95	114.29	107.32
* after direct transaction costs of:	0.03	0.02	0.01
Performance			
Return after charges	(5.55)%	6.49%	0.57%
Other information			
Closing net asset value (£'000)	23,873	26,492	48,187
Closing number of shares	22,114,226	23,179,135	44,898,535
Operating charges	0.15%	0.15%	0.15%
Direct transaction costs	0.02%	0.02%	0.01%
Prices[^]			
Highest share price	114.60	115.00	108.10
Lowest share price	105.80	107.80	94.38

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 December 2022

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Bond Collective Investment Schemes – 70.30% (31/12/21 – 69.78%)			
4,528,008	Royal London Global High Yield Bond Fund R Acc [†]	4,522	6.23
7,328,950	Royal London Investment Grade Short Dated Credit Fund R Acc [†]	7,327	10.10
8,546,152	Royal London Short Duration Gilts Fund R Acc [†]	8,422	11.60
2,145,521	Royal London Short Duration Global High Yield Bond Fund R Acc [†]	2,200	3.03
11,161,199	Royal London Short Duration Global Index Linked Fund R Acc [†]	12,201	16.81
6,817,200	Royal London Short-Term Money Market Fund R Acc [†]	7,011	9.66
6,517,463	Royal London Sterling Credit Fund R Acc [†]	6,576	9.06
3,097,180	Royal London UK Government Bond Fund R Acc [†]	2,764	3.81
Total Bond Collective Investment Schemes		51,023	70.30
Equity Collective Investment Schemes – 15.65% (31/12/21 – 16.00%)			
265,232	Royal London Asia Pacific ex Japan Tilt Fund R Acc [†]	338	0.47
1,083,512	Royal London Emerging Markets ESG Leaders Equity Tracker Fund R Acc [†]	1,254	1.73
483,733	Royal London Europe ex UK Equity Tilt Fund R Acc [†]	669	0.92
671,643	Royal London Global Equity Diversified Fund R Acc [†]	1,106	1.52
305,754	Royal London Japan Equity Tilt Fund R Acc [†]	332	0.46
378,164	Royal London Property Trust A Acc ^{†#}	2,835	3.91
3,879,999	Royal London UK Broad Equity Tilt Fund R Acc [†]	4,040	5.57
54,606	Royal London UK Core Equity Tilt R Acc [†]	66	0.09
468,429	Royal London US Equity Tilt Fund R Acc [†]	713	0.98
Total Equity Collective Investment Schemes		11,353	15.65
Exchange Traded Funds – 4.74% (31/12/21 – 5.39%)			
166,105	Invesco Bloomberg Commodity UCITS ETF	3,302	4.55
1,036	iShares MSCI Canada UCITS ETF	137	0.19
Total Exchange Traded Funds		3,439	4.74
Government Bonds – 5.06% (31/12/21 – 3.97%)			
3,682,789	UK Treasury 0.125% 31/1/2023	3,674	5.06
Total Government Bonds		3,674	5.06
Forward Currency Contracts – (0.02)% (31/12/21 – (0.08)%)			
	Buy £1,023,815 & Sell AUD 1,833,000*	(10)	(0.01)
	Buy £500,958 & Sell CHF 570,000*	(11)	(0.02)
	Buy £178,921 & Sell NOK2,140,000*	(2)	–
	Buy £2,127,203 & Sell \$2,608,500*	(41)	(0.06)
	Buy £289,240 & Sell €334,500*	(8)	(0.01)
	Buy £724,214 & Sell ¥117,760,500*	(18)	(0.02)
	Buy £181,499 & Sell SEK 2,290,000*	(1)	–
	Buy £169,675 & Sell SGD 280,000*	(4)	(0.01)
	Buy AUD 1,171,000 & Sell £647,303*	13	0.02
	Buy CHF 165,000 & Sell £144,419*	4	0.01
	Buy NOK 2,129,500 & Sell £178,210*	2	–
	Buy SEK 2,244,000 & Sell £179,123* [^]	–	–
	Buy CAD 903,000 & Sell £547,463*	6	0.01
	Buy €300,000 & Sell £259,373*	7	0.01
	Buy ¥86,427,500 & Sell £523,427*	21	0.03
	Buy SGD 599,500 & Sell £361,714*	10	0.01
	Buy \$5,286,000 & Sell £4,382,769*	11	0.02
Total Forward Currency Contracts		(21)	(0.02)

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Futures – (0.03)% (31/12/21 – 0.14%)			
(1)	CBT US 10 Year Note (CBT) March 2023	2	–
1	CME S&P 500 E MINI Index Future March 2023	(7)	(0.01)
(3)	CME XAB Materials March 2023	8	0.01
1	CME XAE Energy March 2023	1	–
(2)	CME XAI E Mini Industrials March 2023	2	–
(5)	CME XAK Technology March 2023	24	0.03
16	CME XAP Consumer Staples March 2023	(30)	(0.04)
2	CME XAU Utilities March 2023	(1)	–
(1)	CME XAY Consumer Discretionary March 2023	10	0.01
(1)	EUX EURO-BUND Future March 2023	4	0.01
(2)	EUX Euro Stoxx 50 Future March 2023	1	–
31	ICF FTSE 100 IDX Future March 2023	(9)	(0.01)
1	ICF Long Gilt Future March 2023	3	–
21	NYF Mini MSCI Emerging Market Future March 2023	(22)	(0.03)
(2)	OSE Topix Index Future March 2023 [^]	–	–
1	SFE SPI 200 Index Future March 2023	(2)	–
Total Futures		(16)	(0.03)

Total value of investments	69,452	95.70
Net other assets	3,118	4.30
Total net assets	72,570	100.00

[†] Related Party

[#] Level 3 asset

* Unlisted

[^] Value below £500

All investments, except collective investment schemes and forward currency contracts, are listed on recognised stock exchanges and are “approved securities” within the meaning of the FCA rules unless otherwise stated.

Summary of Material Portfolio Changes

For the year ended 31 December 2022

Significant Purchases

	Cost £'000
Invesco Bloomberg Commodity UCITS ETF	9,483
Royal London Short Duration Global Index Linked Fund R Acc	6,427
Royal London Short-Term Money Market Fund R Acc	5,102
Royal London Global High Yield Bond Fund R Acc	4,499
Royal London Sterling Credit Fund R Acc	4,416
Royal London Short Duration Gilts Fund R Acc	4,332
Royal London Investment Grade Short Dated Credit Fund R Acc	3,952
UK Treasury 0.125% 31/1/2023	3,653
Royal London Short Duration Gilts Fund R Acc	3,386
Royal London UK Government Bond Fund R Acc	2,560
Subtotal	47,810
Total cost of purchases, including the above, for the year	57,745

Significant Sales

	Proceeds £'000
Invesco Bloomberg Commodity UCITS ETF	8,986
Royal London Global High Yield Bond Fund R Acc	5,777
UK Treasury 1.75% 7/9/2022	5,081
Royal London Short Duration Global Index Linked Fund R Acc	4,572
Royal London Short Duration Global High Yield Bond Fund R Acc	4,059
Royal London Short Duration Gilts Fund R Acc	3,699
iShares Bloomberg Roll Select Commodity Swap UCITS ETF	3,061
Royal London Investment Grade Short Dated Credit Fund R Acc	2,760
Royal London UK Broad Equity Tilt Fund R Acc	1,962
Royal London Sterling Credit Fund R Acc	1,922
Subtotal	41,879
Total proceeds from sales, including the above, for the year	46,761

Financial Statements

Statement of Total Return

For the year ended 31 December 2022

	Note	31 Dec 2022 £'000	31 Dec 2021 £'000
Income			
Net capital (losses)/gains	2	(5,764)	3,082
Revenue	3	1,748	1,312
Expenses	4	(317)	(252)
Interest payable and similar charges		–	(8)
Net revenue before taxation		1,431	1,052
Taxation	5	(253)	(186)
Net revenue after taxation		1,178	866
Total (deficit)/return before distributions		(4,586)	3,948
Distributions	6	(1,183)	(870)
Change in net assets attributable to shareholders from investment activities		(5,769)	3,078

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2022

	31 Dec 2022 £'000	31 Dec 2021 £'000
Opening net assets attributable to shareholders	65,624	83,402
Amounts receivable on creation of shares	41,304	12,995
Amounts payable on cancellation of shares	(29,720)	(34,701)
	11,584	(21,706)
Dilution adjustment charged	74	57
Stamp Duty Land Tax	–	(1)
Change in net assets attributable to shareholders from investment activities	(5,769)	3,078
Retained distribution on accumulation shares	1,057	794
Closing net assets attributable to shareholders	72,570	65,624

Balance Sheet

As at 31 December 2022

	Note	31 Dec 2022 £'000	31 Dec 2021 £'000
Assets			
Investments		69,618	62,623
Current assets:			
Debtors	7	687	94
Cash and bank balances	8	4,388	4,187
Total assets		74,693	66,904
Liabilities			
Investment liabilities		166	147
Creditors:			
Bank overdraft		965	860
Other creditors	9	885	197
Distribution payable		107	76
Total liabilities		2,123	1,280
Net assets attributable to shareholders		72,570	65,624

Notes to the Financial Statements

For the year ended 31 December 2022

1. Accounting policies

The accounting policies are set out in note 1 on pages 9 and 10.

2. Net capital (losses)/gains

	31 Dec 2022 £'000	31 Dec 2021 £'000
The net capital (losses)/gains during the year comprise:		
Realised (losses)/gains on derivative contracts	(332)	864
Realised gains on non-derivative securities	241	2,772
Unrealised (losses)/gains on derivative contracts	(36)	38
Unrealised losses on non-derivative securities	(5,753)	(705)
Realised gains on currency	49	16
Unrealised gains on currency	41	75
Management fee rebates	26	22
Net capital (losses)/gains	(5,764)	3,082

3. Revenue

	31 Dec 2022 £'000	31 Dec 2021 £'000
Distributions from overseas funds	4	6
Distributions from UK regulated collective investment schemes:		
Franked investment income	188	181
Interest distribution	901	469
Property income	90	105
Interest on debt securities from collective investment schemes	420	478
Overseas dividends	–	34
Interest on debt securities*	34	(3)
Bank interest	60	–
Interest received on amounts held with brokers	8	–
HMRC interest received	–	1
Management fee rebates	43	41
Total revenue	1,748	1,312

* Includes amortisation and interest bought and sold.

4. Expenses

	31 Dec 2022 £'000	31 Dec 2021 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	317	252
Total expenses	317	252

* Audit fee £16,160 (31/12/21: £16,333) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Dec 2022 £'000	31 Dec 2021 £'000
Corporation tax at 20%	253	181
Adjustments in respect of prior years	–	5
Current tax charge for the year	253	186

b) Factors affecting current tax charge for the year

The tax assessed for the year is lower (31/12/21: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company (20%) (31/12/21: 20%).

The differences are explained below:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Net revenue before taxation	1,431	1,052
Corporation tax at 20% (31/12/21: 20%).	286	210
Effects of:		
Revenue not subject to taxation	(38)	(37)
Taxable element of indexation/(relief) on UK index-linked gilts	–	4
Taxable income charge in capital	5	4
Adjustments in respect of prior years*	–	5
Current tax charge for the year	253	186

The prior year adjustment is due to Income Tax suffered was not initially recognised on distributions from a holding. This was adjusted prior to the Final Computation being submitted.

Authorised Open Ended Investment Companies are exempt from tax on capital gains in the UK, therefore any capital gains/(losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

6. Distributions

The distributions take account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Accumulation shares		
Interim	204	142
Final	853	652
	1,057	794
Income shares		
Interim	55	12
Final	107	76
	162	88
	1,219	882
Add: Amounts deducted on cancellation of shares	72	19
Deduct: Amounts received on the creation of shares	(108)	(31)
Net distributions for the year	1,183	870

The difference between the net revenue after taxation and the distribution paid is as follows:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Net revenue after taxation	1,178	866
Taxable income charge in capital	5	4
Net distributions for the year	1,183	870

Details of the distribution per share are set out on page 36.

7. Debtors

	31 Dec 2022 £'000	31 Dec 2021 £'000
Amounts receivable on creation of shares	670	69
Accrued revenue	17	25
Total debtors	687	94

8. Cash and bank balances

	31 Dec 2022 £'000	31 Dec 2021 £'000
Cash and bank balances	3,117	2,967
Amounts held at futures clearing houses and brokers	1,271	1,220
Total cash and bank balances	4,388	4,187

9. Other creditors

	31 Dec 2022 £'000	31 Dec 2021 £'000
Amounts payable on cancellation of shares	2	10
Purchases awaiting settlement	620	–
Accrued management fee expenses	28	23
Corporation tax payable	235	164
Total other creditors	885	197

10. Reconciliation of number of shares

	Class M Accumulation	Class M Income
Opening shares at 01/01/22	25,586,092	6,381,547
Shares issued	21,119,271	14,089,299
Shares cancelled	(12,060,842)	(12,539,100)
Closing shares at 31/12/22	34,644,521	7,931,746

	Class P Accumulation	Class R Accumulation
Opening shares at 01/01/22	346,764	23,179,135
Shares issued	33,871	235,978
Shares cancelled	(178,419)	(1,300,887)
Closing shares at 31/12/22	202,216	22,114,226

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Fund Management fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end the balance due from Royal London Unit Trust Managers Limited in respect of these transactions was £640,000 (31/12/21: £36,000).

Amounts due from Royal London Unit Trust Managers Limited in respect of periodic charge rebates at the end of the year amounted to £6,000 (31/12/21: £10,000).

At the year end, 31 December 2022, 34.08% (31/12/21: 41.77%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

In the year the Fund had purchases in other Royal London products to the value of £39,770,000 (31/12/21: £28,925,000) and had sales in other Royal London products of £28,839,000 (31/12/21: £39,503,000).

The Fund at the year end, held a total value £62,376,000 (31/12/21: £56,291,000) in other Royal London Funds and a total revenue of £1,665,000 (31/12/21: £1,232,000) received during the year.

13. Financial Derivatives

Motives and circumstances are used to determine whether returns on derivative contracts should be treated as capital or revenue. Where positions are undertaken to protect or enhance capital and the circumstances support this, the returns are included within net capital gains/losses in the Statement of Total Return. Where they are undertaken for generating or protecting revenue and the circumstances support this, the returns are treated as revenue and are included within the net revenue in the Statement of Total Return. The basis of apportionment is typically made by reference to the yield on the underlying security, index or other appropriate source.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The types of derivatives held at the year end were Forward Currency Contracts and Futures Contracts.

Details of the individual contracts are shown on the portfolio statement on page 27, and the total position held by the counterparty at the year end is summarised below:

The underlying exposure for each category of derivatives were as follows:

Counterparty	Forward currency contracts	
	31 Dec 2022 £'000	31 Dec 2021 £'000
Barclays	51	17
Citi Group	3	-
Goldman Sachs	(6)	-
JP Morgan	(4)	(43)
Royal Bank Of Canada	(10)	(18)

Eligible collateral types are approved by the ACD and may consist of cash and government bonds only as eligible collateral with respect to derivative transactions.

At 31 December 2022 there was no collateral held in respect of the above derivatives (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

14. Risk disclosures

The policies applied to the management of risk disclosures are set out on pages 11 and 12.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 29. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

A small proportion of the Fund's assets are denominated in currencies other than sterling. The value of the Fund's assets may be affected by currency movements.

Currency	31 Dec 2022 £'000	31 Dec 2021 £'000
Sterling	67,400	61,092
Australian dollar	(623)	(863)
Canadian dollar	559	3
Euro	(412)	(609)
Hong Kong dollar	72	21
Japanese yen	(522)	10
Norwegian krone	(1)	(185)
Singaporean dollar	198	5
Swedish krona	(4)	156
Swiss franc	(362)	(651)
US dollar	6,265	6,645
Total	72,570	65,624

If sterling to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £517,000 (31/12/21: £453,000). If sterling to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £517,000 (31/12/21: £453,000). These calculations assume all other variables remain constant.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £6,945,000 (31/12/21: £6,248,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £6,945,000 (31/12/21: £6,248,000). These calculations assume all other variables remain constant.

The only direct interest bearing assets of the Fund are cash balances of £3,117,000 (31/12/21: £2,967,000) and UK Gilts. UK Gilts account for only a small percentage of the portfolio.

Cash balances earn interest by reference to SONIA or the international equivalent. This equates to 4.30% of the current Net Asset Value and 4.52% of the previous years.

The majority of the other financial assets are collective investment schemes which do not pay interest, however some of the underlying collective investment scheme investments may be directly or indirectly exposed to interest rate risk. Interest risk is considered insignificant so no sensitivity analysis is required (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

15. Portfolio transaction costs

For the year ended 31 December 2022

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total purchases costs								
Bond transactions	6,154	–	–	–	–	–	–	6,154
Fund transactions	51,585	6	0.01	–	–	–	–	51,591
Total	57,739	6		–		–		57,745

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total sales costs								
Bond transactions	5,081	–	–	–	–	–	–	5,081
Fund transactions	41,686	6	0.01	–	–	–	–	41,680
Total	46,767	6		–		–		46,761

The Fund had paid £5,548 as commission on purchases and sales derivative transactions for the year ended 31/12/22.

Commissions, taxes and fees as % of average net assets

Commissions	0.02%
Taxes	0.00%
Other expenses	0.00%

For the year ended 31 December 2021

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total purchases costs								
Bond transactions	2,612	–	–	–	–	–	–	2,612
Fund transactions	32,850	2	0.01	–	–	–	–	32,852
Total	35,462	2		–		–		35,464

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total sales costs								
Bond transactions	6,621	–	–	–	–	–	–	6,621
Fund transactions	47,442	4	0.01	–	–	–	–	47,438
Total	54,063	4		–		–		54,059

The Fund had paid £3,445 as commission on purchases and sales derivative transactions for the year ended 31/12/21.

Commissions, taxes and fees as % of average net assets

Commissions	0.02%
Taxes	0.00%
Other expenses	0.00%

At the balance sheet date the portfolio dealing spread was 0.31% (31/12/21: 0.38%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

16. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- Category 1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Category 2 Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Category 3 Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

As at the year ended 31 December 2022

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	3,674	–	3,674
Collective investment schemes	3,439	59,540	2,835	65,814
Derivatives	55	75	–	130
Total	3,494	63,289	2,835	69,618
Investment liabilities				
Derivatives	(70)	(96)	–	(166)
Total	(70)	(96)	–	(166)

As at the year ended 31 December 2021

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	2,607	–	2,607
Collective investment schemes	3,539	56,291	–	59,830
Derivatives	131	55	–	186
Total	3,670	58,953	–	62,623
Investment liabilities				
Derivatives	(45)	(102)	–	(147)
Total	(45)	(102)	–	(147)

At the current and prior year end, the level 3 assets held were the Royal London Property Fund and the Royal London Property Trust. These assets have been included as level 3 due to the possibility of restrictions being imposed on their redemption rights.

17. Events after the balance sheet date

Class Z Accumulation launched 31 January 2023.

Subsequent to the Fund's year end, 31 December 2022, factors such as inflation and the Ukraine situation could cause the Fund to be impacted by resulting volatility in stock markets and adverse investor sentiment.

These events have been classified as non-adjusting subsequent event. The net asset value (NAV) of the Fund as at 17 April 2023 was £69,810,620. The impact of the market movements on the Fund's NAV between the end of the reporting period 31 December 2022 and the date of which the financial statements were authorised for issue was (4.34%).

There have been two significant redemptions during this period.

The significant cancellations on the Fund indicated above during this period were on M Income (23.93%) and P Accumulation (12.23%).

Distribution Tables

For the year ended 31 December 2022

Distribution in pence per share

Interim

Group 1: Shares purchased prior to 1 January 2022

Group 2: Shares purchased between 1 January 2022 and 30 June 2022

	Net income	Equalisation	Distribution paid 31/08/22	Distribution paid 31/08/21
Class M Accumulation				
Group 1	0.3329	–	0.3329	0.2054
Group 2	0.0946	0.2383	0.3329	0.2054
Class M Income				
Group 1	0.3111	–	0.3111	0.1921
Group 2	0.1280	0.1831	0.3111	0.1921
Class P Accumulation				
Group 1	0.3203	–	0.3203	0.2041
Group 2	0.0000	0.3203	0.3203	0.2041
Class R Accumulation				
Group 1	0.5121	–	0.5121	0.3819
Group 2	0.2416	0.2705	0.5121	0.3819

Final

Group 1: Shares purchased prior to 1 July 2022

Group 2: Shares purchased between 1 July 2022 and 31 December 2022

	Net income	Equalisation	Distribution payable 28/02/23	Distribution paid 28/02/22
Class M Accumulation				
Group 1	1.4607	–	1.4607	1.2722
Group 2	0.9869	0.4738	1.4607	1.2722
Class M Income				
Group 1	1.3498	–	1.3498	1.1970
Group 2	0.9530	0.3968	1.3498	1.1970
Class P Accumulation				
Group 1	1.3218	–	1.3218	1.1988
Group 2	1.3218	0.0000	1.3218	1.1988
Class R Accumulation				
Group 1	1.5573	–	1.5573	1.3898
Group 2	1.1317	0.4256	1.5573	1.3898

Royal London GMAP Balanced Fund

Manager's Investment Report

Cumulative Performance

(% change to 31/12/22)

	1 year total return %	3 year total return %	5 year total return %
Royal London GMAP Balanced Fund, Class M Accumulation	-4.55	4.23	10.63
Royal London GMAP Balanced Fund, Class M Income	-4.50	4.34	10.71
Royal London GMAP Balanced Fund, Class P Accumulation	-4.50	4.24	-
Royal London GMAP Balanced Fund, Class R Accumulation	-4.18	5.34	-
GMAP Balanced Custom Benchmark*	-4.50	7.00	15.19
IA Mixed Investment 20-60% Shares Net Return	-9.75	0.38	6.88

Class P Accumulation launched on 7 May 2019 and Class R Accumulation launched on 21 March 2018.

* Please refer to the Prospectus for details of the Custom Benchmark.

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up and investors may not get back the amount originally invested.

Source: RLAM and Lipper, as at 31 December 2022. Returns are net of management fees. Investors should also note that the total return is calculated on the Fund's official 2pm price whereas the Fund has been valued as at close of business for the Closing Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

On a net basis, the Fund returned -4.55% (M class, Accumulation) during the 12 months to 31 December 2022 (significantly better than its IA sector). Performance was largely driven by an overweight position in commodities and a preference for more defensive UK/Japanese equities over the tech heavy US. We remained underweight bonds for most of the year given inflationary pressures and were also largely negative on the outlook of global high-yield bonds.

Market and portfolio commentary

Equity markets fell over the volatile year as opening after the 2020 lockdowns and the invasion of Ukraine increasing energy prices caused high inflation; this led central banks to increase interest rates sharply from very low levels. Higher interest rates caused recession fears which also weighed on sentiment, leading global stock markets to post their worst annual performance since 2008. Signs of peaking inflation did see markets recover some of their losses in Q4. With recession risk still high and earnings showing signs of vulnerability, we remained defensively positioned in equities. In regions, we stayed tactically overweight the UK, its sectoral composition giving it greater resilience in inflationary periods whilst opting for an underweight position in US stocks as higher interest rates derated growth stocks.

UK Gilt yields surged at the start of this year alongside other sovereign yields, as central banks began to increase rates and markets moved to price in tighter monetary policy. During the first quarter bond markets experienced their worst quarterly return since 1980. Having started the year at 1.1%, UK 10-year gilts ended the year at 3.7%. US bonds suffered their worst yearly loss since 1926. Credit spreads have widened over this year as financial conditions deteriorated, and rising recession fears saw risk appetite wane. On the back of this we underweight the asset class for most of the year, taking profits on our position towards the end of the year buying as yields became relatively attractive.

Commodities had a strong year. On a total return basis, the Bloomberg commodity index returned close to 30%. Commodities rallied particularly strongly at the start of the year as geopolitical tensions and tight supply provided a tail wind for the asset class. Commodities dipped from mid-year highs, as recession fears weighed against a strong rally in natural gas prices. The year began with an overweight position in commodities and were able to partake in the strong rally, we then began gradually to take profits during the year and reduce our overweight position, on recessionary fears, ending the year moderately underweight. This was beneficial for performance.

UK Commercial property returns were negative, despite posting particularly strong returns at the beginning of the year. Performance stalled over the summer, however, with negative returns seen in the month of July, as economic uncertainty, higher debt servicing costs, and a surge in building costs weakened investor sentiment and saw yields begin to soften. October was the worst month on record in the history of the MSCI Monthly Index, followed by November which recorded the second worst month on record. Despite remaining positive of the long-term prospects of property within a diversified portfolio, we moved tactically underweight during the year based on increasing recessionary fears. This tactical positioning had a positive impact on performance.

Manager's Investment Report (continued)

Investment outlook

We expect global growth to weaken in the first half of 2023 with many economies moving into recession and unemployment rates rising (albeit from low levels in the US and UK). With Investment Clock moving into Reflation (weak growth and inflation moderating), we expect 2023 to be much more supportive for government bonds as central banks get to the end of their tightening (interest rates are likely to peak under 5% in the UK and US and there is the prospect of cuts next year). Much will depend on the path of core inflation and the absence of further inflation shocks with geopolitical causes. Either way, we expect stocks to underperform bonds, and as economies move into recession, we would not be surprised to see a second phase of the equity bear market driven by earnings weakening as the global economy deals with recessionary forces. Our active tactical asset allocation process seeks to adjust to macro and market conditions to deliver long term risk adjusted returns in changing environments.

Please see our Investment Clock blog at www.rlam.com/intermediaries/our-views/investment-clock/investment-clock-insights/ for our latest views, including our views on the impact of the Ukraine situation and inflation.

Trevor Greetham
Fund Manager
Royal London Asset Management Limited
31 December 2022

Please note that this commentary is written as at 31 December 2022. For further insights on market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Value Assessment report is available on www.rlam.com.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class M Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	134.16	122.05	122.35
Return before operating charges*	(5.85)	12.88	0.40
Operating charges	(0.78)	(0.77)	(0.70)
Return after operating charges*	(6.63)	12.11	(0.30)
Distributions on accumulation shares	(1.77)	(1.49)	(1.27)
Retained distributions on accumulation shares	1.77	1.49	1.27
Closing net asset value per share	127.53	134.16	122.05
* after direct transaction costs of:	0.04	0.02	0.01
Performance			
Return after charges	(4.94)%	9.92%	(0.25)%
Other information			
Closing net asset value (£'000)	116,437	57,483	54,110
Closing number of shares	91,298,975	42,846,531	44,333,888
Operating charges	0.61%	0.60%	0.60%
Direct transaction costs	0.03%	0.02%	0.01%
Prices[^]			
Highest share price	135.20	135.10	125.30
Lowest share price	125.10	122.80	105.00

Class M Income

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	124.89	114.90	116.41
Return before operating charges*	(5.44)	12.11	0.35
Operating charges	(0.73)	(0.73)	(0.66)
Return after operating charges*	(6.17)	11.38	(0.31)
Distributions on income shares	(1.64)	(1.39)	(1.20)
Closing net asset value per share	117.08	124.89	114.90
* after direct transaction costs of:	0.04	0.02	0.01
Performance			
Return after charges	(4.94)%	9.90%	(0.27)%
Other information			
Closing net asset value (£'000)	4,278	3,008	7,918
Closing number of shares	3,653,997	2,408,316	6,890,808
Operating charges	0.61%	0.60%	0.60%
Direct transaction costs	0.03%	0.02%	0.01%
Prices[^]			
Highest share price	125.90	126.90	119.30
Lowest share price	116.10	115.40	99.91

Class P Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	113.44	103.18	103.40
Return before operating charges*	(4.95)	10.86	0.32
Operating charges	(0.61)	(0.60)	(0.54)
Return after operating charges*	(5.56)	10.26	(0.22)
Distributions on accumulation shares	(1.54)	(1.31)	(1.11)
Retained distributions on accumulation shares	1.54	1.31	1.11
Closing net asset value per share	107.88	113.44	103.18
* after direct transaction costs of:	0.03	0.02	0.01
Performance			
Return after charges	(4.90)%	9.94%	(0.21)%
Other information			
Closing net asset value (£'000)	4,343	4,220	5,116
Closing number of shares	4,026,057	3,719,910	4,958,464
Operating charges	0.56%	0.55%	0.55%
Direct transaction costs	0.03%	0.02%	0.01%
Prices[^]			
Highest share price	114.40	114.20	105.90
Lowest share price	105.80	103.80	88.75

Class R Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	119.63	108.44	108.32
Return before operating charges*	(5.32)	11.36	0.27
Operating charges	(0.18)	(0.17)	(0.15)
Return after operating charges*	(5.50)	11.19	0.12
Distributions on accumulation shares	(2.00)	(1.75)	(1.50)
Retained distributions on accumulation shares	2.00	1.75	1.50
Closing net asset value per share	114.13	119.63	108.44
* after direct transaction costs of:	0.04	0.02	0.01
Performance			
Return after charges	(4.60)%	10.32%	0.11%
Other information			
Closing net asset value (£'000)	281,627	202,718	134,250
Closing number of shares	246,750,154	169,448,780	123,801,002
Operating charges	0.16%	0.15%	0.15%
Direct transaction costs	0.03%	0.02%	0.01%
Prices[^]			
Highest share price	120.70	120.40	110.90
Lowest share price	111.90	109.10	93.04

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 December 2022

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Bond Collective Investment Schemes – 48.43% (31/12/21 – 48.19%)			
5,080,088	Royal London Global High Yield Bond Fund R Acc [†]	5,073	1.25
26,720,959	Royal London Investment Grade Short Dated Credit Fund R Acc [†]	26,713	6.57
35,377,679	Royal London Short Duration Gilts Fund R Acc [†]	34,865	8.57
11,978,960	Royal London Short Duration Global High Yield Bond Fund R Acc [†]	12,283	3.02
43,522,671	Royal London Short Duration Global Index Linked Fund R Acc [†]	47,579	11.70
28,309,914	Royal London Short-Term Money Market Fund R Acc [†]	29,113	7.16
25,770,214	Royal London Sterling Credit Fund R Acc [†]	26,000	6.39
5,045,082	Royal London Sterling Liquidity Money Market R Inc [†]	5,045	1.23
11,587,184	Royal London UK Government Bond Fund R Acc [†]	10,341	2.54
Total Bond Collective Investment Schemes		197,012	48.43

Equity Collective Investment Schemes – 33.56% (31/12/21 – 34.16%)			
3,226,234	Royal London Asia Pacific ex Japan Tilt Fund R Acc [†]	4,116	1.01
12,676,241	Royal London Emerging Markets ESG Leaders Equity Tracker Fund R Acc [†]	14,666	3.61
5,868,598	Royal London Europe ex UK Equity Tilt Fund R Acc [†]	8,120	2.00
8,135,389	Royal London Global Equity Diversified Fund R Acc [†]	13,393	3.29
3,752,459	Royal London Japan Equity Tilt Fund R Acc [†]	4,072	1.00
3,742,909	Royal London Property Trust A Acc ^{†#}	28,060	6.90
	– Royal London Property Fund A Acc ^{†#^}	–	–
47,431,136	Royal London UK Broad Equity Tilt Fund R Acc [†]	49,381	12.14
373,133	Royal London UK Core Equity Tilt R Acc [†]	449	0.11
9,353,847	Royal London US Equity Tilt Fund R Acc [†]	14,243	3.50
Total Equity Collective Investment Schemes		136,500	33.56

Exchange Traded Funds – 4.76% (31/12/21 – 6.82%)			
12,782	iShares MSCI Canada UCITS ETF	1,693	0.42
888,410	Invesco Bloomberg Commodity UCITS ETF	17,659	4.34
Total Exchange Traded Funds		19,352	4.76

Government Bonds – 5.69% (31/12/21 – 7.87%)			
4,170,000	UK Treasury 0% 5/6/2023	4,102	1.01
19,077,225	UK Treasury 0.125% 31/1/2023	19,033	4.68
Total Government Bonds		23,135	5.69

Forward Currency Contracts – (0.03)% (31/12/21 – (0.07)%)			
	Buy £9,079,397 & Sell AUD 16,260,000*	(88)	(0.02)
	Buy £4,385,577 & Sell CHF 4,990,000*	(100)	(0.02)
	Buy £6,147,110 & Sell JPY 999,562,500*	(155)	(0.04)
	Buy £1,439,728 & Sell NOK 17,220,000*	(14)	–
	Buy £1,390,168 & Sell SEK 17,540,000*	(10)	–
	Buy £1,442,237 & Sell SGD 2,380,000*	(33)	(0.01)
	Buy £2,670,924 & Sell €3,088,500*	(70)	(0.02)
	Buy £17,924,129 & Sell \$21,977,000*	(343)	(0.08)
	Buy AUD 10,353,500 & Sell £5,725,699*	112	0.03
	Buy CAD 7,563,500 & Sell £4,584,657*	55	0.01
	Buy CHF 1,406,000 & Sell £1,230,626*	33	0.01
	Buy €2,770,000 & Sell £2,394,876*	64	0.02
	Buy JPY 754,128,000 & Sell £4,569,273*	185	0.05
	Buy NOK 17,087,500 & Sell £1,429,990*	12	–
	Buy SEK 18,007,000 & Sell £1,437,372* [^]	–	–
	Buy SGD 4,778,000 & Sell £2,882,848*	79	0.02
	Buy \$47,958,500 & Sell £39,862,480*	90	0.02
Total Forward Currency Contracts		(183)	(0.03)

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Futures – (0.04)% (31/12/21 -0.20%)			
260	ICF FTSE 100 Index Future March 2023	(73)	(0.02)
(10)	ICF Long Gilt Future March 2023	35	0.01
(28)	CME XAB Material March 2022	75	0.02
(24)	CME XAI E Mini Industrials March 2023	24	0.01
13	CME XAE Consumer Energy March 2023	15	–
147	CME XAP Consumer Staples March 2023	(275)	(0.07)
17	CME XAU Utilities March 2023	(5)	–
(49)	CME XAK Technology March 2023	227	0.06
(17)	CME XAY Consumer Discretionary March 2023	175	0.04
29	CME S&P500 E – Mini Future March 2023	(233)	(0.06)
176	NYF MSCI Emerging Market March 2023	(182)	(0.04)
(20)	EUX Euro Stoxx 50 March 2023	10	–
6	SEF SPL 200 Future March 2023	(14)	–
(19)	OSE TOPIX Index Future March 2023	1	–
(11)	CBT US 10 Years Note March 2023	20	–
(8)	EUX Euro -Bund Future March 2023	30	0.01
2	HKG Hang Seng Index Future January 2023	2	–
Total Futures		(168)	(0.04)

Total value of investments	375,648	92.37
Net other assets	31,037	7.63
Total net assets	406,685	100.00

[†] Related Party

[#] Level 3 asset

[^] Value below £500

* Unlisted

All investments, except collective investment schemes and forward currency contracts, are listed on recognised stock exchanges and are "approved securities" within the meaning of the FCA rules unless otherwise stated.

Summary of Material Portfolio Changes

For the year ended 31 December 2022

Significant Purchases

	Cost £'000
Invesco Bloomberg Commodity UCITS ETF	52,378
Royal London Short Term Money Market Fund R Acc	23,898
Royal London UK Broad Equity Tilt Fund R Acc	23,236
Royal London Short Duration Global Index Linked Fund R Acc	21,864
UK Treasury 0.125% 31/1/2023	18,922
Royal London Short Duration Gilts Fund R Acc	17,278
Royal London Short Duration Global High Yield Bond Fund R Acc	16,582
Royal London Sterling Credit Fund R Acc	15,265
Royal London Investment Grade Short Dated Credit Fund R Acc	14,148
Royal London Property Trust A Acc	10,400
Subtotal	213,971
Total cost of purchases, including the above, for the year	283,108

Significant Sales

	Proceeds £'000
Invesco Bloomberg Commodity UCITS ETF	45,784
UK Treasury 1.75% 7/9/2022	20,885
Royal London Asset Global High Yield Bond R Acc	17,103
Royal London Short Duration Global High Yield Bond R Acc	15,861
iShares Bloomberg Roll Select Commodity Swap UCITS ETF	13,066
Royal London UK Broad Equity Tilt Fund R Acc	6,470
Royal London Short Duration Gilts Fund R Acc	4,855
Royal London Short Term Fixed Income R Acc	4,487
Shares MSCI Target UK Real Estate UCITS ETF	4,266
Royal London Investment Grade Short Dated Credit Fund R Acc	4,154
Subtotal	136,931
Total proceeds from sales, including the above, for the year	150,343

Financial Statements

Statement of Total Return

For the year ended 31 December 2022

	Note	31 Dec 2022 £'000	31 Dec 2021 £'000
Income			
Net capital (losses)/gains	2	(24,036)	18,803
Revenue	3	7,673	4,611
Expenses	4	(889)	(636)
Interest payable and similar charges		(1)	(10)
Net revenue before taxation		6,783	3,965
Taxation	5	(964)	(527)
Net revenue after taxation		5,819	3,438
Total (deficit)/return before distributions		(18,217)	22,241
Distributions	6	(5,837)	(3,450)
Change in net assets attributable to shareholders from investment activities		(24,054)	18,791

Balance Sheet

As at 31 December 2022

	Note	31 Dec 2022 £'000	31 Dec 2021 £'000
Assets			
Investments		377,243	260,614
Current assets:			
Debtors	7	1,107	1,445
Cash and bank balances	8	36,041	12,081
Total assets		414,391	274,140
Liabilities			
Investment liabilities		1,595	742
Creditors:			
Bank overdraft		2,122	3,455
Other creditors	9	3,942	2,487
Distribution payable		47	27
Total liabilities		7,706	6,711
Net assets attributable to shareholders		406,685	267,429

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2022

	31 Dec 2022 £'000	31 Dec 2021 £'000
Opening net assets attributable to shareholders	267,429	201,394
Amounts receivable on creation of shares	174,400	67,683
Amounts payable on cancellation of shares	(17,756)	(24,066)
	156,644	43,617
Dilution adjustment charged	346	70
Stamp Duty Land Tax	(52)	(17)
Change in net assets attributable to shareholders from investment activities	(24,054)	18,791
Retained distribution on accumulation shares	6,372	3,574
Closing net assets attributable to shareholders	406,685	267,429

Notes to the Financial Statements

For the year ended 31 December 2022

1. Accounting policies

The accounting policies are set out in note 1 on pages 9 and 10.

2. Net capital (losses)/gains

	31 Dec 2022 £'000	31 Dec 2021 £'000
The net capital (losses)/gains during the year comprise:		
Realised (losses)/gains on derivative contracts	(1,698)	4,454
Realised gains on non-derivative securities	2,212	7,653
Unrealised (losses)/gains on derivative contracts	(351)	368
Unrealised (losses)/gains on non-derivative securities	(24,986)	6,069
Realised gains on currency	290	12
Unrealised gains on currency	408	185
Management fee rebates	89	62
Net capital (losses)/gains	(24,036)	18,803

3. Revenue

	31 Dec 2022 £'000	31 Dec 2021 £'000
Distributions from overseas funds	51	32
Distributions from UK regulated collective investment schemes:		
Franked investment income	1,999	1,480
Unfranked investment income	–	10
Interest distribution	4,155	2,178
Property income	746	615
Overseas dividends	–	74
Interest on debt securities*	–	1
Bank interest	356	–
Interest received on amounts held with brokers	42	–
Deposit interest	13	–
Management fee rebates	310	221
HMRC interest received	1	–
Total revenue	7,673	4,611

* Includes amortisation and interest bought and sold.

4. Expenses

	31 Dec 2022 £'000	31 Dec 2021 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	889	636
Total expenses	889	636

* Audit fee £17,935 (31/12/21: £16,333) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Dec 2022 £'000	31 Dec 2021 £'000
Corporation tax	964	509
Adjustments in respect of prior years	–	18
Current or Total tax charge for the year	964	527

b) Factors affecting current tax charge for the year

The tax assessed for the year is lower (31/12/21: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company (20%) (31/12/21: 20%).

The differences are explained below:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Net revenue before taxation	6,783	3,965
Corporation tax at 20% (31/12/21: 20%).	1,357	793
Effects of:		
Revenue not subject to taxation	(411)	(302)
Taxable income charge in capital	18	12
Taxable element of indexation/(relief) on UK index-linked gilts	–	6
Adjustments in respect of prior years*	–	18
Current or Total tax charge for the year	964	527

* The prior year adjustment is due to Income Tax suffered was not initially recognised on distributions from a holding. This was adjusted prior to the Final Computation being submitted.

Authorised Open Ended Investment Companies are exempt from tax on capital gains in the UK, therefore any capital gains/(losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

6. Distributions

The distributions take account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Accumulation shares		
Interim	1,518	813
Final	4,854	2,761
	6,372	3,574
Income shares		
Interim	11	8
Final	47	27
	58	35
	6,430	3,609
Add: Amounts deducted on cancellation of shares	96	66
Deduct: Amounts received on the creation of shares	(689)	(225)
Net distributions for the year	5,837	3,450

The difference between the net revenue after taxation and the distribution paid is as follows:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Net revenue after taxation	5,819	3,438
Taxable income charge in capital	18	12
Net distributions for the year	5,837	3,450

Details of the distribution per share are set out on page 49.

7. Debtors

	31 Dec 2022 £'000	31 Dec 2021 £'000
Amounts receivable on creation of shares	1,030	78
Sales awaiting settlement	–	1,150
Accrued revenue	77	145
Income tax recoverable	–	72
Total debtors	1,107	1,445

8. Cash and bank balances

	31 Dec 2022 £'000	31 Dec 2021 £'000
Cash and bank balances	31,128	6,374
Amounts held at futures clearing houses and brokers	4,913	5,707
Total cash and bank balances	36,041	12,081

9. Other creditors

	31 Dec 2022 £'000	31 Dec 2021 £'000
Amounts payable on cancellation of shares	2,725	2,091
Purchases awaiting settlement	520	–
Accrued management fee expenses	102	59
Corporation tax payable	595	337
Total other creditors	3,942	2,487

10. Reconciliation of number of shares

	Class M Accumulation	Class M Income
Opening shares at 01/01/22	42,846,531	2,408,316
Shares issued	55,288,072	2,035,822
Shares cancelled	(6,835,628)	(790,141)
Closing shares at 31/12/22	91,298,975	3,653,997

	Class P Accumulation	Class R Accumulation
Opening shares at 01/01/22	3,719,910	169,448,780
Shares issued	802,874	83,782,830
Shares cancelled	(496,727)	(6,481,456)
Closing shares at 31/12/22	4,026,057	246,750,154

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Fund Management fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end the balance due to Royal London Unit Trust Managers Limited in respect of these transactions was £1,794,000 (31/12/21: £2,071,000).

Amounts due from Royal London Unit Trust Managers Limited in respect of periodic charge rebates at the end of the year amounted to £42,000 (31/12/21: £29,000).

At the year end, 31 December 2022, 71.97% (31/12/21: 78.38%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

In the year the Fund had purchases in other Royal London products to the value of £198,268,000 (31/12/21: £132,910,000) and had sales in other Royal London products of £66,341,000 (31/12/21: £76,376,000).

The Fund at the year end, held a total value £333,513,000 (31/12/21: £220,235,000) in other Royal London Funds and a total revenue of £6,780,000 (31/12/21: £3,425,000) received during the year.

13. Financial Derivatives

Motives and circumstances are used to determine whether returns on derivative contracts should be treated as capital or revenue. Where positions are undertaken to protect or enhance capital and the circumstances support this, the returns are included within net capital gains/losses in the Statement of Total Return. Where they are undertaken for generating or protecting revenue and the circumstances support this, the returns are treated as revenue and are included within the net revenue in the Statement of Total Return. The basis of apportionment is typically made by reference to the yield on the underlying security, index or other appropriate source.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The types of derivatives held at the year end were index futures and forward currency contracts.

Details of the individual contracts are shown on the portfolio statement on page 40, and the total position held by the counterparty at the year end is summarised below:

The underlying exposure for each category of derivatives were as follows:

Counterparty	Forward currency contracts	
	31 Dec 2022 £'000	31 Dec 2021 £'000
Barclays Bank	421	201
Citigroup Global Markets	37	-
Goldman Sachs	(54)	-
JP Morgan	(35)	(223)
Royal Bank of Canada	(86)	(118)

Eligible collateral types are approved by the ACD and may consist of cash and government bonds only as eligible collateral with respect to derivative transactions.

At 31 December 2022 there was no collateral held in respect of the above derivatives (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

14. Risk disclosures

The policies applied to the management of risk disclosures are set out on pages 11 and 12.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 42. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

A small proportion of the Fund's assets are denominated in currencies other than sterling. The value of the Fund's assets may be affected by currency movements.

Currency	31 Dec 2022 £'000	31 Dec 2021 £'000
Sterling	367,101	240,001
Australian dollar	(4,327)	(4,703)
Canadian dollar	4,646	3
Euro	(696)	(2,149)
Hong Kong dollar	591	184
Japanese yen	(2,221)	1,207
Norwegian krone	(10)	(991)
Singaporean dollar	1,491	14
Swedish krona	37	1,011
Swiss franc	(3,215)	(4,029)
US dollar	43,288	36,881
Total	406,685	267,429

If sterling to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £3,958,000 (31/12/21: £2,743,000). If sterling to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £3,958,000 (31/12/21: £2,743,000). These calculations assume all other variables remain constant.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £37,565,000 (31/12/21: £25,987,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £37,565,000 (31/12/21: £25,987,000). These calculations assume all other variables remain constant.

The only direct interest bearing assets of the Fund are cash balances of 31,128,000 (31/12/21: £6,374,000) and UK Gilts. UK Gilts account for only a small percentage of the portfolio.

Cash balances earn interest by reference to SONIA or the international equivalent.

The majority of the other financial assets are collective investment schemes which do not pay interest, however some of the underlying collective investment scheme investments may be directly or indirectly exposed to interest rate risk. Interest risk is considered insignificant so no sensitivity analysis is required (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

15. Portfolio transaction costs

For the year ended 31 December 2022

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total purchases costs								
Bond transactions	23,020	–	–	–	–	–	–	23,020
Fund transactions	260,057	31	0.01	–	–	–	–	260,088
Total	283,077	31		–		–		283,108

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total sales costs								
Bond transactions	20,885	–	–	–	–	–	–	20,885
Fund transactions	129,490	32	0.02	–	–	–	–	129,458
Total	150,375	32		–		–		150,343

The Fund had paid £42,000 as commission on purchases and sales derivative transactions for the year ended 31/12/22.

Commissions, taxes and fees as % of average net assets

Commissions	0.03%
Taxes	0.00%
Other expenses	0.00%

For the year ended 31 December 2021

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total purchases costs								
Bond transactions	24,422	–	–	–	–	–	–	24,422
Fund transactions	152,728	10	0.01	–	–	–	–	152,738
Total	177,150	10		–		–		177,160

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total sales costs								
Bond transactions	14,589	–	–	–	–	–	–	14,589
Fund transactions	99,180	11	0.01	–	–	–	–	99,169
Total	113,769	11		–		–		113,758

The Fund had paid £18,000 as commission on purchases and sales derivative transactions for the year ended 31/12/21.

Commissions, taxes and fees as % of average net assets

Commissions	0.02%
Taxes	0.00%
Other expenses	0.00%

At the balance sheet date the portfolio dealing spread was 0.56% (31/12/21: 0.63%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

16. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- Category 1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Category 2 Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Category 3 Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

As at the year ended 31 December 2022

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	23,135	–	23,135
Collective investment schemes	19,352	305,452	28,060	352,864
Derivatives	614	630	–	1,244
Total	19,966	329,217	28,060	377,243
Investment liabilities				
Derivatives	(782)	(813)	–	(1,595)
Total	(782)	(813)	–	(1,595)

As at the year ended 31 December 2021

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	21,050	–	21,050
Collective investment schemes	18,219	198,801	21,434	238,454
Derivatives	798	312	–	1,110
Total	19,017	220,163	21,434	260,614
Investment liabilities				
Derivatives	(271)	(471)	–	(742)
Total	(271)	(471)	–	(742)

At the current and prior year end, the level 3 assets held were the Royal London Property Fund and the Royal London Property Trust. These assets have been included as level 3 due to the possibility of restrictions being imposed on their redemption rights.

17. Events after the balance sheet date

Class Z Accumulation launched 31 January 2023.

Subsequent to the Fund's year end, 31 December 2022, factors such as inflation and the Ukraine situation could cause the Fund to be impacted by resulting volatility in stock markets and adverse investor sentiment.

These events have been classified as non-adjusting subsequent event. The net asset value (NAV) of the Fund as at 17 April 2023 was £444,552,434. The impact of the market movements on the Fund's NAV between the end of the reporting period 31 December 2022 and the date of which the financial statements were authorised for issue was 7.97%.

There have been no significant redemptions during this period.

Distribution Tables

For the year ended 31 December 2022

Distribution in pence per share

Interim

Group 1: Shares purchased prior to 1 January 2022

Group 2: Shares purchased between 1 January 2022 and 30 June 2022

	Net income	Equalisation	Distribution paid 31/08/22	Distribution paid 31/08/21
Class M Accumulation				
Group 1	0.3950	–	0.3950	0.2787
Group 2	0.0454	0.3496	0.3950	0.2787
Class M Income				
Group 1	0.3671	–	0.3671	0.2605
Group 2	0.0000	0.3671	0.3671	0.2605
Class P Accumulation				
Group 1	0.3558	–	0.3558	0.2562
Group 2	0.0843	0.2715	0.3558	0.2562
Class R Accumulation				
Group 1	0.5641	–	0.5641	0.4476
Group 2	0.0568	0.5073	0.5641	0.4476

Final

Group 1: Shares purchased prior to 1 July 2022

Group 2: Shares purchased between 1 July 2022 and 31 December 2022

	Net income	Equalisation	Distribution payable 28/02/23	Distribution paid 28/02/22
Class M Accumulation				
Group 1	1.3757	–	1.3757	1.2151
Group 2	0.8270	0.5487	1.3757	1.2151
Class M Income				
Group 1	1.2750	–	1.2750	1.1274
Group 2	0.7391	0.5359	1.2750	1.1274
Class P Accumulation				
Group 1	1.1840	–	1.1840	1.0490
Group 2	0.4655	0.7185	1.1840	1.0490
Class R Accumulation				
Group 1	1.4387	–	1.4387	1.2993
Group 2	1.0341	0.4046	1.4387	1.2993

Royal London GMAP Growth Fund

Manager's Investment Report

Cumulative Performance

(% change to 31/12/22)

	1 year total return %	3 year total return %	5 year total return %
Royal London GMAP Growth Fund, Class M Accumulation	-5.23	7.33	16.48
Royal London GMAP Growth Fund, Class M Income	-5.28	7.47	16.59
Royal London GMAP Growth Fund, Class P Accumulation	-5.25	7.46	-
Royal London GMAP Growth Fund, Class R Accumulation	-4.97	8.42	-
GMAP Growth Custom Benchmark*	-5.34	10.75	22.45
IA Mixed Investment 40-85% Shares TR	-10.07	5.20	14.53

Class P Accumulation launched on 7 May 2019 and Class R Accumulation launched on 21 March 2018.

* Please refer to the Prospectus for details of the Custom Benchmark.

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up and investors may not get back the amount originally invested.

Source: RLAM and Lipper, as at 31 December 2022. Returns are net of management fees. Investors should also note that the total return is calculated on the Fund's official 2pm price whereas the Fund has been valued as at close of business for the Closing Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

On a net basis, the Fund returned -5.23% (M class, Accumulation) during the 12 months to 31 December 2022. Performance was largely driven by an overweight position in commodities and a preference for more defensive UK/Japanese equities over the tech heavy US. We remained underweight bonds for most of the year given inflationary pressures and were also largely negative on the outlook of global high-yield bonds.

Market and portfolio commentary

Equity markets fell over the volatile year as opening after the 2020 lockdowns and the invasion of Ukraine increasing energy prices caused high inflation; this led central banks to increase interest rates sharply from very low levels. Higher interest rates caused recession fears which also weighed on sentiment, leading global stock markets to post their worst annual performance since 2008. With recession risk still high and earnings showing signs of vulnerability, we remained defensively positioned in equities. In regions, we stayed tactically overweight the UK, given its sectoral composition giving it greater resilience in inflationary periods whilst opting for an underweight position in US stocks as higher interest rates derated growth stocks.

UK Gilt yields surged at the start of this year alongside other sovereign yields, as central banks began to increase rates and markets moved to price in tighter monetary policy. During the first quarter bond markets experienced their worst quarterly return since 1980. Having started the year at 1.1%, UK 10-year gilts ended the year at 3.7%. US bonds suffered their worst yearly loss since 1926. Credit spreads have widened over this year as financial conditions deteriorated, and rising recession fears saw risk appetite wane. On the back of this we underweight the asset class for most of the year, taking profits on our position towards the end of the year buying as yields became relatively attractive.

Commodities had a strong year. On a total return basis, the Bloomberg commodity index returned close to 30%. Commodities rallied particularly strongly at the start of the year as geopolitical tensions and tight supply provided a tail wind for the asset class. Commodities dipped from mid-year highs, as recession fears weighed against a strong rally in natural gas prices. The year began with an overweight position in commodities and were able to partake in the strong rally, we then began gradually to take profits during the year and reduce our overweight position, on recessionary fears, ending the year moderately underweight. This was beneficial for performance.

UK Commercial property returns were negative, despite posting particularly strong returns at the beginning of the year. Performance stalled over the summer, however, with negative returns seen in the month of July, as economic uncertainty, higher debt servicing costs, and a surge in building costs weakened investor sentiment and saw yields begin to soften. October was the worst month on record in the history of the MSCI Monthly Index, followed by November which recorded the second worst month on record. Despite remaining positive of the long-term prospects of property within a diversified portfolio, we moved tactically underweight during the year based on increasing recessionary fears. This tactical positioning had a positive impact on performance.

Manager's Investment Report (continued)

Investment outlook

We expect global growth to weaken in the first half of 2023 with many economies moving into recession and unemployment rates rising (albeit from low levels in the US and UK). With Investment Clock moving into Reflation (weak growth and inflation moderating), we expect 2023 to be much more supportive for government bonds as central banks get to the end of their tightening (interest rates are likely to peak under 5% in the UK and US and there is the prospect of cuts next year). Much will depend on the path of core inflation and the absence of further inflation shocks with geopolitical causes. Either way, we expect stocks to underperform bonds, and as economies move into recession, we would not be surprised to see a second phase of the equity bear market driven by earnings weakening as the global economy deals with recessionary forces. Our active tactical asset allocation process seeks to adjust to macro and market conditions to deliver long term risk adjusted returns in changing environments.

Please see our Investment Clock blog at www.rlam.com/intermediaries/our-views/investment-clock/investment-clock-insights/ for our latest views, including our views on the impact of the Ukraine situation and inflation.

Trevor Greetham
Fund Manager
Royal London Asset Management Limited
31 December 2022

Please note that this commentary is written as at 31 December 2022. For further insights on market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Value Assessment report is available on www.rlam.com.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class M Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	152.57	132.96	134.34
Return before operating charges*	(8.15)	20.47	(0.63)
Operating charges	(0.89)	(0.86)	(0.75)
Return after operating charges*	(9.04)	19.61	(1.38)
Distributions on accumulation shares	(2.35)	(1.71)	(1.79)
Retained distributions on accumulation shares	2.35	1.71	1.79
Closing net asset value per share	143.53	152.57	132.96
* after direct transaction costs of:	0.04	0.03	0.02
Performance			
Return after charges	(5.93)%	14.75%	(1.03)%
Other information			
Closing net asset value (£'000)	125,431	76,374	77,759
Closing number of shares	87,389,161	50,058,999	58,484,621
Operating charges	0.60%	0.60%	0.60%
Direct transaction costs	0.03%	0.02%	0.02%
Prices[^]			
Highest share price	153.90	153.90	137.60
Lowest share price	140.60	133.90	107.00

Class M Income

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	139.93	123.33	126.37
Return before operating charges*	(7.47)	18.98	(0.66)
Operating charges	(0.81)	(0.80)	(0.70)
Return after operating charges*	(8.28)	18.18	(1.36)
Distributions on income shares	(2.15)	(1.58)	(1.68)
Closing net asset value per share	129.50	139.93	123.33
* after direct transaction costs of:	0.04	0.03	0.02
Performance			
Return after charges	(5.92)%	14.74%	(1.08)%
Other information			
Closing net asset value (£'000)	7,237	4,554	7,651
Closing number of shares	5,588,346	3,254,436	6,203,648
Operating charges	0.60%	0.60%	0.60%
Direct transaction costs	0.03%	0.02%	0.02%
Prices[^]			
Highest share price	141.20	142.30	129.50
Lowest share price	128.60	124.00	100.60

Class P Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	119.78	104.36	105.42
Return before operating charges*	(6.41)	16.04	(0.52)
Operating charges	(0.64)	(0.62)	(0.54)
Return after operating charges*	(7.05)	15.42	(1.06)
Distributions on accumulation shares	(1.89)	(1.39)	(1.45)
Retained distributions on accumulation shares	1.89	1.39	1.45
Closing net asset value per share	112.73	119.78	104.36
* after direct transaction costs of:	0.04	0.02	0.02
Performance			
Return after charges	(5.89)%	14.78%	(1.01)%
Other information			
Closing net asset value (£'000)	5,366	5,583	7,700
Closing number of shares	4,760,107	4,660,738	7,377,622
Operating charges	0.55%	0.55%	0.55%
Direct transaction costs	0.03%	0.02%	0.02%
Prices[^]			
Highest share price	120.80	120.80	108.00
Lowest share price	110.50	105.10	83.95

Class R Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	128.39	111.48	112.23
Return before operating charges*	(6.98)	17.09	(0.59)
Operating charges	(0.19)	(0.18)	(0.16)
Return after operating charges*	(7.17)	16.91	(0.75)
Distributions on accumulation shares	(2.43)	(1.87)	(1.88)
Retained distributions on accumulation shares	2.43	1.87	1.88
Closing net asset value per share	121.22	128.39	111.48
* after direct transaction costs of:	0.04	0.03	0.02
Performance			
Return after charges	(5.58)%	15.17%	(0.67)%
Other information			
Closing net asset value (£'000)	487,906	558,639	142,260
Closing number of shares	402,507,242	435,126,839	127,614,637
Operating charges	0.15%	0.15%	0.15%
Direct transaction costs	0.03%	0.02%	0.02%
Prices[^]			
Highest share price	129.50	129.40	115.00
Lowest share price	118.70	112.30	89.44

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 December 2022

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Bond Collective Investment Schemes – 26.04% (31/12/21 – 24.88%)			
15,761,788	Royal London Global High Yield Bond Fund R Acc [†]	15,741	2.51
8,727,641	Royal London Index Linked Fund R Acc [†]	7,517	1.20
12,469,713	Royal London Short Duration Global High Yield Bond Fund R Acc [†]	12,787	2.04
21,295,358	Royal London Short Duration Global Index Linked Fund R Acc [†]	23,280	3.72
30,955,565	Royal London Short-Term Money Market Fund R Acc [†]	31,834	5.09
34,073,776	Royal London Sterling Credit Fund R Acc [†]	34,377	5.49
10,090,164	Royal London Sterling Liquidity Money Market R Inc [†]	10,090	1.61
30,691,706	Royal London UK Government Bond Fund R Acc [†]	27,391	4.38
Total Bond Collective Investment Schemes		163,017	26.04
Equity Collective Investment Schemes – 56.15% (31/12/21 – 58.18%)			
8,822,003	Royal London Asia Pacific ex Japan Tilt Fund R Acc [†]	11,254	1.80
32,715,856	Royal London Emerging Markets ESG Leaders Equity Tracker Fund R Acc [†]	37,852	6.05
14,817,003	Royal London Europe ex UK Equity Tilt Fund R Acc [†]	20,501	3.27
20,677,225	Royal London Global Equity Diversified Fund R Acc [†]	34,041	5.44
9,720,116	Royal London Japan Equity Tilt Fund R Acc [†]	10,548	1.68
1,704	Royal London Property Fund A Acc ^{†#}	13	–
8,091,232	Royal London Property Trust A Acc ^{†#}	60,659	9.69
123,005,511	Royal London UK Broad Equity Tilt Fund R Acc [†]	128,061	20.46
31,885,477	Royal London US Equity Tilt Fund R Acc [†]	48,552	7.76
Total Equity Collective Investment Schemes		351,481	56.15
Exchange Traded Funds – 5.02% (31/12/21 – 7.79%)			
1,356,581	Invesco Bloomberg Commodity UCITS ETF	26,965	4.31
33,642	iShares MSCI Canada UCITS ETF	4,456	0.71
Total Exchange Traded Funds		31,421	5.02
Government Bonds – 5.89% (31/12/21 – 6.37%)			
£6,450,000	UK Treasury 0% 5/6/2023	6,344	1.01
£30,577,979	UK Treasury 0.125% 31/1/2023	30,507	4.88
Total Government Bonds		36,851	5.89
Forward Currency Contracts – (0.05)% (31/12/21 – (0.02)%)			
	Buy AUD16,599,000 & Sell £9,178,650*	180	0.03
	Buy CAD11,573,500 & Sell £7,015,658*	84	0.01
	Buy CHF2,546,500 & Sell £2,228,868*	60	0.01
	Buy €4,420,000 & Sell £3,821,426*	101	0.02
	Buy £14,066,571 & Sell AUD25,191,500*	(136)	(0.02)
	Buy £6,934,309 & Sell CHF7,890,000*	(158)	(0.03)
	Buy £4,142,056 & Sell €4,795,000*	(113)	(0.02)
	Buy £9,714,646 & Sell JPY1,580,672,000*	(251)	(0.04)
	Buy £2,397,874 & Sell NOK28,680,000*	(23)	–
	Buy £2,288,942 & Sell SEK28,880,000*	(16)	–
	Buy £2,205,775 & Sell SGD3,640,000*	(50)	(0.01)
	Buy £29,478,008 & Sell \$36,141,000*	(562)	(0.09)
	Buy JPY1,180,645,500 & Sell £7,153,494*	290	0.05
	Buy NOK26,831,000 & Sell £2,245,387*	19	–
	Buy SEK28,275,500 & Sell £2,257,034*	(1)	–
	Buy SGD7,951,500 & Sell £4,797,606*	131	0.02
	Buy \$90,633,500 & Sell £75,195,936*	138	0.02
Total Forward Currency Contracts		(307)	(0.05)

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Futures – (0.13)% (31/12/21 – 0.25%)			
(17)	CBT US 10year Note Future March 2023	31	–
129	CME S&P 500 E-Mini Index Future March 2023	(900)	(0.14)
(44)	CME XAB Materials Future March 2023	118	0.02
20	CME XAE Energy Future March 2023	23	–
(38)	CME XAI E-Mini Industrial Future March 2023	38	0.01
(76)	CME XAK Technology Future March 2023	341	0.05
229	CME XAP Consumer Staples Future March 2023	(428)	(0.07)
26	CME XAU Utilities Future March 2023	(7)	–
(27)	CME XAY Consumer Discretionary Future March 2023	278	0.04
(13)	EUX Euro Bund Future March 2023	48	0.01
(24)	EUX Euro Stoxx 50 Future March 2023	12	–
5	HKG Hang Seng Index Future January 2023	6	–
402	ICF FTSE 100 Index Future March 2023	(114)	(0.02)
(15)	ICF Long Gilt Future March 2023	52	0.01
277	NYF MSCI Emerging Market Future March 2023	(290)	(0.04)
(27)	OSE Topix Index Future March 2023	3	–
11	SFE SPI 200 Future March 2023	(25)	–
Total Futures		(814)	(0.13)

Total value of investments	581,649	92.92
Net other assets	44,291	7.08
Total net assets	625,940	100.00

[†] Related Party

* Unlisted

Level 3 asset

All investments, except collective investment schemes and forward currency contracts, are listed on recognised stock exchanges and are "approved securities" within the meaning of the FCA rules unless otherwise stated.

Summary of Material Portfolio Changes

For the year ended 31 December 2022

Significant Purchases

	Cost £'000
Invesco Bloomberg Commodity UCITS ETF	83,556
UK Treasury 0.125% 31/1/2023	30,329
Royal London Short-Term Money Market Fund R Acc	21,776
Royal London UK Broad Equity Tilt Fund R Acc	21,640
UK Treasury 1.75% 7/9/2022	20,016
iShares Bloomberg Roll Select Commodity Swap UCITS ETF	16,004
Royal London Short Duration Global High Yield Bond Fund R Acc	12,858
Royal London Global High Yield Bond Fund R Acc	11,717
Royal London Emerging Markets ESG Leaders Equity Tracker Fund R Acc	11,618
Royal London Sterling Liquidity Money Market R Inc	10,090
Subtotal	239,604
Total cost of purchases, including the above, for the year	286,451

Significant Sales

	Proceeds £'000
Invesco Bloomberg Commodity UCITS ETF	83,860
UK Treasury 1.75% 7/9/2022	60,822
iShares Bloomberg Roll Select Commodity Swap UCITS ETF	29,575
Royal London UK Broad Equity Tilt Fund R Acc	28,621
Royal London Global High Yield Bond Fund R Acc	24,897
Royal London Short Duration Global High Yield Bond Fund R Acc	18,702
iShares MSCI Target UK Real Estate UCITS ETF	15,234
Royal London US Equity Tilt Fund R Acc	8,147
Royal London Emerging Markets ESG Leaders Equity Tracker Fund R Acc	7,019
Royal London Property Trust A Acc	6,150
Subtotal	283,027
Total proceeds from sales, including the above, for the year	299,943

Financial Statements

Statement of Total Return

For the year ended 31 December 2022

	Note	31 Dec 2022 £'000	31 Dec 2021 £'000
Income			
Net capital (losses)/gains	2	(48,621)	51,247
Revenue	3	14,682	9,581
Expenses	4	(1,429)	(1,075)
Interest payable and similar charges		(4)	(22)
Net revenue before taxation		13,249	8,484
Taxation	5	(1,354)	(813)
Net revenue after taxation		11,895	7,671
Total (deficit)/return before distributions		(36,726)	58,918
Distributions	6	(11,912)	(7,684)
Change in net assets attributable to shareholders from investment activities		(48,638)	51,234

Balance Sheet

As at 31 December 2022

	Note	31 Dec 2022 £'000	31 Dec 2021 £'000
Assets			
Investments		584,723	630,538
Current assets:			
Debtors	7	1,013	535
Cash and bank balances	8	49,319	22,673
Total assets		635,055	653,746
Liabilities			
Investment liabilities		3,074	1,865
Creditors:			
Bank overdraft		4,873	6,128
Other creditors	9	1,070	564
Distribution payable		98	39
Total liabilities		9,115	8,596
Net assets attributable to shareholders		625,940	645,150

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2022

	31 Dec 2022 £'000	31 Dec 2021 £'000
Opening net assets attributable to shareholders	645,150	235,370
Amounts receivable on creation of shares	64,033	402,549
Amounts payable on cancellation of shares	(46,576)	(54,531)
	17,457	348,018
Dilution adjustment charged	29	1,545
Stamp Duty Land Tax	–	(193)
Change in net assets attributable to shareholders from investment activities	(48,638)	51,234
Retained distribution on accumulation shares	11,942	9,176
Closing net assets attributable to shareholders	625,940	645,150

Notes to the Financial Statements

For the year ended 31 December 2022

1. Accounting policies

The accounting policies are set out in note 1 on pages 9 and 10.

2. Net capital (losses)/gains

	31 Dec 2022 £'000	31 Dec 2021 £'000
The net capital (losses)/gains during the year comprise:		
Realised (losses)/gains on derivative contracts	(5,489)	10,280
Realised gains on non-derivative securities	11,418	16,995
Unrealised (losses)/gains on derivative contracts	(1,121)	1,462
Unrealised (losses)/gains on non-derivative securities	(54,697)	22,237
Realised gains/(losses) on currency	472	(88)
Unrealised gains on currency	712	297
Management fee rebates	84	64
Net capital (losses)/gains	(48,621)	51,247

3. Revenue

	31 Dec 2022 £'000	31 Dec 2021 £'000
Distributions from overseas funds	1,754	1,831
Distributions from UK regulated collective investment schemes:		
Franked investment income	6,447	4,549
Interest distribution	2,424	1,013
Property income	2,038	1,525
Interest on debt securities	692	92
Bank interest	434	1
Deposit interest	74	–
HMRC interest received	1	–
Management fee rebates	818	570
Total revenue	14,682	9,581

4. Expenses

	31 Dec 2022 £'000	31 Dec 2021 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	1,429	1,075
Total expenses	1,429	1,075

* Audit fee £17,935 (31/12/21: £16,333) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Dec 2022 £'000	31 Dec 2021 £'000
Corporation tax	1,354	778
Adjustments in respect of prior years	–	35
Current tax charge for the year	1,354	813

b) Factors affecting current tax charge for the year

The tax assessed for the year is lower (31/12/21: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company (20%) (31/12/21: 20%).

The differences are explained below:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Net revenue before taxation	13,249	8,484
Corporation tax at 20% (31/12/21: 20%).	2,650	1,697
Effects of:		
Revenue not subject to taxation	(1,313)	(932)
Taxable income charge in capital	17	13
Adjustment in respect of prior periods [#]	–	35
Current tax charge for the year	1,354	813

[#] The prior year adjustment is due to Income Tax suffered was not initially recognised on distributions from a holding. This was adjusted prior to the Final Computation being submitted.

Authorised Open Ended Investment Companies are exempt from tax on capital gains in the UK, therefore any capital gains/(losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

6. Distributions

The distributions take account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Accumulation shares		
Interim	3,049	2,796
Final	8,893	6,380
	11,942	9,176
Income shares		
Interim	17	14
Final	98	39
	115	53
	12,057	9,229
Add: Amounts deducted on cancellation of shares	215	217
Deduct: Amounts received on the creation of shares	(360)	(1,762)
Net distributions for the year	11,912	7,684

The difference between the net revenue after taxation and the distribution paid is as follows:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Net revenue after taxation	11,895	7,671
Taxable income charge in capital	17	13
Net distributions for the year	11,912	7,684

Details of the distribution per share are set out on page 62.

7. Debtors

	31 Dec 2022 £'000	31 Dec 2021 £'000
Amounts receivable on creation of shares	758	92
Accrued revenue	255	307
Income tax recoverable	–	136
Total debtors	1,013	535

8. Cash and bank balances

	31 Dec 2022 £'000	31 Dec 2021 £'000
Cash and bank balances	39,111	10,791
Amounts held at futures clearing houses and brokers	10,208	11,882
Total cash and bank balances	49,319	22,673

9. Other creditors

	31 Dec 2022 £'000	31 Dec 2021 £'000
Amounts payable on cancellation of shares	253	2
Accrued management fee expenses	132	115
Corporation tax payable	685	447
Total other creditors	1,070	564

10. Reconciliation of number of shares

	Class M Accumulation	Class M Income
Opening shares at 01/01/22	50,058,999	3,254,436
Shares issued	39,527,953	3,292,442
Shares cancelled	(2,220,272)	(958,532)
Shares converted	22,481	–
Closing shares at 31/12/22	87,389,161	5,588,346

	Class P Accumulation	Class R Accumulation
Opening shares at 01/01/22	4,660,738	435,126,839
Shares issued	1,024,915	241,811
Shares cancelled	(896,905)	(32,861,408)
Shares converted	(28,641)	–
Closing shares at 31/12/22	4,760,107	402,507,242

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Fund Management fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end the balance due from Royal London Unit Trust Managers Limited in respect of these transactions was £372,000 (31/12/21: £26,000).

Amounts due from Royal London Unit Trust Managers Limited in respect of periodic charge rebates at the end of the year amounted to £76,000 (31/12/21: £81,000).

At the year end, 31 December 2022, 80.46% (31/12/21: 88.24%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

In the year the Fund had purchases in other Royal London products to the value of £128,295,000 (31/12/21: £477,974,000) and had sales in other Royal London products of £110,452,000 (31/12/21: £172,990,000).

The Fund at the year end, held a total value £514,498,000 (31/12/21: £535,863,000) in other Royal London Funds and a total revenue of £12,879,000 (31/12/21: £8,793,000) received during the year.

13. Financial Derivatives

Motives and circumstances are used to determine whether returns on derivative contracts should be treated as capital or revenue. Where positions are undertaken to protect or enhance capital and the circumstances support this, the returns are included within net capital gains/losses in the Statement of Total Return. Where they are undertaken for generating or protecting revenue and the circumstances support this, the returns are treated as revenue and are included within the net revenue in the Statement of Total Return. The basis of apportionment is typically made by reference to the yield on the underlying security, index or other appropriate source.

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The types of derivatives held at the year end were index futures and forward currency contracts.

Details of the individual contracts are shown on the portfolio statement on page 53, and the total position held by the counterparty at the year end is summarised below:

The underlying exposure for each category of derivatives were as follows:

Counterparty	Forward currency contracts	
	31 Dec 2022 £'000	31 Dec 2021 £'000
Barclays Bank	661	742
Citigroup	44	–
Goldman Sachs	(83)	–
JP Morgan	(40)	(588)
Royal Bank of Canada	(147)	(258)

Eligible collateral types are approved by the ACD and may consist of cash and government bonds only as eligible collateral with respect to derivative transactions.

At 31 December 2022 there was no collateral held in respect of the above derivatives (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

14. Risk disclosures

The policies applied to the management of risk disclosures are set out on pages 11 and 12.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 55. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

A small proportion of the Fund's assets are denominated in currencies other than sterling. The value of the Fund's assets may be affected by currency movements.

Currency	31 Dec 2022 £'000	31 Dec 2021 £'000
Sterling	554,895	567,789
Australian dollar	(6,650)	(11,209)
Canadian dollar	7,105	(8)
Euro	(1,560)	(4,304)
Hong Kong dollar	1,236	516
Japanese yen	(4,317)	2,919
Norwegian krone	(156)	(2,400)
Singaporean dollar	2,675	(12)
Swedish krona	(48)	2,463
Swiss franc	(4,797)	(9,645)
US dollar	77,557	99,041
Total	625,940	645,150

If sterling to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £7,105,000 (31/12/21: £7,736,000). If sterling to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £7,105,000 (31/12/21: £7,736,000). These calculations assume all other variables remain constant.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £58,165,000 (31/12/21: £62,867,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £58,165,000 (31/12/21: £62,867,000). These calculations assume all other variables remain constant.

The only direct interest bearing assets of the Fund are cash balances of £39,111,000 (31/12/21: £10,791,000) and UK Gilts. UK Gilts account for only a small percentage of the portfolio.

Cash balances earn interest by reference to SONIA or the international equivalent. This equates to 6.25% of the current Net Asset Value and 1.67% of the previous years.

The majority of the other financial assets are collective investment schemes which do not pay interest, however some of the underlying collective investment scheme investments may be directly or indirectly exposed to interest rate risk. Interest risk is considered insignificant so no sensitivity analysis is required (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

15. Portfolio transaction costs

For the year ended 31 December 2022

Analysis of total purchases costs	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Bond transactions	56,685	–	–	–	–	–	–	56,685
Fund transactions	229,625	51	0.02	–	–	–	–	229,676
Corporate actions	90	–	–	–	–	–	–	90
Total	286,400	51		–		–		286,451

Analysis of total sales costs	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Bond transactions	60,822	–	–	–	–	–	–	60,822
Fund transactions	239,185	64	0.03	–	–	–	–	239,121
Total	300,007	64		–		–		299,943

The Fund had paid £77,000 as commission on purchases and sales derivative transactions for the year ended 31/12/22.

Commissions, taxes and fees as % of average net assets

Commissions	0.03%
Taxes	0.00%
Other expenses	0.00%

For the year ended 31 December 2021

Analysis of total purchases costs	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Bond transactions	56,663	–	–	–	–	–	–	56,663
Fund transactions	547,407	35	0.01	–	–	–	–	547,442
Total	604,070	35		–		–		604,105

Analysis of total sales costs	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Bond transactions	15,453	–	–	–	–	–	–	15,453
Fund transactions	220,840	24	0.01	–	–	–	–	220,816
Total	236,293	24		–		–		236,269

The Fund had paid £40,000 as commission on purchases and sales derivative transactions for the year ended 31/12/21.

Commissions, taxes and fees as % of average net assets

Commissions	0.02%
Taxes	0.00%
Other expenses	0.00%

At the balance sheet date the portfolio dealing spread was 0.78% (31/12/21: 0.86%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

16. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- Category 1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Category 2 Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Category 3 Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

As at the year ended 31 December 2022

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	36,851	–	36,851
Collective investment schemes	31,421	453,826	60,672	545,919
Derivatives	950	1,003	–	1,953
Total	32,371	491,680	60,672	584,723
Investment liabilities				
Derivatives	(1,764)	(1,310)	–	(3,074)
Total	(1,764)	(1,310)	–	(3,074)

As at the year ended 31 December 2021

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	41,126	–	41,126
Collective investment schemes	50,222	463,679	72,184	586,085
Derivatives	2,264	1,063	–	3,327
Total	52,486	505,868	72,184	630,538
Investment liabilities				
Derivatives	(645)	(1,220)	–	(1,865)
Total	(645)	(1,220)	–	(1,865)

At the current and prior year end, the level 3 assets held were the Royal London Property Fund and the Royal London Property Trust. These assets have been included as level 3 due to the possibility of restrictions being imposed on their redemption rights.

17. Events after the balance sheet date

Class Z Accumulation launched 31 January 2023.

Subsequent to the Fund's year end, 31 December 2022, factors such as inflation and the Ukraine situation could cause the Fund to be impacted by resulting volatility in stock markets and adverse investor sentiment.

These events have been classified as non-adjusting subsequent event. The net asset value (NAV) of the Fund as at 17 April 2023 was £662,816,336. The impact of the market movements on the Fund's NAV between the end of the reporting period 31 December 2022 and the date of which the financial statements were authorised for issue was 4.95%.

There have been no significant redemptions during this period.

Distribution Tables

For the year ended 31 December 2022

Distribution in pence per share

Interim

Group 1: Shares purchased prior to 1 January 2022

Group 2: Shares purchased between 1 January 2022 and 30 June 2022

	Net income	Equalisation	Distribution paid 31/08/22	Distribution paid 31/08/21
Class M Accumulation				
Group 1	0.4386	–	0.4386	0.4108
Group 2	0.0578	0.3808	0.4386	0.4108
Class M Income				
Group 1	0.4020	–	0.4020	0.3791
Group 2	0.0686	0.3334	0.4020	0.3791
Class P Accumulation				
Group 1	0.3743	–	0.3743	0.3488
Group 2	0.0555	0.3188	0.3743	0.3488
Class R Accumulation				
Group 1	0.6553	–	0.6553	0.5649
Group 2	0.2636	0.3917	0.6553	0.5649

Final

Group 1: Shares purchased prior to 1 July 2022

Group 2: Shares purchased between 1 July 2022 and 31 December 2022

	Net income	Equalisation	Distribution payable 28/02/23	Distribution paid 28/02/22
Class M Accumulation				
Group 1	1.9118	–	1.9118	1.2964
Group 2	0.8230	1.0888	1.9118	1.2964
Class M Income				
Group 1	1.7461	–	1.7461	1.1978
Group 2	1.0200	0.7261	1.7461	1.1978
Class P Accumulation				
Group 1	1.5165	–	1.5165	1.0366
Group 2	0.8591	0.6574	1.5165	1.0366
Class R Accumulation				
Group 1	1.7763	–	1.7763	1.3059
Group 2	1.4135	0.3628	1.7763	1.3059

Royal London GMAP Adventurous Fund

Manager's Investment Report

Cumulative Performance

(% change to 31/12/22)

	1 year total return %	3 year total return %	5 year total return %
Royal London GMAP Adventurous Fund, Class M Accumulation	-4.04	10.20	20.14
Royal London GMAP Adventurous Fund, Class M Income	-4.03	10.14	20.14
Royal London GMAP Adventurous Fund, Class P Accumulation	-4.01	10.35	-
Royal London GMAP Adventurous Fund, Class R Accumulation	-3.70	11.45	-
Royal London GMAP Adventurous Fund, Class S Income	-3.77	11.30	-
GMAP Adventurous Custom Benchmark*	-4.36	14.24	27.51
IA Mixed Investment 40-85% Shares TR	-10.07	5.20	14.53

Class P Accumulation launched on 7 May 2019, Class R Accumulation launched on 21 March 2018 and Class S Income launched on 7 May 2019.

* Please refer to the Prospectus for details of the Custom Benchmark.

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up and investors may not get back the amount originally invested.

Source: RLAM and Lipper, as at 31 December 2022. Returns are net of management fees. Investors should also note that the total return is calculated on the Fund's official 2pm price whereas the Fund has been valued as at close of business for the Closing Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

On a net basis, the Fund returned -4.04% (M class, Accumulation) during the 12 months to 31 December 2022 (significantly better than its IA sector). Performance was largely driven by an overweight position in commodities and a preference for more defensive UK/Japanese equities over the tech heavy US. We remained underweight bonds for most of the year given inflationary pressures and were also largely negative on the outlook of global high-yield bonds.

Market and portfolio commentary

Equity markets fell over the volatile year as opening after the 2020 lockdowns and the invasion of Ukraine increasing energy prices caused high inflation; this led central banks to increase interest rates sharply from very low levels. Higher interest rates caused recession fears which also weighed on sentiment, leading global stock markets to post their worst annual performance since 2008. Signs of peaking inflation did see markets recover some of their losses in Q4. With recession risk still high and earnings showing signs of vulnerability, we remained defensively positioned in equities. In regions, we stayed tactically overweight the UK, its more defensive sectoral composition giving it greater resilience in inflationary periods whilst opting for an underweight position in US stocks as higher interest rates derated growth stocks.

UK Gilt yields surged at the start of this year alongside other sovereign yields, as central banks began to increase rates and markets moved to price in tighter monetary policy. During the first quarter bond markets experienced their worst quarterly return since 1980. Having started the year at 1.1%, UK 10-year gilts ended the year at 3.7%. US bonds suffered their worst yearly loss since 1926. Credit spreads have widened over this year as financial conditions deteriorated, and rising recession fears saw risk appetite wane. On the back of this we underweight the asset class for most of the year, taking profits on our position towards the end of the year buying as yields became relatively attractive.

Commodities had a strong year. On a total return basis, the Bloomberg commodity index returned close to 30%. Commodities rallied particularly strongly at the start of the year as geopolitical tensions and tight supply provided a tail wind for the asset class. Commodities dipped from mid-year highs, as recession fears weighed against a strong rally in natural gas prices. The year began with an overweight position in commodities and were able to partake in the strong rally, we then began gradually to take profits during the year and reduce our overweight position, on recessionary fears, ending the year moderately underweight. This was beneficial for performance.

UK Commercial property returns were negative, despite posting particularly strong returns at the beginning of the year. Performance stalled over the summer, however, with negative returns seen in the month of July, as economic uncertainty, higher debt servicing costs, and a surge in building costs weakened investor sentiment and saw yields begin to soften. October was the worst month on record in the history of the MSCI Monthly Index, followed by November which recorded the second worst month on record. Despite remaining positive of the long-term prospects of property within a diversified portfolio, we moved tactically underweight during the year based on increasing recessionary fears. This tactical positioning had a positive impact on performance.

Manager's Investment Report (continued)

Investment outlook

We expect global growth to weaken in the first half of 2023 with many economies moving into recession and unemployment rates rising (albeit from low levels in the US and UK). With Investment Clock moving into Reflation (weak growth and inflation moderating), we expect 2023 to be much more supportive for government bonds as central banks get to the end of their tightening (interest rates are likely to peak under 5% in the UK and US and there is the prospect of cuts next year). Much will depend on the path of core inflation and the absence of further inflation shocks with geopolitical causes. Either way, we expect stocks to underperform bonds, and as economies move into recession, we would not be surprised to see a second phase of the equity bear market driven by earnings weakening as the global economy deals with recessionary forces. Our active tactical asset allocation process seeks to adjust to macro and market conditions to deliver long term risk adjusted returns in changing environments.

Please see our Investment Clock blog at www.rlam.com/intermediaries/our-views/investment-clock/investment-clock-insights/ for our latest views, including our views on the impact of the Ukraine situation and inflation.

Trevor Greetham
Fund Manager
Royal London Asset Management Limited
31 December 2022

Please note that this commentary is written as at 31 December 2022. For further insights on market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Value Assessment report is available on www.rlam.com.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class M Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	160.65	137.12	139.47
Return before operating charges*	(6.75)	24.43	(1.58)
Operating charges	(0.94)	(0.90)	(0.77)
Return after operating charges*	(7.69)	23.53	(2.35)
Distributions on accumulation shares	(2.41)	(2.00)	(1.82)
Retained distributions on accumulation shares	2.41	2.00	1.82
Closing net asset value per share	152.96	160.65	137.12
* after direct transaction costs of:	0.05	0.03	0.03
Performance			
Return after charges	(4.79)%	17.16%	(1.68)%
Other information			
Closing net asset value (£'000)	54,202	22,132	20,770
Closing number of shares	35,436,252	13,776,634	15,146,630
Operating charges	0.60%	0.60%	0.60%
Direct transaction costs	0.03%	0.02%	0.02%
Prices[^]			
Highest share price	162.80	162.00	143.20
Lowest share price	149.90	138.20	107.40

Class M Income

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	146.98	127.08	131.04
Return before operating charges*	(6.16)	22.58	(1.54)
Operating charges	(0.86)	(0.84)	(0.72)
Return after operating charges*	(7.02)	21.74	(2.26)
Distributions on income shares	(2.20)	(1.84)	(1.70)
Closing net asset value per share	137.76	146.98	127.08
* after direct transaction costs of:	0.05	0.03	0.03
Performance			
Return after charges	(4.78)%	17.11%	(1.72)%
Other information			
Closing net asset value (£'000)	2,177	1,504	955
Closing number of shares	1,580,182	1,023,042	751,716
Operating charges	0.60%	0.60%	0.60%
Direct transaction costs	0.03%	0.02%	0.02%
Prices[^]			
Highest share price	148.90	149.50	134.50
Lowest share price	136.80	128.10	101.00

Class P Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	121.91	104.02	105.76
Return before operating charges*	(5.12)	18.52	(1.21)
Operating charges	(0.66)	(0.63)	(0.53)
Return after operating charges*	(5.78)	17.89	(1.74)
Distributions on accumulation shares	(1.88)	(1.56)	(1.42)
Retained distributions on accumulation shares	1.88	1.56	1.42
Closing net asset value per share	116.13	121.91	104.02
* after direct transaction costs of:	0.04	0.02	0.02
Performance			
Return after charges	(4.74)%	17.20%	(1.65)%
Other information			
Closing net asset value (£'000)	1,399	1,147	1,226
Closing number of shares	1,204,662	941,038	1,178,834
Operating charges	0.55%	0.55%	0.55%
Direct transaction costs	0.03%	0.02%	0.02%
Prices[^]			
Highest share price	123.50	122.90	108.60
Lowest share price	113.80	104.80	81.49

Class R Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	132.09	112.33	113.84
Return before operating charges*	(5.68)	19.95	(1.35)
Operating charges	(0.19)	(0.19)	(0.16)
Return after operating charges*	(5.87)	19.76	(1.51)
Distributions on accumulation shares	(2.45)	(2.09)	(1.87)
Retained distributions on accumulation shares	2.45	2.09	1.87
Closing net asset value per share	126.22	132.09	112.33
* after direct transaction costs of:	0.04	0.02	0.02
Performance			
Return after charges	(4.44)%	17.59%	(1.33)%
Other information			
Closing net asset value (£'000)	270,387	298,319	159,230
Closing number of shares	214,221,854	225,846,951	141,748,530
Operating charges	0.15%	0.15%	0.15%
Direct transaction costs	0.03%	0.02%	0.02%
Prices[^]			
Highest share price	134.00	133.10	116.90
Lowest share price	123.60	113.20	87.78

Comparative Tables (continued)

Class S Income

	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Change in net assets per share			
Opening net asset value per share	117.08	101.20	104.35
Return before operating charges*	(5.02)	17.93	(1.31)
Operating charges	(0.17)	(0.17)	(0.14)
Return after operating charges*	(5.19)	17.76	(1.45)
Distributions on income shares	(2.17)	(1.88)	(1.70)
Closing net asset value per share	109.72	117.08	101.20
* after direct transaction costs of:	0.04	0.02	0.02
Performance			
Return after charges	(4.43)%	17.55%	(1.39)%
Other information			
Closing net asset value (£'000)	21,511	22,954	19,841
Closing number of shares	19,605,635	19,605,635	19,605,635
Operating charges	0.15%	0.15%	0.15%
Direct transaction costs	0.03%	0.02%	0.02%
Prices[^]			
Highest share price	118.70	119.30	107.20
Lowest share price	109.00	102.00	80.47

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 December 2022

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Bond Collective Investment Schemes – 11.59% (31/12/21 – 10.43%)			
6,189,938	Royal London Global High Yield Bond Fund R Acc [†]	6,182	1.77
6,555,359	Royal London Index Linked Fund R Acc [†]	5,646	1.61
2,102,819	Royal London Short Duration Global High Yield Bond Fund R Acc [†]	2,156	0.62
14,572,411	Royal London Short-Term Money Market Fund R Acc [†]	14,986	4.28
7,540,697	Royal London Sterling Credit Fund R Acc [†]	7,608	2.18
4,415,949	Royal London UK Government Bond Fund R Acc [†]	3,941	1.13
Total Bond Collective Investment Schemes		40,519	11.59
Equity Collective Investment Schemes – 69.51% (31/12/21 – 71.99%)			
6,348,272	Royal London Asia Pacific ex Japan Tilt Fund R Acc [†]	8,098	2.31
22,417,949	Royal London Emerging Markets ESG Leaders Equity Tracker Fund R Acc [†]	25,938	7.42
10,200,490	Royal London Europe ex UK Equity Tilt Fund R Acc [†]	14,113	4.04
14,214,499	Royal London Global Equity Diversified Fund R Acc [†]	23,401	6.69
6,690,950	Royal London Japan Equity Tilt Fund R Acc [†]	7,261	2.08
1	Royal London Property Fund A Acc [†] #	–	–
5,125,582	Royal London Property Trust A Acc [†] #	38,426	10.99
84,148,050	Royal London UK Broad Equity Tilt Fund R Acc [†]	87,607	25.05
25,098,599	Royal London US Equity Tilt Fund R Acc [†]	38,218	10.93
Total Equity Collective Investment Schemes		243,062	69.51
Exchange Traded Funds – 5.18% (31/12/21 – 8.28%)			
756,930	Invesco Bloomberg Commodity UCITS ETF	15,045	4.30
23,074	iShares MSCI Canada UCITS ETF	3,056	0.88
Total Exchange Traded Funds		18,101	5.18
Government Bonds – 5.82% (31/12/21 – 6.33%)			
£3,600,000	UK Treasury 0% 5/6/2023	3,541	1.01
£16,854,210	UK Treasury 0.125% 31/1/2023	16,815	4.81
Total Government Bonds		20,356	5.82
Forward Currency Contracts – (0.05)% (31/12/21 – (0.02)%)			
	Buy AUD9,916,500 & Sell £5,483,518*	108	0.03
	Buy CAD6,584,500 & Sell £3,992,502*	47	0.01
	Buy CHF1,422,000 & Sell £1,244,630*	34	0.01
	Buy €2,390,000 & Sell £2,066,337*	55	0.02
	Buy £8,125,320 & Sell AUD14,555,500*	(81)	(0.02)
	Buy £3,867,042 & Sell CHF4,400,000*	(89)	(0.03)
	Buy £2,307,513 & Sell €2,668,500*	(61)	(0.02)
	Buy £5,421,270 & Sell JPY882,069,500*	(140)	(0.04)
	Buy £1,252,446 & Sell NOK14,980,000*	(12)	–
	Buy £1,326,762 & Sell SEK16,740,000*	(9)	–
	Buy £1,387,699 & Sell SGD2,290,000*	(32)	(0.01)
	Buy £16,310,327 & Sell \$19,997,500*	(311)	(0.09)
	Buy JPY657,156,000 & Sell £3,981,739*	161	0.05
	Buy NOK14,990,000 & Sell £1,254,458*	11	–
	Buy SEK15,797,000 & Sell £1,260,963*^	–	–
	Buy SGD4,443,500 & Sell £2,681,024*	73	0.02
	Buy \$51,727,000 & Sell £42,918,620*	76	0.02
Total Forward Currency Contracts		(170)	(0.05)

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Futures – (0.14)% (31/12/21 – 0.25%)			
(9)	CBT US 10year Note Future March 2023	16	–
81	CME S&P 500 E MINI Index Future March 2023	(554)	(0.16)
(30)	CME XAB Materials Future March 2023	80	0.02
14	CME XAE Energy Future March 2023	16	–
(25)	CME XAI E-Mini Industrial Future March 2023	25	0.01
(51)	CME XAK Technology Future March 2023	228	0.07
153	CME XAP Consumer Staples Future March 2023	(286)	(0.08)
17	CME XAU Utilities Future March 2023	(5)	–
(18)	CME XAY Consumer Discretionary Future March 2023	185	0.05
(7)	EUX Euro Bund Future March 2023	26	0.01
(13)	EUX Euro Stoxx 50 Future March 2023	7	–
3	HKG Hang Seng Index Future January 2023	4	–
225	ICF FTSE 100 Index Future March 2023	(64)	(0.02)
(8)	ICF Long Gilt Future March 2023	28	0.01
155	NYF MSCI Emerging Market Future March 2023	(162)	(0.05)
(15)	OSE Topix Index Future March 2023	2	–
6	SFE SPI 200 Future March 2023	(14)	–
Total Futures		(468)	(0.14)
Total value of investments		321,400	91.91
Net other assets		28,276	8.09
Total net assets		349,676	100.00

† Related Party

* Unlisted

^ Value below £500

Level 3 assets

All investments, except collective investment schemes and forward currency contracts, are listed on recognised stock exchanges and are "approved securities" within the meaning of the FCA rules unless otherwise stated.

Summary of Material Portfolio Changes

For the year ended 31 December 2022

Significant Purchases

	Cost £'000
Invesco Bloomberg Commodity UCITS ETF	46,846
UK Treasury 0.125% 31/1/2023	16,717
Royal London UK Broad Equity Tilt Fund R Acc	13,510
Royal London Emerging Markets ESG Leaders Equity Tracker Fund R Acc	9,305
Royal London Short-Term Money Market Fund R Acc	9,113
iShares Bloomberg Roll Select Commodity Swap UCITS ETF	8,725
Royal London US Equity Tilt Fund R Acc	7,183
UK Treasury 0% 5/6/2023	3,539
Royal London Index Linked Fund R Acc	3,295
Royal London Sterling Credit Fund R Acc	3,124
Subtotal	121,357
Total cost of purchases, including the above, for the year	134,884

Significant Sales

	Proceeds £'000
Invesco Bloomberg Commodity UCITS ETF	46,366
UK Treasury 1.75% 7/9/2022	21,746
iShares Bloomberg Roll Select Commodity Swap UCITS ETF	15,937
Royal London UK Broad Equity Tilt Fund R Acc	14,445
iShares MSCI Target UK Real Estate UCITS ETF	9,337
Royal London Emerging Markets ESG Leaders Equity Tracker Fund R Acc	5,171
Royal London Property Trust A Acc	4,250
Royal London US Equity Tilt Fund R Acc	4,091
Royal London Global High Yield Bond Fund R Acc	3,280
Royal London Short Duration Global High Yield Bond Fund R Acc	2,950
Subtotal	127,573
Total proceeds from sales, including the above, for the year	135,170

Financial Statements

Statement of Total Return

For the year ended 31 December 2022

	Note	31 Dec 2022 £'000	31 Dec 2021 £'000
Income			
Net capital (losses)/gains	2	(22,286)	39,459
Revenue	3	7,586	5,889
Expenses	4	(678)	(535)
Interest payable and similar charges		(2)	(12)
Net revenue before taxation		6,906	5,342
Taxation	5	(492)	(351)
Net revenue after taxation		6,414	4,991
Total (deficit)/return before distributions		(15,872)	44,450
Distributions	6	(6,418)	(4,995)
Change in net assets attributable to shareholders from investment activities		(22,290)	39,455

Balance Sheet

As at 31 December 2022

	Note	31 Dec 2022 £'000	31 Dec 2021 £'000
Assets			
Investments		323,220	337,631
Current assets:			
Debtors	7	610	517
Cash and bank balances	8	31,100	14,484
Total assets		354,930	352,632
Liabilities			
Investment liabilities		1,820	1,042
Creditors:			
Bank overdraft		2,858	5,110
Other creditors	9	236	155
Distribution payable		340	269
Total liabilities		5,254	6,576
Net assets attributable to shareholders		349,676	346,056

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2022

	31 Dec 2022 £'000	31 Dec 2021 £'000
Opening net assets attributable to shareholders	346,056	202,022
Amounts receivable on creation of shares	39,242	118,802
Amounts payable on cancellation of shares	(19,456)	(19,579)
	19,786	99,223
Dilution adjustment charged	28	395
Stamp Duty Land Tax	–	(92)
Change in net assets attributable to shareholders from investment activities	(22,290)	39,455
Retained distribution on accumulation shares	6,096	5,053
Closing net assets attributable to shareholders	349,676	346,056

Notes to the Financial Statements

For the year ended 31 December 2022

1. Accounting policies

The accounting policies are set out in note 1 on pages 9 and 10.

2. Net capital (losses)/gains

	31 Dec 2022 £'000	31 Dec 2021 £'000
The net capital (losses)/gains during the year comprise:		
Realised (losses)/gains on derivative contracts	(2,798)	6,941
Realised gains on non-derivative securities	8,891	11,958
Unrealised (losses)/gains on derivative contracts	(638)	812
Unrealised (losses)/gains on non-derivative securities	(28,616)	19,551
Realised gains/(losses) on currency	241	(44)
Unrealised gains on currency	612	221
Management fee rebates	22	20
Net capital (losses)/gains	(22,286)	39,459

3. Revenue

	31 Dec 2022 £'000	31 Dec 2021 £'000
Distributions from overseas funds	81	444
Distributions from UK regulated collective investment schemes:		
Franked investment income	4,388	3,637
Unfranked investment income	40	26
Interest distribution	858	198
Property income	1,258	1,108
Interest on debt securities	145	77
Bank interest	258	–
Interest received on amounts held with brokers	47	–
Management fee rebates	511	399
Total revenue	7,586	5,889

4. Expenses

	31 Dec 2022 £'000	31 Dec 2021 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	678	535
Total expenses	678	535

* Audit fee £17,935 (31/12/21: £16,333) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Dec 2022 £'000	31 Dec 2021 £'000
Corporation tax	492	325
Adjustments in respect of prior years	–	26
Current or Total tax charge for the year	492	351

b) Factors affecting current tax charge for the year

The tax assessed for the year is lower (31/12/21: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company (20%) (31/12/21: 20%).

The differences are explained below:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Net revenue before taxation	6,906	5,342
Corporation tax at 20% (31/12/21: 20%).	1,381	1,068
Effects of:		
Revenue not subject to taxation	(893)	(747)
Taxable income charge in capital	4	4
Adjustments in respect of prior years*	–	26
Current tax charge for the year	492	351

* The prior year adjustment is due to Income Tax suffered was not initially recognised on distributions from a holding. This was adjusted prior to the Final Computation being submitted.

Authorised Open Ended Investment Companies are exempt from tax on capital gains in the UK, therefore any capital gains/(losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/12/21: same).

d) Factors that may affect future tax charges

At the year end, there is no potential deferred tax in relation to surplus management expenses (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

6. Distributions

The distributions take account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Accumulation shares		
Interim	1,526	1,552
Final	4,570	3,501
	6,096	5,053
Income shares		
Interim	117	117
Final	340	269
	457	386
	6,553	5,439
Add: Income tax withheld on distributions	–	–
Add: Amounts deducted on cancellation of shares	99	107
Deduct: Amounts received on the creation of shares	(234)	(551)
Net distributions for the year	6,418	4,995

The difference between the net revenue after taxation and the distribution paid is as follows:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Net revenue after taxation	6,414	4,991
Taxable income charge in capital	4	4
Net distributions for the year	6,418	4,995

Details of the distribution per share are set out on pages 76 to 77.

7. Debtors

	31 Dec 2022 £'000	31 Dec 2021 £'000
Amounts receivable on creation of shares	484	245
Accrued revenue	126	167
Income tax recoverable	–	105
Total debtors	610	517

8. Cash and bank balances

	31 Dec 2022 £'000	31 Dec 2021 £'000
Cash and bank balances	25,077	6,220
Amounts held at futures clearing houses and brokers	6,023	8,264
Total cash and bank balances	31,100	14,484

9. Other creditors

	31 Dec 2022 £'000	31 Dec 2021 £'000
Amounts payable on cancellation of shares	3	10
Accrued management fee expenses	66	53
Corporation tax payable	167	92
Total other creditors	236	155

10. Reconciliation of number of shares

	Class M Accumulation	Class M Income
Opening shares at 01/01/22	13,776,634	1,023,042
Shares issued	22,364,717	1,317,850
Shares cancelled	(781,227)	(760,710)
Shares converted	76,128	–
Closing shares at 31/12/22	35,436,252	1,580,182

	Class P Accumulation	Class R Accumulation
Opening shares at 01/01/22	941,038	225,846,951
Shares issued	413,020	1,546,760
Shares cancelled	(49,111)	(13,171,857)
Shares converted	(100,285)	–
Closing shares at 31/12/22	1,204,662	214,221,854

	Class S Income
Opening shares at 01/01/22	19,605,635
Shares issued	–
Shares cancelled	–
Shares converted	–
Closing shares at 31/12/22	19,605,635

All classes within the Fund have the same rights on winding up.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/12/21: same).

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Fund Management fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end the balance due from Royal London Unit Trust Managers Limited in respect of these transactions was £416,000 (31/12/21: £183,000).

Amounts due from Royal London Unit Trust Managers Limited in respect of periodic charge rebates at the end of the year amounted to £44,000 (31/12/21: £46,000).

At the year end, 31 December 2022, 84.86% (31/12/21: 86.47%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

In the year the Fund had purchases in other Royal London products to the value of £57,687,000 (31/12/21: £180,578,000) and had sales in other Royal London products of £41,783,000 (31/12/21: £79,018,000).

The Fund at the year end, held a total value £283,581,000 (31/12/21: £285,211,000) in other Royal London Funds and a total revenue of £6,544,000 (31/12/21: £5,380,000) received during the year.

13. Financial Derivatives

Motives and circumstances are used to determine whether returns on derivative contracts should be treated as capital or revenue. Where positions are undertaken to protect or enhance capital and the circumstances support this, the returns are included within net capital gains/losses in the Statement of Total Return. Where they are undertaken for generating or protecting revenue and the circumstances support this, the returns are treated as revenue and are included within the net revenue in the Statement of Total Return. The basis of apportionment is typically made by reference to the yield on the underlying security, index or other appropriate source.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The types of derivatives held at the year end were index futures and forward currency contracts.

Details of the individual contracts are shown on the portfolio statement on page 67, and the total position held by the counterparty at the year end is summarised below:

The underlying exposure for each category of derivatives were as follows:

Counterparty	Forward currency contracts	
	31 Dec 2022 £'000	31 Dec 2021 £'000
Barclays Bank	366	418
Citigroup	35	–
Goldman Sachs	(47)	–
JP Morgan	(19)	(312)
Royal Bank of Canada	(78)	(138)

Eligible collateral types are approved by the ACD and may consist of cash and government bonds only as eligible collateral with respect to derivative transactions.

At 31 December 2022 there was no collateral held in respect of the above derivatives (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

14. Risk disclosures

The policies applied to the management of risk disclosures are set out on pages 11 and 12.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 69. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

A small proportion of the Fund's assets are denominated in currencies other than sterling. The value of the Fund's assets may be affected by currency movements.

Currency	31 Dec 2022 £'000	31 Dec 2021 £'000
Sterling	306,967	301,705
Australian dollar	(3,661)	(6,038)
Canadian dollar	4,042	–
Euro	(898)	(2,311)
Hong Kong dollar	657	253
Japanese yen	(2,381)	1,335
Norwegian krone	1	(1,268)
Singaporean dollar	1,337	17
Swedish krona	(74)	1,326
Swiss franc	(2,674)	(5,090)
US dollar	46,360	56,127
Total	349,676	346,056

If sterling to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £4,271,000 (31/12/21: £4,435,000). If sterling to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £4,271,000 (31/12/21: £4,435,000). These calculations assume all other variables remain constant.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £32,140,000 (31/12/21: £33,659,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £32,140,000 (31/12/21: £33,659,000). These calculations assume all other variables remain constant.

The only direct interest bearing assets of the Fund are cash balances of £25,077,000 (31/12/21: £6,220,000) and UK Gilts. UK Gilts account for only a small percentage of the portfolio.

Cash balances earn interest by reference to SONIA or the international equivalent. This equates to 7.17% of the current Net Asset Value and 1.80% of the previous years.

The majority of the other financial assets are collective investment schemes which do not pay interest, however some of the underlying collective investment scheme investments may be directly or indirectly exposed to interest rate risk. Interest risk is considered insignificant so no sensitivity analysis is required (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

15. Portfolio transaction costs

For the year ended 31 December 2022

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total purchases costs								
Bond transactions	20,255	–	0.00	–	0.00	–	0.00	20,255
Fund transactions	114,600	29	0.03	–	0.00	–	0.00	114,629
Total	134,855	29		–		–		134,884

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total sales costs								
Bond transactions	21,746	–	0.00	–	0.00	–	0.00	21,746
Fund transactions	113,460	36	0.03	–	0.00	–	0.00	113,424
Total	135,206	36		–		–		135,170

The Fund had paid £46,000 as commission on purchases and sales derivative transactions for the year ended 31/12/22.

Commissions, taxes and fees as % of average net assets

Commissions	0.03%
Taxes	0.00%
Other expenses	0.00%

For the year ended 31 December 2021

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total purchases costs								
Bond transactions	37,686	–	–	–	–	–	–	37,686
Fund transactions	211,381	15	0.01	–	–	–	–	211,396
Total	249,067	15		–		–		249,082

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total sales costs								
Bond transactions	20,800	–	–	–	–	–	–	20,800
Fund transactions	109,203	15	0.01	–	–	–	–	109,188
Total	130,003	15		–		–		129,988

The Fund had paid £27,000 as commission on purchases and sales derivative transactions for the year ended 31/12/21.

Commissions, taxes and fees as % of average net assets

Commissions	0.02%
Taxes	0.00%
Other expenses	0.00%

At the balance sheet date the portfolio dealing spread was 0.89% (31/12/21: 1.03%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

16. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- Category 1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Category 2 Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Category 3 Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

As at the year ended 31 December 2022

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	20,356	–	20,356
Collective investment schemes	18,101	245,155	38,426	301,682
Derivatives	617	565	–	1,182
Total	18,718	266,076	38,426	323,220
Investment liabilities				
Derivatives	(1,085)	(735)	–	(1,820)
Total	(1,085)	(735)	–	(1,820)

As at the year ended 31 December 2021

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	21,915	–	21,915
Collective investment schemes	28,650	239,174	46,037	313,861
Derivatives	1,262	593	–	1,855
Total	29,912	261,682	46,037	337,631
Investment liabilities				
Derivatives	(386)	(656)	–	(1,042)
Total	(386)	(656)	–	(1,042)

At the current and prior year end, the level 3 assets held were Royal London Property Trust. These assets have been included as level 3 due to the possibility of restrictions being imposed on their redemption rights.

17. Events after the balance sheet date

Class Z Accumulation launched 31 January 2023.

Subsequent to the Fund's year end, 31 December 2022, factors such as inflation and the Ukraine situation could cause the Fund to be impacted by resulting volatility in stock markets and adverse investor sentiment.

These events have been classified as non-adjusting subsequent event. The net asset value (NAV) of the Fund as at 17 April 2023 was £382,789,509. The impact of the market movements on the Fund's NAV between the end of the reporting period 31 December 2022 and the date of which the financial statements were authorised for issue was 8.29%.

There have been no significant redemptions during this period.

Distribution Tables

For the year ended 31 December 2022

Distribution in pence per share

Interim

Group 1: Shares purchased prior to 1 January 2022

Group 2: Shares purchased between 1 January 2022 and 30 June 2022

	Net income	Equalisation	Distribution paid 31/08/22	Distribution paid 31/08/21
Class M Accumulation				
Group 1	0.4407	–	0.4407	0.5169
Group 2	0.0676	0.3731	0.4407	0.5169
Class M Income				
Group 1	0.4046	–	0.4046	0.4835
Group 2	0.0528	0.3518	0.4046	0.4835
Class P Accumulation				
Group 1	0.3645	–	0.3645	0.4140
Group 2	0.0388	0.3257	0.3645	0.4140
Class R Accumulation				
Group 1	0.6546	–	0.6546	0.6354
Group 2	0.2434	0.4112	0.6546	0.6354
Class S Income				
Group 1	0.5795	–	0.5795	0.5724
Group 2	0.5795	0.0000	0.5795	0.5724

Distribution Tables (continued)

For the year ended 31 December 2022

Distribution in pence per share**Final**

Group 1: Shares purchased prior to 1 July 2022

Group 2: Shares purchased between 1 July 2022 and 31 December 2022

	Net income	Equalisation	Distribution payable 28/02/23	Distribution paid 28/02/22
Class M Accumulation				
Group 1	1.9718	–	1.9718	1.4869
Group 2	0.8064	1.1654	1.9718	1.4869
Class M Income				
Group 1	1.7973	–	1.7973	1.3575
Group 2	0.7148	1.0825	1.7973	1.3575
Class P Accumulation				
Group 1	1.5146	–	1.5146	1.1504
Group 2	0.6738	0.8408	1.5146	1.1504
Class R Accumulation				
Group 1	1.7990	–	1.7990	1.4545
Group 2	1.1706	0.6284	1.7990	1.4545
Class S Income				
Group 1	1.5874	–	1.5874	1.3037
Group 2	1.5874	0.0000	1.5874	1.3037

Royal London GMAP Dynamic Fund

Manager's Investment Report

Cumulative Performance

(% change to 31/12/22)

	1 year total return %	3 year total return %	5 year total return %
Royal London GMAP Dynamic Fund, Class M Accumulation	-5.32	12.36	25.29
Royal London GMAP Dynamic Fund, Class M Income	-5.34	12.25	25.27
Royal London GMAP Dynamic Fund, Class P Accumulation	-5.23	12.50	-
Royal London GMAP Dynamic Fund, Class R Accumulation	-4.94	13.77	-
GMAP Dynamic Custom Benchmark*	-4.67	15.28	30.91
IA Global Sector	-11.07	20.47	38.88

Class P Accumulation launched on 7 May 2019 and Class R Accumulation launched on 21 March 2018.

* Please refer to the Prospectus for details of the Custom Benchmark.

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up and investors may not get back the amount originally invested.

Source: RLAM and Lipper, as at 31 December 2022. Returns are net of management fees. Investors should also note that the total return is calculated on the Fund's official 2pm price whereas the Fund has been valued as at close of business for the Closing Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

On a net basis, the Fund returned -5.32% (Mclass, Accumulation) during the 12 months to 31 December 2022. Performance was largely driven by an overweight position in commodities and a preference for more defensive UK/Japanese equities over the tech heavy US. We remained underweight bonds for most of the year given inflationary pressures and were also largely negative on the outlook of global high-yield bonds.

Market and portfolio commentary

Equity markets fell over the volatile year as opening after the 2020 lockdowns and the invasion of Ukraine increasing energy prices caused high inflation; this led central banks to increase interest rates sharply from very low levels. Higher interest rates caused recession fears which also weighed on sentiment, leading global stock markets to post their worst annual performance since 2008. Signs of peaking inflation did see markets recover some of their losses in Q4. With recession risk still high and earnings showing signs of vulnerability, we remained defensively positioned in equities. In regions, we stayed tactically overweight the UK, given its sectoral composition giving it greater resilience in inflationary periods whilst opting for an underweight position in US stocks as higher interest rates derated growth stocks.

UK Gilt yields surged at the start of this year alongside other sovereign yields, as central banks began to increase rates and markets moved to price in tighter monetary policy. During the first quarter bond markets experienced their worst quarterly return since 1980. Having started the year at 1.1%, UK 10-year gilts ended the year at 3.7%. US bonds suffered their worst yearly loss since 1926. Credit spreads have widened over this year as financial conditions deteriorated, and rising recession fears saw risk appetite wane. On the back of this we underweight the asset class for most of the year, taking profits on our position towards the end of the year buying as yields became relatively attractive.

Commodities had a strong year. On a total return basis, the Bloomberg commodity index returned close to 30%. Commodities rallied particularly strongly at the start of the year as geopolitical tensions and tight supply provided a tail wind for the asset class. Commodities dipped from mid-year highs, as recession fears weighed against a strong rally in natural gas prices. The year began with an overweight position in commodities and were able to partake in the strong rally, we then began gradually to take profits during the year and reduce our overweight position, on recessionary fears, ending the year moderately underweight. This was beneficial for performance.

UK Commercial property returns were negative, despite posting particularly strong returns at the beginning of the year. Performance stalled over the summer, however, with negative returns seen in the month of July, as economic uncertainty, higher debt servicing costs, and a surge in building costs weakened investor sentiment and saw yields begin to soften. October was the worst month on record in the history of the MSCI Monthly Index, followed by November which recorded the second worst month on record. Despite remaining positive of the long-term prospects of property within a diversified portfolio, we moved tactically underweight during the year based on increasing recessionary fears. This tactical positioning had a positive impact on performance.

Manager's Investment Report (continued)

Investment outlook

We expect global growth to weaken in the first half of 2023 with many economies moving into recession and unemployment rates rising (albeit from low levels in the US and UK). With Investment Clock moving into Reflation (weak growth and inflation moderating), we expect 2023 to be much more supportive for government bonds as central banks get to the end of their tightening (interest rates are likely to peak under 5% in the UK and US and there is the prospect of cuts next year). Much will depend on the path of core inflation and the absence of further inflation shocks with geopolitical causes. Either way, we expect stocks to underperform bonds, and as economies move into recession, we would not be surprised to see a second phase of the equity bear market driven by earnings weakening as the global economy deals with recessionary forces. Our active tactical asset allocation process seeks to adjust to macro and market conditions to deliver long term risk adjusted returns in changing environments.

Please see our Investment Clock blog at www.rlam.com/intermediaries/our-views/investment-clock/investment-clock-insights/ for our latest views, including our views on the impact of the Ukraine situation and inflation.

Trevor Greetham
Fund Manager
Royal London Asset Management Limited
31 December 2022

Please note that this commentary is written as at 31 December 2022. For further insights on market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Value Assessment report is available on www.rlam.com.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class M Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	180.38	153.78	152.21
Return before operating charges*	(8.50)	27.61	2.41
Operating charges	(1.03)	(1.01)	(0.84)
Return after operating charges*	(9.53)	26.60	1.57
Distributions on accumulation shares	(2.11)	(2.30)	(2.33)
Retained distributions on accumulation shares	2.11	2.30	2.33
Closing net asset value per share	170.85	180.38	153.78
* after direct transaction costs of:	0.02	0.02	–
Performance			
Return after charges	(5.28)%	17.30%	1.03%
Other information			
Closing net asset value (£'000)	11,838	6,422	3,751
Closing number of shares	6,929,430	3,560,477	2,439,416
Operating charges	0.60%	0.60%	0.60%
Direct transaction costs	0.01%	0.01%	–
Prices[^]			
Highest share price	182.30	181.80	156.70
Lowest share price	161.70	154.40	109.20

Class M Income

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	164.77	142.28	143.09
Return before operating charges*	(7.78)	25.54	2.14
Operating charges	(0.94)	(0.94)	(0.78)
Return after operating charges*	(8.72)	24.60	1.36
Distributions on income shares	(1.93)	(2.11)	(2.17)
Closing net asset value per share	154.12	164.77	142.28
* after direct transaction costs of:	0.02	0.02	–
Performance			
Return after charges	(5.29)%	17.29%	0.95%
Other information			
Closing net asset value (£'000)	852	662	517
Closing number of shares	552,678	401,785	363,175
Operating charges	0.60%	0.60%	0.60%
Direct transaction costs	0.01%	0.01%	–
Prices[^]			
Highest share price	166.50	167.90	146.80
Lowest share price	147.60	142.90	102.70

Class P Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	128.15	109.20	108.05
Return before operating charges*	(6.06)	19.62	1.67
Operating charges	(0.67)	(0.67)	(0.52)
Return after operating charges*	(6.73)	18.95	1.15
Distributions on accumulation shares	(1.56)	(1.68)	(1.57)
Retained distributions on accumulation shares	1.56	1.68	1.57
Closing net asset value per share	121.42	128.15	109.20
* after direct transaction costs of:	0.02	0.02	–
Performance			
Return after charges	(5.25)%	17.35%	1.06%
Other information			
Closing net asset value (£'000)	205	107	6
Closing number of shares	169,034	83,724	4,995
Operating charges	0.55%	0.55%	0.55%
Direct transaction costs	0.01%	0.01%	–
Prices[^]			
Highest share price	129.50	129.10	111.30
Lowest share price	114.90	109.60	77.56

Class R Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	141.59	120.17	118.43
Return before operating charges*	(6.69)	21.62	1.90
Operating charges	(0.20)	(0.20)	(0.16)
Return after operating charges*	(6.89)	21.42	1.74
Distributions on accumulation shares	(2.27)	(2.38)	(2.30)
Retained distributions on accumulation shares	2.27	2.38	2.30
Closing net asset value per share	134.70	141.59	120.17
* after direct transaction costs of:	0.02	0.02	–
Performance			
Return after charges	(4.87)%	17.82%	1.47%
Other information			
Closing net asset value (£'000)	110,461	75,127	52,093
Closing number of shares	82,002,676	53,058,335	43,347,853
Operating charges	0.15%	0.15%	0.15%
Direct transaction costs	0.01%	0.01%	–
Prices[^]			
Highest share price	143.10	142.60	122.50
Lowest share price	127.20	120.70	85.09

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 December 2022

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Bond Collective Investment Schemes – 0.16% (31/12/21 – 0.16%)			
186,866	Royal London Short Term Money Market Fund R Acc [†]	192	0.16
Total Bond Collective Investment Schemes		192	0.16
Equity Collective Investment Schemes – 88.51% (31/12/21 – 89.15%)			
3,201,387	Royal London Asia Pacific ex Japan Tilt Fund R Acc [†]	4,084	3.31
11,480,491	Royal London Emerging Markets ESG Leaders Equity Tracker Fund R Acc [†]	13,283	10.77
5,364,804	Royal London Europe ex UK Equity Tilt Fund R Acc [†]	7,423	6.02
7,415,033	Royal London Global Equity Diversified Fund R Acc [†]	12,207	9.90
3,462,384	Royal London Japan Equity Tilt Fund R Acc [†]	3,758	3.05
38,808,900	Royal London UK Broad Equity Tilt Fund R Acc [†]	40,404	32.75
4,071,835	Royal London UK Core Equity Tilt R Acc [†]	4,902	3.97
15,183,750	Royal London US Equity Tilt Fund R Acc [†]	23,120	18.74
Total Equity Collective Investment Schemes		109,181	88.51
Exchange Traded Funds – 1.28% (31/12/21 – 1.16%)			
11,970	iShares MSCI Canada UCITS ETF	1,585	1.28
Total Exchange Traded Funds		1,585	1.28
Government Bonds – 4.68% (31/12/21 – 4.66%)			
£5,785,885	UK Treasury 0.125% 31/1/2023	5,772	4.68
Total Government Bonds		5,772	4.68
Forward Currency Contracts – (0.02)% (31/12/21 – 0.03%)			
	Buy AUD4,475,000 & Sell £2,473,906*	49	0.04
	Buy CAD3,023,000 & Sell £1,832,706*	22	0.02
	Buy CHF707,000 & Sell £618,814*	17	0.01
	Buy €1,350,000 & Sell £1,167,178*	31	0.02
	Buy £3,574,864 & Sell AUD6,400,000*	(34)	(0.03)
	Buy £1,792,901 & Sell CHF2,040,000*	(41)	(0.03)
	Buy £1,116,806 & Sell €1,290,500*	(28)	(0.02)
	Buy £2,501,206 & Sell JPY406,453,000*	(61)	(0.05)
	Buy £571,878 & Sell NOK6,840,000*	(5)	–
	Buy £569,065 & Sell SEK7,180,000*	(4)	–
	Buy £551,444 & Sell SGD910,000*	(13)	(0.01)
	Buy £4,479,269 & Sell \$5,471,500*	(69)	(0.06)
	Buy JPY314,217,500 & Sell £1,902,776*	78	0.06
	Buy NOK6,690,000 & Sell £559,861*	5	–
	Buy SEK7,050,000 & Sell £562,752* [^]	–	–
	Buy SGD2,075,000 & Sell £1,251,969*	34	0.03
	Buy \$17,030,500 & Sell £14,157,453*	(2)	–
Total Forward Currency Contracts		(21)	(0.02)

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Futures – (0.12)% (31/12/21 – 0.25%)			
23	CME S&P 500 E-Mini Index Future March 2023	(176)	(0.14)
(13)	CME XAB Materials Future March 2023	35	0.03
6	CME XAE Energy Future March 2023	7	–
(11)	CME XAI E-Mini Industries Future March 2023	11	0.01
(22)	CME XAK Technology Future March 2023	96	0.08
66	CME XAP Consumer Staples Future March 2023	(124)	(0.10)
8	CME XAU Utilities Future March 2023	(2)	–
(8)	CME XAY Consumer Discretionary Future March 2023	82	0.06
(18)	EUX Euro Stoxx 50 Future March 2023	9	0.01
100	ICF FTSE 100 Index Future March 2023	(28)	(0.02)
62	NYF MSCI Emerging Market Future March 2023	(58)	(0.05)
(10)	OSE Topix Index Future March 2023	(1)	–
Total Futures		(149)	(0.12)
Total value of investments		116,560	94.49
Net other assets		6,796	5.51
Total net assets		123,356	100.00

[†] Related Party

* Unlisted

[^] Value below £500

All investments, except collective investment schemes and forward currency contracts, are listed on recognised stock exchanges and are "approved securities" within the meaning of the FCA rules unless otherwise stated.

Summary of Material Portfolio Changes

For the year ended 31 December 2022

Significant Purchases

	Cost £'000
Royal London UK Broad Equity Tilt Fund R Acc	16,976
Royal London US Equity Tilt Fund R Acc	11,718
Royal London Emerging Markets ESG Leaders Equity Tracker Fund R Acc	10,786
UK Treasury 0.125% 31/1/2023	5,739
Royal London Global Equity Diversified Fund R Acc	5,253
Royal London Europe ex UK Equity Tilt Fund R Acc	3,290
Royal London Asia Pacific ex Japan Tilt Fund R Acc	2,241
Royal London UK Core Equity Tilt R Acc	2,112
Royal London Japan Equity Tilt Fund R Acc	1,595
iShares MSCI Canada UCITS ETF	688
Subtotal	60,398
Total cost of purchases, including the above, for the year	60,453

Significant Sales

	Proceeds £'000
Royal London Emerging Markets ESG Leaders Equity Tracker Fund R Acc	5,078
Royal London UK Broad Equity Tilt Fund R Acc	4,295
UK Treasury 1.75% 7/9/2022	3,139
Royal London US Equity Tilt Fund R Acc	2,925
Royal London Global Equity Diversified Fund R Acc	976
UK Treasury 0.5% 22/7/2022	669
Royal London Europe ex UK Equity Tilt Fund R Acc	642
Royal London UK Core Equity Tilt R Acc	630
Royal London Asia Pacific ex Japan Tilt Fund R Acc	456
Royal London Japan Equity Tilt Fund R Acc	172
Subtotal	18,982
Total proceeds from sales, including the above, for the year	18,984

Financial Statements

Statement of Total Return

For the year ended 31 December 2022

	Note	31 Dec 2022 £'000	31 Dec 2021 £'000
Income			
Net capital (losses)/gains	2	(5,414)	9,818
Revenue	3	2,038	1,360
Expenses	4	(197)	(127)
Interest payable and similar charges		–	(5)
Net revenue before taxation		1,841	1,228
Taxation	5	(1)	(1)
Net revenue after taxation		1,840	1,227
Total (deficit)/return before distributions		(3,574)	11,045
Distributions	6	(1,841)	(1,228)
Change in net assets attributable to shareholders from investment activities		(5,415)	9,817

Balance Sheet

As at 31 December 2022

	Note	31 Dec 2022 £'000	31 Dec 2021 £'000
Assets			
Investments		117,206	78,866
Current assets:			
Debtors	7	901	414
Cash and bank balances	8	7,845	5,876
Total assets		125,952	85,156
Liabilities			
Investment liabilities		646	324
Creditors:			
Bank overdraft		1,069	2,076
Other creditors	9	871	431
Distribution payable		10	7
Total liabilities		2,596	2,838
Net assets attributable to shareholders		123,356	82,318

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2022

	31 Dec 2022 £'000	31 Dec 2021 £'000
Opening net assets attributable to shareholders	82,318	56,367
Amounts receivable on creation of shares	54,007	22,966
Amounts payable on cancellation of shares	(9,547)	(8,148)
	44,460	14,818
Dilution adjustment charged	–	1
Change in net assets attributable to shareholders from investment activities	(5,415)	9,817
Retained distribution on accumulation shares	1,993	1,315
Closing net assets attributable to shareholders	123,356	82,318

Notes to the Financial Statements

For the year ended 31 December 2022

1. Accounting policies

The accounting policies are set out in note 1 on pages 9 and 10.

2. Net capital (losses)/gains

	31 Dec 2022 £'000	31 Dec 2021 £'000
The net capital (losses)/gains during the year comprise:		
Realised (losses)/gains on derivative contracts	(639)	1,594
Realised gains on non-derivative securities	558	3,904
Unrealised (losses)/gains on derivative contracts	(170)	229
Unrealised (losses)/gains on non-derivative securities	(5,475)	4,089
Realised gains/(losses) on currency	18	(50)
Unrealised gains on currency	288	48
Management fee rebates	6	4
Net capital (losses)/gains	(5,414)	9,818

3. Revenue

	31 Dec 2022 £'000	31 Dec 2021 £'000
Distributions from overseas funds	14	19
Distributions from UK regulated collective investment schemes:		
Franked investment income	1,833	1,297
Unfranked investment income	16	9
Interest distribution	2	–
Interest on debt securities	44	1
Bank interest	62	–
Interest received on amounts held with brokers	12	–
Management fee rebates	55	34
Total revenue	2,038	1,360

4. Expenses

	31 Dec 2022 £'000	31 Dec 2021 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	197	127
Total expenses	197	127

* Audit fee £17,935 (31/12/21: £16,333) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Dec 2022 £'000	31 Dec 2021 £'000
Irrecoverable income tax	1	1
Current tax charge for the year	1	1

b) Factors affecting current tax charge for the year

The tax assessed for the year is lower (31/12/21: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company (20%) (31/12/21: 20%).

The differences are explained below:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Net revenue before taxation	1,841	1,228
Corporation tax at 20% (31/12/21: 20%).	368	246

Effects of:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Revenue not subject to taxation	(369)	(263)
Current year expenses not utilised	–	16
Irrecoverable income tax	1	1
Taxable income charge in capital	1	1
Current tax charge for the year	1	1

Authorised Open Ended Investment Companies are exempt from tax on capital gains in the UK, therefore any capital gains/(losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/12/21: same).

d) Factors that may affect future tax charges

At the year end, there is a potential deferred tax asset of £121,000 (31/12/21: £121,000) in relation to surplus management expenses. It is unlikely the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

6. Distributions

The distributions take account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Accumulation shares		
Interim	300	255
Final	1,693	1,060
	1,993	1,315
Income shares		
Interim	1	1
Final	10	7
	11	8
	2,004	1,323
Add: Amounts deducted on cancellation of shares	47	51
Deduct: Amounts received on the creation of shares	(210)	(146)
Net distributions for the year	1,841	1,228

The difference between the net revenue after taxation and the distribution paid is as follows:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Net revenue after taxation	1,840	1,227
Taxable income charge in capital	1	1
Net distributions for the year	1,841	1,228

Details of the distribution per share are set out on page 90.

7. Debtors

	31 Dec 2022 £'000	31 Dec 2021 £'000
Amounts receivable on creation of shares	230	–
Sales awaiting settlement	645	390
Accrued revenue	23	23
Income tax recoverable	3	1
Total debtors	901	414

8. Cash and bank balances

	31 Dec 2022 £'000	31 Dec 2021 £'000
Cash and bank balances	5,590	2,852
Amounts held at futures clearing houses and brokers	2,255	3,024
Total cash and bank balances	7,845	5,876

9. Other creditors

	31 Dec 2022 £'000	31 Dec 2021 £'000
Amounts payable on cancellation of shares	650	418
Purchases awaiting settlement	200	–
Accrued management fee expenses	21	13
Total other creditors	871	431

10. Reconciliation of number of shares

	Class M Accumulation	Class M Income
Opening shares at 01/01/22	3,560,477	401,785
Shares issued	3,929,236	258,129
Shares cancelled	(560,283)	(107,236)
Closing shares at 31/12/22	6,929,430	552,678

	Class P Accumulation	Class R Accumulation
Opening shares at 01/01/22	83,724	53,058,335
Shares issued	85,310	35,196,669
Shares cancelled	–	(6,252,328)
Closing shares at 31/12/22	169,034	82,002,676

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Fund Management fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end the balance due to Royal London Unit Trust Managers Limited in respect of these transactions was £440,000 (31/12/21: £431,000).

Amounts due from Royal London Unit Trust Managers Limited in respect of periodic charge rebates at the end of the year amounted to £7,000 (31/12/21: £4,000).

At the year end, 31 December 2022, 91.30% (31/12/21: 92.91%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

In the year the Fund had purchases in other Royal London products to the value of £54,027,000 (31/12/21: £36,986,000) and had sales in other Royal London products of £15,176,000 (31/12/21: £20,177,000).

The Fund at the year end, held a total value £109,373,000 (31/12/21: £73,522,000) in other Royal London Funds and a total revenue of £1,851,000 (31/12/21: £1,306,000) received during the year.

13. Financial Derivatives

Motives and circumstances are used to determine whether returns on derivative contracts should be treated as capital or revenue. Where positions are undertaken to protect or enhance capital and the circumstances support this, the returns are included within net capital gains/losses in the Statement of Total Return. Where they are undertaken for generating or protecting revenue and the circumstances support this, the returns are treated as revenue and are included within the net revenue in the Statement of Total Return. The basis of apportionment is typically made by reference to the yield on the underlying security, index or other appropriate source.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The types of derivatives held at the year end were index futures and forward currency contracts.

Details of the individual contracts are shown on the portfolio statement on page 81, and the total position held by the counterparty at the year end is summarised below:

The underlying exposure for each category of derivatives were as follows:

Counterparty	Forward currency contracts	
	31 Dec 2022 £'000	31 Dec 2021 £'000
Barclays Bank	165	151
Citigroup	12	-
Goldman Sachs	(22)	-
JP Morgan	(9)	(74)
Royal Bank of Canada	(1)	(41)

Eligible collateral types are approved by the ACD and may consist of cash and government bonds only as eligible collateral with respect to derivative transactions.

At 31 December 2022 there was no collateral held in respect of the above derivatives (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

14. Risk disclosures

The policies applied to the management of risk disclosures are set out on pages 11 and 12.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 83. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

A small proportion of the Fund's assets are denominated in currencies other than sterling. The value of the Fund's assets may be affected by currency movements.

Currency	31 Dec 2022 £'000	31 Dec 2021 £'000
Sterling	112,171	73,800
Australian dollar	(1,364)	(1,791)
Canadian dollar	1,857	12
Euro	59	(653)
Hong Kong dollar	138	84
Japanese yen	(616)	616
Norwegian krone	(12)	(384)
Singaporean dollar	726	6
Swedish krona	(10)	403
Swiss franc	(1,194)	(1,568)
US dollar	11,601	11,793
Total	123,356	82,318

If sterling to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £1,118,000 (31/12/21: £852,000). If sterling to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £1,118,000 (31/12/21: £852,000). These calculations assume all other variables remain constant.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £11,656,000 (31/12/21: £7,854,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £11,656,000 (31/12/21: £7,854,000). These calculations assume all other variables remain constant.

The only direct interest bearing assets of the Fund are cash balances of £5,590,000 (31/12/21: £2,852,000) and UK Gilts. UK Gilts account for only a small percentage of the portfolio.

Cash balances earn interest by reference to SONIA or the international equivalent. This equates to 4.53% of the current Net Asset Value and 3.46% of the previous years.

The majority of the other financial assets are collective investment schemes which do not pay interest, however some of the underlying collective investment scheme investments may be directly or indirectly exposed to interest rate risk. Interest risk is considered insignificant so no sensitivity analysis is required (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

15. Portfolio transaction costs

For the year ended 31 December 2022

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total purchases costs								
Bond transactions	5,739	-	-	-	-	-	-	5,739
Fund transactions	54,714	-	-	-	-	-	-	54,714
Total	60,453	-		-		-		60,453

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total sales costs								
Bond transactions	3,808	-	-	-	-	-	-	3,808
Fund transactions	15,176	-	-	-	-	-	-	15,176
Total	18,984	-		-		-		18,984

The Fund had paid £15,000 as commission on purchases and sales derivative transactions for the year ended 31/12/22.

Commissions, taxes and fees as % of average net assets

Commissions	0.01%
Taxes	0.00%
Other expenses	0.00%

For the year ended 31 December 2021

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total purchases costs								
Bond transactions	3,848	-	-	-	-	-	-	3,848
Fund transactions	37,633	-	-	-	-	-	-	37,633
Total	41,481	-		-		-		41,481

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total sales costs								
Bond transactions	1,679	-	-	-	-	-	-	1,679
Fund transactions	20,692	-	-	-	-	-	-	20,692
Total	22,371	-		-		-		22,371

The Fund had paid £8,000 as commission on purchases and sales derivative transactions for the year ended 31/12/21.

Commissions, taxes and fees as % of average net assets

Commissions	0.01%
Taxes	0.00%
Other expenses	0.00%

At the balance sheet date the portfolio dealing spread was 0.01% (31/12/21: 0.01%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

16. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- Category 1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Category 2 Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Category 3 Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

As at the year ended 31 December 2022

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	5,772	–	5,772
Collective investment schemes	1,585	109,373	–	110,958
Derivatives	240	236	–	476
Total	1,825	115,381	–	117,206
Investment liabilities				
Derivatives	(389)	(257)	–	(646)
Total	(389)	(257)	–	(646)

As at the year ended 31 December 2021

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	3,840	–	3,840
Collective investment schemes	951	73,522	–	74,473
Derivatives	325	228	–	553
Total	1,276	77,590	–	78,866
Investment liabilities				
Derivatives	(122)	(202)	–	(324)
Total	(122)	(202)	–	(324)

17. Events after the balance sheet date

Class Z Accumulation launched 31 January 2023.

Subsequent to the Fund's year end, 31 December 2022, factors such as inflation and the Ukraine situation could cause the Fund to be impacted by resulting volatility in stock markets and adverse investor sentiment.

These events have been classified as non-adjusting subsequent event. The net asset value (NAV) of the Fund as at 17 April 2023 was £136,084,279. The impact of the market movements on the Fund's NAV between the end of the reporting period 31 December 2022 and the date of which the financial statements were authorised for issue was 10.48%.

There have been no significant redemptions during this period.

Distribution Tables

For the year ended 31 December 2022

Distribution in pence per share

Interim

Group 1: Shares purchased prior to 1 January 2022

Group 2: Shares purchased between 1 January 2022 and 30 June 2022

	Net income	Equalisation	Distribution paid 31/08/22	Distribution paid 31/08/21
Class M Accumulation				
Group 1	0.0971	–	0.0971	0.3061
Group 2	0.0000	0.0971	0.0971	0.3061
Class M Income				
Group 1	0.0871	–	0.0871	0.2824
Group 2	0.0000	0.0871	0.0871	0.2824
Class P Accumulation				
Group 1	0.0981	–	0.0981	0.2436
Group 2	0.0000	0.0981	0.0981	0.2436
Class R Accumulation				
Group 1	0.3783	–	0.3783	0.5208
Group 2	0.0162	0.3621	0.3783	0.5208

Final

Group 1: Shares purchased prior to 1 July 2022

Group 2: Shares purchased between 1 July 2022 and 31 December 2022

	Net income	Equalisation	Distribution payable 28/02/23	Distribution paid 28/02/22
Class M Accumulation				
Group 1	2.0178	–	2.0178	1.9913
Group 2	0.0160	2.0018	2.0178	1.9913
Class M Income				
Group 1	1.8421	–	1.8421	1.8268
Group 2	0.7204	1.1217	1.8421	1.8268
Class P Accumulation				
Group 1	1.4647	–	1.4647	1.4409
Group 2	0.0000	1.4647	1.4647	1.4409
Class R Accumulation				
Group 1	1.8906	–	1.8906	1.8617
Group 2	1.2142	0.6764	1.8906	1.8617

Royal London Multi Asset Strategies Fund

Manager's Investment Report

Cumulative Performance

(% change to 31/12/22)

	1 year total return %	3 year total return %	5 year total return %
Royal London Multi Asset Strategies Fund, Class M Accumulation	-6.08	-5.55	-
Royal London Multi Asset Strategies Fund, Class M Income	-6.09	-5.47	-
Royal London Multi Asset Strategies Fund, Class R Accumulation	-5.63	-4.31	-
Royal London Multi Asset Strategies Fund, Class S Accumulation	-5.63	-4.29	-
Sterling Overnight Index Average Rate (SONIA)	1.40	1.64	2.94
Sterling Overnight Index Average Rate (SONIA) +4% per annum	5.40	14.26	25.10

Class M Accumulation, Class M Income and Class R Accumulation launched on 23 November 2018 and Class S Accumulation launched on 26 March 2019.

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up and investors may not get back the amount originally invested.

Source: RLAM and Lipper, as at 31 December 2022. Returns are net of management fees. Investors should also note that the total return is calculated on the Fund's official 2pm price whereas the Fund has been valued as at close of business for the Closing Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

On a net basis, the Fund returned -6.08% (M class, Accumulation) during the 12 months to 31 December 2022 underperforming its SONIA benchmark. This has been driven by the challenging market backdrop, especially at the start of 2022, where the majority of asset classes performed negatively. However, we note the investment objective of the Fund is explicitly set out over the long-term to capture a full business cycle and this means there will be short periods of time whereby the Fund will underperform. Nonetheless, we believe recent performance has been robust when compared with competitor Funds and, importantly, consistent with managing volatility and the downside risk exactly as designed.

Market and portfolio commentary

The global economy is slowing as interest rates rise in response to inflation. Inflation is dominating market thinking also given the energy cost spike in 2022 following the invasion of Ukraine. Other inflationary factors are also at play, such as supply chain disruption from COVID lockdowns in China, tight labour markets and sharp rises in food prices.

Central banks responded to the continued strength of inflation by further tightening monetary policy and reiterating that they will do whatever it takes to suppress rising prices. The Federal Reserve (Fed), European Central Bank (ECB) and Bank of England (BoE) each raised rates by 1.25% in aggregate over the fourth quarter. Since March, the Fed has raised rates seven times by 4.25% in total – its 0.75% increases in June, July, September and November were the biggest single increases for nearly 30 years. Investors expect further hikes in 2023 as the services sector of the US economy has remained notably strong. The ECB was slower to react, partly due to a more fragmented backdrop with a gap between Germany and 'peripheral' economies. However, it ended its bond buying programme in July and increased rates by 0.75% (its first hike for 11 years and a bigger increase than the 0.50% expected by economists). Further increases followed in September, October and December with a clear commitment to raise rates further in 2023. The BoE increased rates to 3.5% over the quarter, taking its tally to eight increases in 2022 and nine so far in this cycle.

There is still considerable uncertainty about the outlook for 2023 and many investors fear that higher interest rates will cause a recession. We believe the current equity bear market will be two-legged: the first leg – the interest rate-induced derating of equities, particularly growth stocks – is probably over unless another inflation shock forces interest rates higher than expected. The second leg is being driven by the increasing likelihood of a recession and earnings downgrades. In such an environment, markets can turn quickly in either direction, depending on news. A key factor will be the outlook for inflation: if price rises start to slow and fewer interest rate increases are needed, equities can bounce sharply.

Manager's Investment Report (continued)

Asset allocation overview for 12 months to December

Our tactical asset allocation was relatively positive over the second half of the year. We were moderately overweight equities, with a preference for the UK, given its relatively defensive nature and greater resilience to inflation given the size of commodity sectors in the UK index, which added to performance. Our preference for defensive US sectors, such as consumer staples, over the expensive growth sectors again returned positive value. The benefits of the well-diversified multi asset approach used in our funds continued to deliver positive risk-adjusted returns in a difficult macro-economic environment.

Our proprietary Investment Clock model remained in its 'Stagflation' phase for much of the period reflecting a fall in the pace of growth, but with significant inflationary pressures present. Our overweight in commodities added value as they rebounded from their lows on ongoing supply constraints and rising geopolitical tensions. We were underweight bonds for most of the period which was beneficial to performance as yields rose from their lows as central banks tightened monetary policy. Towards the end of the year however, inflation showed signs of peaking and we moved to a broadly neutral position, taking profits on our previous underweights.

Investment outlook

We expect global growth to weaken in the first half of 2023 with many economies moving into recession and unemployment rates rising (albeit from low levels in the US and UK). With our Investment Clock moving into Reflation (weak growth and inflation moderating), we expect 2023 to be much more supportive for government bonds as central banks get to the end of their tightening phase (interest rates are likely to peak under 5% in the UK and US and there is the prospect of cuts next year). Much will depend on the path of core inflation and the absence of further inflation shocks with geopolitical causes. Either way, we expect stocks to underperform bonds, and as economies move into recession, we would not be surprised to see a second phase of the equity bear market driven by earnings weakening as the global economy deals with recessionary forces. Our active tactical asset allocation process seeks to adjust to macro and market conditions to deliver long term risk adjusted returns in changing environments.

Trevor Greetham
Fund Manager
Royal London Asset Management Limited
31 December 2022

Please note that this commentary is written as at 31 December 2022. For further insights on market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Value Assessment report is available on www.rlam.com.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class M Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	106.89	100.40	106.49
Return before operating charges*	(6.02)	7.07	(5.55)
Operating charges	(0.56)	(0.58)	(0.54)
Return after operating charges*	(6.58)	6.49	(6.09)
Distributions on accumulation shares	(1.02)	(0.44)	(0.90)
Retained distributions on accumulation shares	1.02	0.44	0.90
Closing net asset value per share	100.31	106.89	100.40
* after direct transaction costs of:	0.05	0.04	0.03
Performance			
Return after charges	(6.16)%	6.46%	(5.72)%
Other information			
Closing net asset value (£'000)	915	102	93
Closing number of shares	912,380	95,472	92,192
Operating charges	0.55%	0.55%	0.55%
Direct transaction costs	0.05%	0.03%	0.03%
Prices[^]			
Highest share price	107.30	107.90	107.80
Lowest share price	98.97	100.90	91.56

Class M Income

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	104.68	98.76	105.68
Return before operating charges*	(5.90)	6.92	(5.51)
Operating charges	(0.54)	(0.56)	(0.53)
Return after operating charges*	(6.44)	6.36	(6.04)
Distributions on income shares	(1.01)	(0.44)	(0.88)
Closing net asset value per share	97.23	104.68	98.76
* after direct transaction costs of:	0.05	0.04	0.03
Performance			
Return after charges	(6.15)%	6.44%	(5.72)%
Other information			
Closing net asset value (£'000)	8,270	4	3
Closing number of shares	8,505,387	3,500	3,500
Operating charges	0.55%	0.55%	0.55%
Direct transaction costs	0.05%	0.03%	0.03%
Prices[^]			
Highest share price	105.00	106.00	107.00
Lowest share price	96.70	99.11	90.86

Class R Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	108.37	101.40	106.98
Return before operating charges*	(6.12)	7.08	(5.48)
Operating charges	(0.10)	(0.11)	(0.10)
Return after operating charges*	(6.22)	6.97	(5.58)
Distributions on accumulation shares	(1.49)	(0.92)	(1.34)
Retained distributions on accumulation shares	1.49	0.92	1.34
Closing net asset value per share	102.15	108.37	101.40
* after direct transaction costs of:	0.06	0.04	0.03
Performance			
Return after charges	(5.74)%	6.87%	(5.22)%
Other information			
Closing net asset value (£'000)	102,813	107,699	100,730
Closing number of shares	100,649,198	99,382,698	99,384,480
Operating charges*	0.10%	0.10%	0.10%
Direct transaction costs	0.05%	0.03%	0.03%
Prices[^]			
Highest share price	108.70	109.30	108.30
Lowest share price	100.70	101.80	92.07

* Includes an adjustment for synthetic OCF of 0.00% (31/12/19: 0.00%).

Class S Accumulation

Change in net assets per share	31/12/22 (p)	31/12/21 (p)	31/12/20 (p)
Opening net asset value per share	106.51	99.62	105.15
Return before operating charges*	(6.01)	6.99	(5.43)
Operating charges	(0.10)	(0.10)	(0.10)
Return after operating charges*	(6.11)	6.89	(5.53)
Distributions on accumulation shares	(1.46)	(0.91)	(1.32)
Retained distributions on accumulation shares	1.46	0.91	1.32
Closing net asset value per share	100.40	106.51	99.62
* after direct transaction costs of:	0.05	0.04	0.03
Performance			
Return after charges	(5.74)%	6.92%	(5.26)%
Other information			
Closing net asset value (£'000)	97,912	103,153	89,746
Closing number of shares	97,521,865	96,844,588	90,088,613
Operating charges	0.10%	0.10%	0.10%
Direct transaction costs	0.05%	0.03%	0.03%
Prices[^]			
Highest share price	106.88	107.40	106.50
Lowest share price	98.95	100.10	90.49

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 December 2022

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Bond Collective Investment Schemes – 57.49% (31/12/21 – 56.09%)			
5,243,092	Royal London Ethical Bond Fund R Acc [†]	5,206	2.48
10,248,700	Royal London International Government Bond Fund R Acc [†]	10,366	4.94
17,940,197	Royal London Investment Grade Short Dated Credit Fund R Acc [†]	17,935	8.54
5,159,496	Royal London Short Term Fixed Income Enhanced Fund R Acc [†]	5,321	2.53
54,706,035	Royal London Short-Term Money Market Fund R Acc [†]	56,258	26.80
100,000	Royal London Sterling Liquidity Money Market R Inc [†]	100	0.05
4,134,866	Royal London Sustainable Managed Income Trust D Acc [†]	5,193	2.48
22,745,586	Royal London UK Government Bond Fund R Acc [†]	20,299	9.67
Total Bond Collective Investment Schemes		120,678	57.49
Equity Collective Investment Schemes – 29.96% (31/12/21 – 30.07%)			
8,143,956	Royal London Asia Pacific ex Japan Equity Tilt Fund R Acc [†]	10,389	4.95
9,082,661	Royal London Emerging Markets ESG Leaders Equity Tracker Fund R Acc [†]	10,509	5.01
7,702,825	Royal London Europe ex UK Equity Tilt Fund R Acc [†]	10,658	5.08
9,848,704	Royal London Japan Equity Tilt Fund R Acc [†]	10,688	5.09
8,664,003	Royal London UK Core Equity Tilt R Acc [†]	10,430	4.97
6,695,873	Royal London US Equity Tilt Fund R Acc [†]	10,196	4.86
Total Equity Collective Investment Schemes		62,870	29.96
Exchange Traded Funds – 3.79% (31/12/21 – 4.85%)			
400,766	Invesco Bloomberg Commodity UCITS ETF	7,966	3.79
Total Exchange Traded Funds		7,966	3.79
Government Bonds – 6.02% (31/12/21 – 3.96%)			
£12,676,473	UK Treasury 0.125% 31/1/2023	12,647	6.02
Total Government Bonds		12,647	6.02
Forward Currency Contracts – (0.18)% (31/12/21 – (0.11)%)			
	Buy AUD9,154,000 & Sell £5,061,590*	99	0.05
	Buy CAD6,571,500 & Sell £3,982,390*	49	0.02
	Buy CHF1,448,500 & Sell £1,267,825*	34	0.02
	Buy €150,000 & Sell £129,686*	3	–
	Buy £8,917,055 & Sell AUD15,965,000*	(84)	(0.04)
	Buy £4,605,295 & Sell CHF5,240,000*	(105)	(0.05)
	Buy £2,533,843 & Sell €2,925,500*	(62)	(0.03)
	Buy £6,063,998 & Sell ¥988,450,000*	(168)	(0.08)
	Buy £1,403,776 & Sell NOK16,790,000*	(13)	(0.01)
	Buy £1,478,143 & Sell SEK18,650,000*	(10)	–
	Buy £1,496,776 & Sell SGD2,470,000*	(302)	(0.14)
	Buy £16,802,324 & Sell \$20,578,500*	(34)	(0.02)
	Buy ¥211,005,000 & Sell £1,284,275*	46	0.02
	Buy NOK15,126,500 & Sell £1,265,881*	11	0.01
	Buy SEK15,941,000 & Sell £1,272,458* [^]	–	–
	Buy SGD4,394,000 & Sell £2,651,158*	72	0.03
	Buy \$16,370,000 & Sell £13,521,540*	85	0.04
Total Forward Currency Contracts		(379)	(0.18)

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Futures – 0.30% (31/12/21 – 0.14%)			
(9)	CBT US 10 year Note Future March 2023	16	0.01
(120)	CME S&P 500 E-Mini Future March 2023	541	0.26
(22)	CME XAB Materials Future March 2023	59	0.03
(19)	CME XAI E-Mini Industries Future March 2023	19	0.01
11	CME XAE Energy Future March 2023	13	0.01
113	CME XAP Consumer Staples Future March 2023	(211)	(0.10)
13	CME XAU Utilities Future March 2023	(4)	–
(38)	CME XAK Technology Future March 2023	170	0.08
(13)	CME XAY Consumer Discretionary Future March 2023	134	0.06
(7)	EUX Euro-Bond Future March 2023	26	0.01
(60)	EUX Euro Stoxx 50 Future March 2023	30	0.01
(2)	HKG Hang Seng Index Future January 2023	(1)	–
220	ICF FTSE 100 Index Future March 2023	(63)	(0.03)
(8)	ICF Long Gilt Future March 2023	28	0.01
126	NYF Mini MSCI Emerging Market Future March 2023	(126)	(0.06)
(29)	OSE Topix Index Future March 2023	(1)	–
(4)	SFE SPI 200 Future March 2023 [^]	–	–
Total Futures		630	0.30
Total value of investments		204,412	97.38
Net other assets		5,498	2.62
Total net assets		209,910	100.00

[†] Related Party

* Unlisted

[^] Value below £500

All investments, except collective investment schemes and forward currency contracts, are listed on recognised stock exchanges and are "approved securities" within the meaning of the FCA rules unless otherwise stated.

Summary of Material Portfolio Changes

For the year ended 31 December 2022

Significant Purchases

	Cost £'000
Royal London Short-Term Money Market Fund R Acc	56,209
Invesco Bloomberg Commodity UCITS ETF	54,242
Royal London UK Government Bond Fund R Acc	21,882
UK Treasury 0.125% 31/1/2023	15,523
Royal London Investment Grade Short Dated Credit Fund R Acc	14,077
Royal London Emerging Markets ESG Leaders Equity Tracker Fund R Acc	13,982
Royal London International Government Bond Fund R Acc	10,555
iShares Bloomberg Roll Select Commodity Swap UCITS ETF	10,194
Royal London Sterling Liquidity Money Market R Inc	5,000
Royal London Short Term Fixed Income Enhanced Fund R Acc	3,702
Subtotal	205,366
Total cost of purchases, including the above, for the year	222,429

Significant Sales

	Proceeds £'000
Invesco Bloomberg Commodity UCITS ETF	51,160
Royal London Short Term Fixed Income R Acc	27,683
Royal London Short Duration Gilts Fund R Acc	21,431
iShares Bloomberg Roll Select Commodity Swap UCITS ETF	19,278
Royal London Investment Grade Short Dated Credit Fund R Acc	15,078
Royal London Short-Term Money Market Fund R Acc	14,000
Royal London Short Duration Global High Yield Bond Fund R Acc	12,518
Royal London Emerging Markets ESG Leaders Equity Tracker Fund R Acc	10,967
Royal London UK Government Bond Fund R Acc	9,189
UK Treasury 1.75% 7/9/2022	8,335
Subtotal	189,639
Total proceeds from sales, including the above, for the year	209,783

Financial Statements

Statement of Total Return

For the year ended 31 December 2022

	Note	31 Dec 2022 £'000	31 Dec 2021 £'000
Income			
Net capital (losses)/gains	2	(15,464)	11,513
Revenue	3	3,208	2,018
Expenses	4	(238)	(203)
Interest payable and similar charges		(1)	(55)
Net revenue before taxation		2,969	1,760
Taxation	5	(7)	(8)
Net revenue after taxation		2,962	1,752
Total (deficit)/return before distributions		(12,502)	13,265
Distributions	6	(2,969)	(1,760)
Change in net assets attributable to shareholders from investment activities		(15,471)	11,505

Balance Sheet

As at 31 December 2022

	Note	31 Dec 2022 £'000	31 Dec 2021 £'000
Assets			
Investments		205,596	201,441
Current assets:			
Debtors	7	35	64
Cash and bank balances	8	7,873	11,584
Total assets		213,504	213,089
Liabilities			
Investment liabilities		1,184	1,025
Creditors:			
Bank overdraft		2,314	1,083
Other creditors	9	29	23
Distribution payable		67	–
Total liabilities		3,594	2,131
Net assets attributable to shareholders		209,910	210,958

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2022

	31 Dec 2022 £'000	31 Dec 2021 £'000
Opening net assets attributable to shareholders	210,958	190,572
Amounts receivable on creation of shares	14,807	7,844
Amounts payable on cancellation of shares	(3,313)	(742)
	11,494	7,102
Dilution adjustment charged	2	1
Change in net assets attributable to shareholders from investment activities	(15,471)	11,505
Retained distribution on accumulation shares	2,927	1,778
Closing net assets attributable to shareholders	209,910	210,958

Notes to the Financial Statements

For the year ended 31 December 2022

1. Accounting policies

The accounting policies are set out in note 1 on pages 9 and 10.

2. Net capital (losses)/gains

	31 Dec 2022 £'000	31 Dec 2021 £'000
The net capital (losses)/gains during the year comprise:		
Realised (losses)/gains on derivative contracts	(4,618)	8,160
Realised (losses)/gains on non-derivative securities	(743)	4,844
Unrealised gains on derivative contracts	250	59
Unrealised losses on non-derivative securities	(11,080)	(1,957)
Realised gains on currency	625	118
Unrealised gains on currency	65	250
Management fee rebates	37	39
Net capital (losses)/gains	(15,464)	11,513

3. Revenue

	31 Dec 2022 £'000	31 Dec 2021 £'000
Distributions from overseas funds	1	504
Distributions from UK regulated collective investment schemes:		
Franked investment income	1,172	183
Unfranked investment income	4	8
Interest distribution	1,727	1,155
Interest on debt securities from collective investment schemes	–	87
Interest on debt securities	119	(12)
Bank interest	46	–
Deposit interest	41	–
Management fee rebates	98	93
Total revenue	3,208	2,018

4. Expenses

	31 Dec 2022 £'000	31 Dec 2021 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	238	203
Total expenses	238	203

* Audit fee £17,935 (31/12/21: £16,333) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Dec 2022 £'000	31 Dec 2021 £'000
Corporation tax	7	8
Total tax charge for the year	7	8

b) Factors affecting total tax charge for the year

The tax assessed for the year is lower (31/12/21: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company (20%) (31/12/21: 20%).

The differences are explained below:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Net revenue before taxation	2,969	1,760
Corporation tax at 20% (31/12/21: 20%).	594	352
Effects of:		
Revenue not subject to taxation	(234)	(37)
Taxable income charge in capital	7	8
Tax deductible interest distributions	(360)	(315)
Current tax charge for the year	7	8

Authorised Open Ended Investment Companies are exempt from tax on capital gains in the UK, therefore any capital gains/(losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

6. Distributions

The distributions take account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Accumulation shares		
Interim	856	638
Final	2,071	1,140
	2,927	1,778
Income shares		
Interim	12	–
Final	67	–
	79	–
	3,006	1,778
Add: Amounts deducted on cancellation of shares	9	1
Deduct: Amounts received on the creation of shares	(46)	(19)
Net distributions for the year	2,969	1,760

The difference between the net revenue after taxation and the distribution paid is as follows:

	31 Dec 2022 £'000	31 Dec 2021 £'000
Net revenue after taxation	2,962	1,752
Taxable income charge in capital	7	8
Net distributions for the year	2,969	1,760

Details of the distribution per share are set out on page 103.

7. Debtors

	31 Dec 2022 £'000	31 Dec 2021 £'000
Accrued revenue	35	64
Total debtors	35	64

8. Cash and bank balances

	31 Dec 2022 £'000	31 Dec 2021 £'000
Cash and bank balances	3,026	8,007
Amounts held at futures clearing houses and brokers	4,847	3,577
Total cash and bank balances	7,873	11,584

9. Other creditors

	31 Dec 2022 £'000	31 Dec 2021 £'000
Accrued management fee expenses charge	21	18
Corporation tax payable	7	5
Accrued expenses	1	–
Total other creditors	29	23

10. Reconciliation of number of shares

	Class M Accumulation	Class M Income
Opening shares at 01/01/22	95,472	3,500
Shares issued	824,460	9,488,095
Shares cancelled	(7,552)	(986,208)
Closing shares at 31/12/22	912,380	8,505,387

	Class R Accumulation	Class S Accumulation
Opening shares at 01/01/22	99,382,698	96,844,588
Shares issued	2,061,781	2,153,655
Shares cancelled	(795,281)	(1,476,378)
Closing shares at 31/12/22	100,649,198	97,521,865

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Fund Management fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end the balance due to Royal London Unit Trust Managers Limited in respect of these transactions was £21,000 (31/12/21: £18,000).

Amounts due from Royal London Unit Trust Managers Limited in respect of periodic charge rebates at the end of the year amounted to £14,000 (31/12/21: £18,000).

At the year end, 31 December 2022, 48.48% (31/12/21: 50.62%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

In the year the Fund had purchases in other Royal London products to the value of £142,471,000 (31/12/21: £97,034,000) and had sales in other Royal London products of £128,036,000 (31/12/21: £41,577,000).

The Fund at the year end, held a total value £183,548,000 (31/12/21: £181,757,000) in other Royal London Funds and a total revenue of £2,904,000 (31/12/21: £1,850,000) received during the year.

13. Financial Derivatives

Motives and circumstances are used to determine whether returns on derivative contracts should be treated as capital or revenue. Where positions are undertaken to protect or enhance capital and the circumstances support this, the returns are included within net capital gains/losses in the Statement of Total Return. Where they are undertaken for generating or protecting revenue and the circumstances support this, the returns are treated as revenue and are included within the net revenue in the Statement of Total Return. The basis of apportionment is typically made by reference to the yield on the underlying security, index or other appropriate source.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The types of derivatives held at the year end were index futures and forward currency contracts.

Details of the individual contracts are shown on the portfolio statement on page 94, and the total position held by the counterparty at the year end is summarised below:

The underlying exposure for each category of derivatives were as follows:

Counterparty	Forward currency contracts	
	31 Dec 2022 £'000	31 Dec 2021 £'000
Barclays Bank	209	13
CitiGroup	14	-
Goldman Sachs	(54)	-
JP Morgan	(80)	(180)
Royal Bank of Canada	(37)	167

Eligible collateral types are approved by the ACD and may consist of cash and government bonds only as eligible collateral with respect to derivative transactions.

At 31 December 2022 there was no collateral held in respect of the above derivatives (31/12/21: same).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

14. Risk disclosures

The policies applied to the management of risk disclosures are set out on pages 11 and 12.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 96. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

A small proportion of the Fund's assets are denominated in currencies other than sterling. The value of the Fund's assets may be affected by currency movements.

Currency	31 Dec 2022 £'000	31 Dec 2021 £'000
Sterling	212,368	224,041
Australian dollar	(5,512)	(7,462)
Canadian dollar	4,032	(36)
Euro	(2,353)	(4,414)
Hong Kong dollar	3	(864)
Japanese yen	(5,542)	(2,673)
Norwegian krone	(140)	(1,390)
Singaporean dollar	1,196	(59)
Swedish krona	(216)	890
Swiss franc	(3,402)	(6,226)
US dollar	9,476	9,151
Total	209,910	210,958

If sterling to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £246,000 (31/12/21: £1,308,000). If sterling to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £246,000 (31/12/21: £1,308,000). These calculations assume all other variables remain constant.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £20,441,000 (31/12/21: £20,042,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £20,441,000 (31/12/21: £20,042,000). These calculations assume all other variables remain constant.

The only direct interest bearing assets of the Fund are cash balances of £3,026,000 (31/12/21: £8,007,000) and UK Gilts. UK Gilts account for only a small percentage of the portfolio.

Cash balances earn interest by reference to SONIA or the international equivalent. This equates to 1.44% of the current Net Asset Value and 3.80% of the previous years.

The majority of the other financial assets are collective investment schemes which do not pay interest, however some of the underlying collective investment scheme investments may be directly or indirectly exposed to interest rate risk. Interest risk is considered insignificant so no sensitivity analysis is required (31/12/21: nil).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

15. Portfolio transaction costs

For the year ended 31 December 2022

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total purchases costs								
Bond transactions	15,523	–	–	–	–	–	–	15,523
Fund transactions	206,874	32	0.02	–	–	–	–	206,906
Total	222,397	32		–		–		222,429

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total sales costs								
Bond transactions	11,308	–	–	–	–	–	–	11,308
Fund transactions	198,510	35	0.02	–	–	–	–	198,475
Total	209,818	35		–		–		209,783

The Fund had paid £45,000 as commission on purchases and sales derivative transactions for the year ended 31/12/22.

Commissions, taxes and fees as % of average net assets

Commissions	0.05%
Taxes	0.00%
Other expenses	0.00%

For the year ended 31 December 2021

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total purchases costs								
Bond transactions	61,665	–	–	–	–	–	–	61,665
Fund transactions	124,262	14	0.01	–	–	–	–	124,276
Total	185,927	14		–		–		185,941

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Analysis of total sales costs								
Bond transactions	80,374	–	–	–	–	–	–	80,374
Fund transactions	79,977	19	0.02	–	–	8	0.01	79,950
Total	160,351	19		–		8		160,324

The Fund had paid £29,000 as commission on purchases and sales derivative transactions for the year ended 31/12/21.

Commissions, taxes and fees as % of average net assets

Commissions	0.03%
Taxes	0.00%
Other expenses	0.00%

At the balance sheet date the portfolio dealing spread was 0.01% (31/12/21: 0.01%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

16. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- Category 1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Category 2 Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Category 3 Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

As at the year ended 31 December 2022

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	12,647	–	12,647
Collective investment schemes	7,966	183,548	–	191,514
Derivatives	1,036	399	–	1,435
Total	9,002	196,594	–	205,596
Investment liabilities				
Derivatives	(406)	(778)	–	(1,184)
Total	(406)	(778)	–	(1,184)

As at the year ended 31 December 2021

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	8,362	–	8,362
Collective investment schemes	10,238	181,757	–	191,995
Derivatives	628	456	–	1,084
Total	10,866	190,575	–	201,441
Investment liabilities				
Derivatives	(331)	(694)	–	(1,025)
Total	(331)	(694)	–	(1,025)

17. Events after the balance sheet date

Subsequent to the Fund's year end, 31 December 2022, factors such as inflation and the Ukraine situation could cause the Fund to be impacted by resulting volatility in stock markets and adverse investor sentiment.

These events have been classified as non-adjusting subsequent event. The net asset value (NAV) of the Fund as at 17 April 2023 was £212,678,191. The impact of the market movements on the Fund's NAV between the end of the reporting period 31 December 2022 and the date of which the financial statements were authorised for issue was 1.22%.

There has been one significant redemption during this period.

The significant cancellation on the Fund indicated above during this period was on M Accumulation (20.22%).

Distribution Tables

For the year ended 31 December 2022

Distribution in pence per share

Interim

Group 1: Shares purchased prior to 1 January 2022

Group 2: Shares purchased between 1 January 2022 and 30 June 2022

	Net income	Equalisation	Distribution paid 31/08/22	Distribution paid 31/08/21
Class M Accumulation				
Group 1	0.2176	–	0.2176	0.1023
Group 2	0.2054	0.0122	0.2176	0.1023
Class M Income				
Group 1	0.2261	–	0.2261	0.1108
Group 2	0.0387	0.1874	0.2261	0.1108
Class R Accumulation				
Group 1	0.4351	–	0.4351	0.3358
Group 2	0.1485	0.2866	0.4351	0.3358
Class S Accumulation				
Group 1	0.4275	–	0.4275	0.3300
Group 2	0.1550	0.2725	0.4275	0.3300

Final

Group 1: Shares purchased prior to 1 July 2022

Group 2: Shares purchased between 1 July 2022 and 31 December 2022

	Net income	Equalisation	Distribution payable 28/02/23	Distribution paid 28/02/22
Class M Accumulation				
Group 1	0.8046	–	0.8046	0.3355
Group 2	0.5379	0.2667	0.8046	0.3355
Class M Income				
Group 1	0.7862	–	0.7862	0.3268
Group 2	0.4925	0.2937	0.7862	0.3268
Class R Accumulation				
Group 1	1.0501	–	1.0501	0.5857
Group 2	0.0000	1.0501	1.0501	0.5857
Class S Accumulation				
Group 1	1.0322	–	1.0322	0.5760
Group 2	0.0000	1.0322	1.0322	0.5760

Fact File

Constitution

Royal London GMAP Conservative Fund

Launch date		14 March 2016
Accounting end dates		31 December (final)
		30 June (interim)
Distribution dates		28 February (final)
		31 August (interim)
Minimum investment	Class M	£10,000 (thereafter £1,000)
	Class P	N/A
	Class R	N/A
	Class S	N/A
	Class Z	£15,000,000 (thereafter £50,000)
Initial Management charge	Class M	nil
	Class P	nil
	Class R	nil
	Class S	nil
	Class Z	nil
Fund Management Fee	Class M	0.60%
	Class P	0.55%
	Class R	0.15%
	Class S	0.15%
	Class Z	0.40%

Royal London GMAP Defensive Fund

Launch date		14 March 2016
Accounting end dates		31 December (final)
		30 June (interim)
Distribution dates		28 February (final)
		31 August (interim)
Minimum investment	Class M	£10,000 (thereafter £1,000)
	Class P	N/A
	Class R	N/A
	Class S	N/A
	Class Z	£15,000,000 (thereafter £50,000)
Initial Management charge	Class M	nil
	Class P	nil
	Class R	nil
	Class S	nil
	Class Z	nil
Fund Management Fee	Class M	0.60%
	Class P	0.55%
	Class R	0.15%
	Class S	0.15%
	Class Z	0.40%

Fact File

Constitution

Royal London GMAP Balanced Fund

Launch date		14 March 2016
Accounting end dates		31 December (final)
		30 June (interim)
Distribution dates		28 February (final)
		31 August (interim)
Minimum investment	Class M	£10,000 (thereafter £1,000)
	Class P	N/A
	Class R	N/A
	Class S	N/A
	Class Z	£15,000,000 (thereafter £50,000)
Initial Management charge	Class M	nil
	Class P	nil
	Class R	nil
	Class S	nil
	Class Z	nil
Fund Management Fee	Class M	0.60%
	Class P	0.55%
	Class R	0.15%
	Class S	0.15%
	Class Z	0.40%

Royal London GMAP Growth Fund

Launch date		14 March 2016
Accounting end dates		31 December (final)
		30 June (interim)
Distribution dates		28 February (final)
		31 August (interim)
Minimum investment	Class M	£10,000 (thereafter £1,000)
	Class P	N/A
	Class R	N/A
	Class S	N/A
	Class Z	£15,000,000 (thereafter £50,000)
Initial Management charge	Class M	nil
	Class P	nil
	Class R	nil
	Class S	nil
	Class Z	nil
Fund Management Fee	Class M	0.60%
	Class P	0.55%
	Class R	0.15%
	Class S	0.15%
	Class Z	0.40%

Fact File (continued)**Constitution** (continued)**Royal London GMAP Adventurous Fund**

Launch date		14 March 2016
Accounting end dates		31 December (final)
		30 June (interim)
Distribution dates		28 February (final)
		31 August (interim)
Minimum investment	Class M	£10,000 (thereafter £1,000)
	Class P	N/A
	Class R	N/A
	Class S	N/A
	Class Z	£15,000,000 (thereafter £50,000)
Initial Management charge	Class M	nil
	Class P	nil
	Class R	nil
	Class S	nil
	Class Z	nil
Fund Management Fee	Class M	0.60%
	Class P	0.55%
	Class R	0.15%
	Class S	0.15%
	Class Z	0.40%

Royal London GMAP Dynamic Fund

Launch date		14 March 2016
Accounting end dates		31 December (final)
		30 June (interim)
Distribution dates		28 February (final)
		31 August (interim)
Minimum investment	Class M	£10,000 (thereafter £1,000)
	Class P	N/A
	Class R	N/A
	Class S	N/A
	Class Z	£15,000,000 (thereafter £50,000)
Initial Management charge	Class M	nil
	Class P	nil
	Class R	nil
	Class S	nil
	Class Z	nil
Fund Management Fee	Class M	0.60%
	Class P	0.55%
	Class R	0.15%
	Class S	0.15%
	Class Z	0.40%

Fact File (continued)**Constitution** (continued)**Royal London Multi Asset Strategies Fund**

Launch date		23 November 2018
Accounting end dates		31 December (final)
		30 June (interim)
Distribution dates		28 February (final)
		31 August (interim)
Minimum investment	Class M	£10,000 (thereafter £1,000)
	Class R	N/A
	Class S	N/A
	Class Z	£15,000,000 (thereafter £50,000)
Initial Management charge	Class M	nil
	Class R	nil
	Class S	nil
	Class Z	nil
Fund Management Fee	Class M	0.55%
	Class R	0.10%
	Class S	0.10%
	Class Z	0.40%

Fact File (continued)

Investment Objectives and Policies

Please note that Synthetic Risk and Reward Indicators (SRRIs) are calculated on a share class basis. For SRI information in relation to a specific share class, please always refer to the relevant Key Investor Information Document (KIID) available on our website.

Royal London GMAP Conservative Fund

The objective of the Fund is to achieve a total return over the course of a market cycle, which should be considered as a period of 6–7 years, by predominantly investing in other funds, known as collective investment schemes. The Fund aims to achieve the lowest level of risk and return relative to the other funds in the Royal London Multi-Asset range.

The Fund will seek to achieve this objective predominantly through investment in fixed income collective investment schemes, which may use either active or passive strategies. The Fund may also invest in closed end investment companies.

The collective investment schemes invested in will predominantly be managed by the Investment Adviser, but may also include those managed by third-parties. These collective investment schemes will invest in fixed income securities, including investment and sub-investment grade, but may also invest in money-market instruments, deposits and cash. The Fund may also invest directly in money market instruments, deposits and cash.

The Fund may invest in derivatives and forward transactions for efficient portfolio management purposes, including hedging, and investment purposes.

Risk and reward profile



The Fund is ranked in risk category 3 because its share price has shown a low to medium level of volatility historically. This calculation was made using some synthetic data and may not be a reliable indication of the future risk profile. As an investment, bonds are typically more volatile than money market instruments but less volatile than shares.

Royal London GMAP Defensive Fund

The investment objective of the Fund is to deliver capital growth over a market cycle of approximately 6 to 7 years, via investment in a diversified portfolio of assets. The Fund seeks to provide a relatively low level of return with a relatively low level of risk when compared to other Funds within the Royal London Multi-Asset range.

The Fund will seek to achieve this objective predominantly through investment in collective investment schemes, which may use either active or passive strategies. The Fund may also invest in closed end investment companies. The collective investment schemes invested in will invest in UK and overseas equities, fixed income securities, including investment and sub-investment grade, commodities, property, money market instruments, deposits and cash. At any point in time the Fund's equity exposure will not exceed 35%. The collective investment schemes invested in will primarily be managed by the Investment Adviser, but potentially those managed by third-parties. The Fund may also invest directly in transferable securities such as equities and fixed income securities as well as money market instruments, deposits and cash.

The Fund may invest in derivatives and forward transactions for efficient portfolio management purposes, including hedging, and investment purposes.

Risk and reward profile



The Fund is ranked in risk category 3 because its share price has shown a low to medium level of volatility historically. This calculation was made using some synthetic data and may not be a reliable indication of the future risk profile. As an investment, bonds are typically more volatile than money market instruments but less volatile than shares.

Fact File (continued)

Investment Objective and Policies (continued)

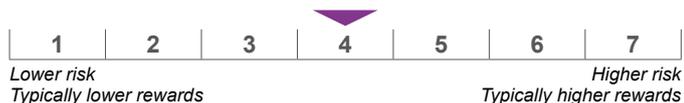
Royal London GMAP Balanced Fund

The investment objective of the Fund is to deliver capital growth, over a market cycle of approximately 6 to 7 years, via investment in a diversified portfolio of assets. The Fund seeks to provide a relatively moderate level of return with a relatively moderate level of risk when compared to other Funds within the Royal London Multi-Asset range.

The Fund will seek to achieve this objective predominantly through investment in collective investment schemes, which may use either active or passive strategies. The Fund may also invest in closed end investment companies. The collective investment schemes invested in will invest in UK and overseas equities, fixed income securities, including investment and sub-investment grade, commodities, property, money-market instruments, deposits and cash. At any point in time the Fund's equity exposure will not be less than 15% and will not exceed 60%. The collective investment schemes invested in will primarily be managed by the Investment Adviser, but may also include those managed by third-parties. The Fund may also invest directly in transferable securities such as equities and fixed income securities as well as money market instruments, deposits and cash.

The Fund may invest in derivatives and forward transactions for efficient portfolio management purposes, including hedging, and investment purposes.

Risk and reward profile



The Fund is ranked in risk category 4 because its share price has shown a medium level of volatility historically. This calculation was made using some synthetic data and may not be a reliable indication of the future risk profile. As an investment, bonds are typically more volatile than money market instruments but less volatile than shares.

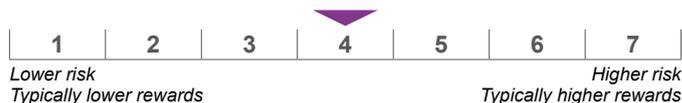
Royal London GMAP Growth Fund

The investment objective of the Fund is to deliver capital growth, over a market cycle of approximately 6 to 7 years, via investment in a diversified portfolio of assets. The Fund seeks to provide a relatively moderate to high level of return with a relatively moderate to high level of risk when compared to other Funds within the Royal London Multi-Asset range.

The Fund will seek to achieve this objective predominantly through investment in collective investment schemes, which may use either active or passive strategies. The Fund may also invest in closed end investment companies. The collective investment schemes invested in will invest in UK and overseas equities, fixed income securities, including investment and sub-investment grade, commodities, property, money-market instruments, deposits and cash. It is the policy of the Fund that it will maintain an exposure to shares of between 35% and 80%. The collective investment schemes invested in will primarily be managed by the Investment Adviser, but may also include those managed by third-parties. The Fund may also invest directly in transferable securities such as equities and fixed income securities as well as money market instruments, deposits and cash.

The Fund may invest in derivatives and forward transactions for efficient portfolio management purposes, including hedging, and investment purposes.

Risk and reward profile



The Fund is ranked in risk category 4 because its share price has shown a medium level of volatility historically. This calculation was made using some synthetic data and may not be a reliable indication of the future risk profile. As an investment, bonds are typically more volatile than money market instruments but less volatile than shares.

Fact File (continued)

Investment Objective and Policies (continued)

Royal London GMAP Adventurous Fund

The investment objective of the Fund is to deliver capital growth, over a market cycle of approximately 6 to 7 years, via investment in a diversified portfolio of assets. The Fund seeks to provide a relatively high level of return with a relatively high level of risk when compared to other Funds within the Royal London Multi-Asset range.

The Fund will seek to achieve this objective predominantly through investment in collective investment schemes, which may use either active or passive strategies. The Fund may also invest in closed end investment companies. These collective investment schemes will invest in UK and overseas equities, fixed income securities, including investment and sub-investment grade, commodities, property, money market instruments, deposits and cash. It is the policy of the Fund that it will maintain an exposure to shares of between 50% and 90%. The collective investment schemes invested in will primarily be managed by the Investment Adviser, but may also include those managed by third-parties. The Fund may also invest directly in transferable securities such as equities and fixed income securities as well as money market instruments, deposits and cash.

The Fund may invest in derivatives and forward transactions for efficient portfolio management purposes, including hedging, and investment purposes.

Risk and reward profile



The Fund is ranked in risk category 5 because its share price has shown a medium to high level of volatility historically. This calculation was made using some synthetic data and may not be a reliable indication of the future risk profile. As an investment, bonds are typically more volatile than money market instruments but less volatile than shares.

Royal London GMAP Dynamic Fund

The investment objective of the Fund is to deliver capital growth, over a market cycle of approximately 6 to 7 years, via investment in a diversified portfolio of UK and global equities. The Fund seeks to provide the highest level of return with the highest level of risk when compared to other Funds within the Royal London Multi-Asset range.

The Fund will achieve this predominantly through investment in equity collective investment schemes, which may use either active or passive strategies. The Fund may also invest in closed end investment companies. The collective investment schemes invested in will invest in UK and overseas equities but may also invest in money-market instruments, deposits and cash. The collective investment schemes invested in will predominantly be managed by the Investment Adviser, but may also include those managed by third-parties. The Fund may also invest directly in money-market instruments, deposits and cash.

The Fund may invest in derivatives and forward transactions for efficient portfolio management purposes, including hedging, and investment purposes.

Risk and reward profile



The Fund is ranked in risk category 5 because its share price has shown a medium to high level of volatility historically. This calculation was made using some synthetic data and may not be a reliable indication of the future risk profile. As an investment, bonds are typically more volatile than money market instruments but less volatile than shares.

Fact File (continued)

Investment Objective and Policies (continued)

Royal London Multi Asset Strategies Fund

The investment objective of the Fund is to achieve capital growth and income in excess of cash returns, while managing volatility and downside risk through diversified multi asset strategies. The Fund will seek to achieve an annualised total return of 4% over cash (defined as the Sterling Over Night Index Average or SONIA) over rolling five year periods. There is a risk to capital and there is no guarantee that such returns will be achieved over this or any particular period.

The Fund will seek to achieve this objective by investing primarily in collective investment schemes, which may use either active or passive strategies. The collective investment schemes invested in will invest in UK and overseas equities, fixed income securities (including investment and sub-investment grade), commodities, money-market instruments, deposits and cash. The collective investment schemes invested in will primarily be managed by the Investment Adviser, but may also include those managed by third parties. The Fund may also invest directly in transferable securities such as equities and fixed income securities as well as money market instruments, deposits and cash.

The Fund may invest in derivatives and forward transactions for efficient portfolio management purposes, including hedging, and investment purposes.

Risk and reward profile



The Fund is ranked in risk category 4 because its share price has shown a medium level of volatility historically. This calculation was made using some synthetic data and may not be a reliable indication of the future risk profile. As an investment, bonds are typically more volatile than money market instruments but less volatile than shares.

The indicators have been calculated using historical data and may not be a reliable indication of the future risk profile of the Funds. The indicators are calculated using a standard methodology that is used by all companies offering such Funds in Europe.

The risk/reward indicators are an estimate and not a guarantee. Going forward, the Funds' actual volatility could be higher or lower, and their rated risk/reward profile could change. The lowest risk category does not mean the investment is risk free.

The Risk and Reward Profiles are published in each Fund's most recent Key Investor Information Document.

Remuneration Policy (unaudited)

The Authorised Corporate Director (“ACD”) of the Royal London Multi-Asset Funds ICVC, Royal London Unit Trust Managers Limited (“RLUTM”), is subject to remuneration policies, procedures and practices (together, the “Remuneration Policy”), as required under the UCITS Directive (“UCITS V”). RLUTM has appointed Royal London Asset Management Limited (“RLAM”) as the Investment Adviser to the Fund.

RLUTM and RLAM are wholly-owned subsidiaries of The Royal London Mutual Insurance Society, “the Group”. The Group maintains a “Group Remuneration Policy” that RLUTM has adopted which is consistent with and promotes sound and effective risk management. It is designed so that risk-taking is not encouraged where this is inconsistent with the risk profiles or the instrument constituting the fund or the prospectus, as applicable, of the UCITS it manages. The Group has appointed a Remuneration Committee which is made up of Non-Executive Directors and is advised by independent remuneration consultants. The Committee considers the advice by independent remuneration consultants and the implications of remuneration policies across the Group, including for RLUTM.

The Remuneration Policy is in line with the business strategy, objectives, values and the interests of the ACD and the interests of the Royal London Multi-Asset Funds ICVC and includes measures to avoid conflicts of interest. The Remuneration Policy adopts performance related pay, with salaries determined by reference to both individual performance and the external market. Total Remuneration comprises of a mix of fixed remuneration (including base salary and benefits), and variable remuneration in the form of incentives. The ratio between fixed and variable pay (both short-term and long-term incentives) is set by the Group to ensure that there is appropriate balance between the fixed and variable remuneration components. The Group Remuneration Policy applies to staff of the ACD whose professional activities have a material impact on the risk profile of the ACD or the ICVC, and ensures that an individual cannot be involved in determining or approving their own remuneration. The UCITS Directive requires RLUTM to identify employees whose professional activities have a material impact on the risk profile of the RLUTM and the Fund. Identified staff includes senior management, risk takers, control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers.

The Remuneration Policy is updated annually and reviewed and approved by the Remuneration Committee. The most recent review included increases to the maximum incentive opportunities for executive directors of the Group, updates to reflect the Financial Conduct Authority’s (FCA) Consumer Duty principle and supporting rules which comes into effect in July 2023, as well as minor wording changes to improve clarity. Details of the Remuneration Policy (provided in the form of the “UCITS Summary Remuneration Policy”), includes a description on the purpose of the policy, how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits. The UCITS Summary Remuneration Policy will be made available for inspection and a paper copy may be obtained, free of charge, at the registered office of the ACD, upon request.

RLUTM has a board of directors (the “Directors”). The Directors of the Company who are also employees of the Group do not receive any remuneration in respect of their services as directors of RLUTM. The other Non-Executive Directors receive fixed remuneration in respect of their services which is set at a level determined by the Group and is not performance related. None of the Directors are currently in receipt of variable remuneration in respect of their services as Directors of RLUTM. RLUTM has no employees and therefore there are no other controlled functions, or senior management employed and paid by RLUTM. However, for the financial year ending 31 December 2022, total remuneration of £27,513,761 was paid to 50 individuals whose actions may have a material impact on the risk profile of RLUTM, of which £6,685,030 related to senior management. The fixed element of the total remuneration mentioned above is £10,370,339 and the variable element is £17,143,422. In addition, the ICVC does not make any payments directly to any staff of the delegates.

In accordance with the Remuneration Policy and the requirements of UCITS V, staff working for RLAM are not remunerated by the ACD but they are subject to remuneration requirements which are equally as effective as those in place under the UCITS Directive. RLAM is also subject to the Financial Conduct Authority’s Remuneration Codes.

General Information

Pricing and dealing

The prices of shares are determined by reference to the underlying market value of the net assets of each sub-fund at the relevant valuation point.

Share prices are normally calculated daily however, if the markets are exceptionally volatile the ACD may conduct more frequent valuations to reflect any significant changes in the value of a sub-fund's underlying assets.

Dealing prices, yields and details of risks and charges are published on our website, www.rlam.com.

Dealing in shares is conducted between 9.00am and 5.00pm on a forward pricing basis.

Buying shares

Shares may be bought on any business day via an authorised intermediary or from the ACD by telephoning the Dealing desk on 08456 04 04 04*. Alternatively, an application form should be completed and sent to the ACD. Shares will be allocated at the price ruling at the next valuation point and a contract note confirming the purchase will be issued immediately thereafter.

Selling shares

Shares may be sold back to the ACD on any business day. Shares can be sold by telephone by calling the Dealing desk on 03456 04 04 04* or alternatively by putting your request in writing. The ACD will allocate the price calculated from the next valuation point and issue a contract note as evidence of the sale. Settlement will be issued within 4 business days following receipt of satisfactory evidence to title of the shares.

* In the interest of investors' protection all telephone calls to the Dealing desk are recorded.

Cancellation rights

Where a person purchases shares the Conduct Of Business Sourcebook Instrument 2001 (as amended from time to time) may give the investor the right to cancel the relevant purchase within 14 days of receipt of the requisite notice of a right to cancel. The right to cancel does not arise if (a) the investor is not a private customer, (b) the investor is not an execution-only customer, (c) the agreement to purchase is entered into through a direct offer financial promotion, or (d) the agreement is entered into under a customer agreement or during negotiations (which are not ISA or PEP related) intended to lead to a client agreement.

UK taxation

The Company is not subject to Capital Gains Tax.

Capital gains established when shares are sold are subject to tax, but at the present time investors are not liable unless their total gains in any tax year from all disposals of assets exceed the Capital Gains Tax annual exemption.

Investors receive a distribution of net revenue with tax credit equivalent to the lower rate of income tax. Where the distribution is retained within a sub-fund and not paid out it should be included in investors' Income Tax Return. No further liability exists if they pay at the lower or basic rate, but higher rate tax will be payable as appropriate. If investors are not liable to tax they are unable to claim repayment of the tax credit from HM Revenue & Customs. The treatment of distributions as received by corporate shareholders is detailed on the reverse of dividend warrants.

The first distribution received after purchasing shares includes an amount described as 'equalisation'. This is a repayment of capital and is therefore not liable to Income Tax. It should, however, be deducted from the initial cost of shares for Capital Gains Tax purposes.

Authorisation

The Company was authorised by the Financial Conduct Authority on 17 February 2016. The Company is a non-UCITS retail scheme.

Company Reports and Prospectus

Copies of the latest yearly and half yearly financial statements and copies of the Prospectus may be obtained from Royal London Unit Trust Managers Limited upon request.

Contact Us

For further information
please contact:

**Royal London
Asset Management Limited**

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London EC3M 4BY

020 3272 5950

bdsupport@rlam.co.uk

www.rlam.com

This report is issued by Royal London Asset Management Limited on behalf of RLUTM Limited.

Royal London Asset Management is a marketing brand which includes Royal London Unit Trust Managers Limited, authorised and regulated by the Financial Conduct Authority and which manages collective investment schemes, registered in England and Wales number 2372439.

This company is a subsidiary of The Royal London Mutual Insurance Society Limited, registered in England and Wales number 99064.

Registered office: 80 Fenchurch Street, London EC3M 4BY.

Ref: PDF RLAM PD 0118

