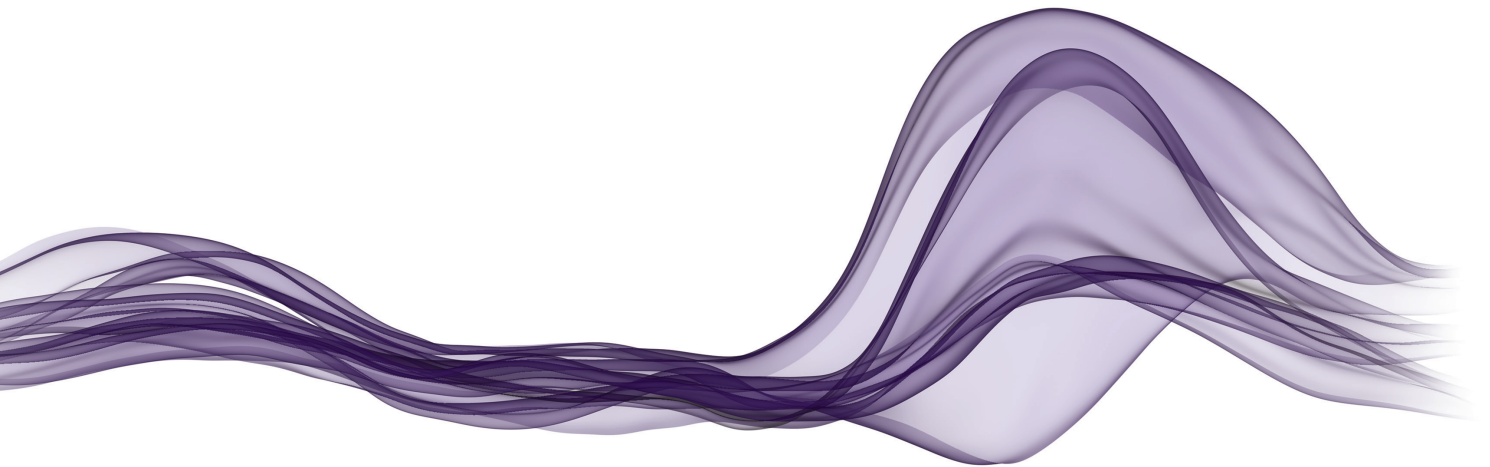


For professional clients only, not suitable for retail investors.

Royal London UK Income with Growth Trust

Annual Report

For the year ended 31 March 2023



Contents

| | |
|--|----|
| Trust Information* | 3 |
| Manager's Investment Report* | 4 |
| Investment Objective and Policy | 4 |
| Risk and Reward Profile | 4 |
| Cumulative Performance | 5 |
| Investment Review and Outlook | 5 |
| Portfolio Statement* | 7 |
| Summary of Material Portfolio Changes | 10 |
| Comparative Table | 11 |
| Statement of Manager's Responsibilities in Relation to the Report and Financial Statements of the Trust | 12 |
| Statement of the Trustee's Responsibilities in Relation to the Financial Statements of the Trust | 13 |
| Report of the Trustee to the Unitholders of the Royal London UK Income with Growth Trust | 13 |
| Independent Auditors' Report to the Unitholders of Royal London UK Income with Growth Trust | 14 |
| Statement of Total Return | 17 |
| Statement of Change in Net Assets Attributable to Unitholders | 17 |
| Balance Sheet | 17 |
| Notes to the Financial Statements | 18 |
| Distribution Tables | 25 |
| Remuneration Policy (unaudited) | 26 |
| General Information | 27 |

* The Authorised Fund Manager's Report comprises these items (subsequent references to the Manager's report).

Trust Information

Trust Status

The Trustee is HSBC Bank plc which holds the title to the Trust's investments on behalf of unitholders. The Royal London UK Income with Growth Trust (the Trust) is a "wider-range" investment under the Trustee Investments Act 1961. It is an authorised unit trust scheme under section 243 of the Financial Services and Markets Act 2000 and is a UCITS Scheme under the Financial Conduct Authority Collective Investment Schemes Sourcebook. Copies of the Trust Deed may be inspected at the offices of the Manager: 80 Fenchurch Street, London EC3M 4BY.

Manager

RLUM Limited

80 Fenchurch Street, London EC3M 4BY

Authorised and regulated by the Financial Conduct Authority.

Directors of the Manager

P. Beamish

P. Bowker (Director, appointed 1 January 2023)

J.M. Brett (Non-executive Director)

J.S. Glen (Chairman)

J.M. Jackson (Non-executive Director)

M.P. Lewis (resigned 31 December 2022)

Trustee

HSBC Bank plc

8 Canada Square, Canary Wharf, London E14 5HQ

Authorised and regulated by the Financial Conduct Authority.

Administrator

HSBC Securities Services (UK) Limited

1-2 Lochside Way, Edinburgh Park, Edinburgh EH12 9DT

Authorised and regulated by the Financial Conduct Authority.

Registrar

RLUM Limited

RLUM Limited has delegated responsibility for safekeeping and maintenance of the register to **Capita Life and Pensions Regulated Services Limited**

Regulated Services Limited

The Register may be inspected at:

Churchgate House, 56 Oxford Street, Manchester M1 6EU

Independent Auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

7 More London Riverside, London SE1 2RT

Investment Adviser

Royal London Asset Management Limited

80 Fenchurch Street, London EC3M 4BY

Authorised and regulated by the Financial Conduct Authority.

Manager's Investment Report

The Royal London UK Income with Growth Trust (the Trust) is an authorised unit trust scheme, the Manager of which is RLUM Limited. The Manager has appointed Royal London Asset Management Limited to undertake the portfolio management for the Trust.

Royal London Asset Management Limited is the fund management arm of The Royal London Group and is independently authorised by the Financial Conduct Authority to provide asset management services.

We have a long and successful history of managing our customers' money and our specialist fund management service offers a distinctive approach to responsible investing across all of the funds that we manage. For example, we fully integrate consideration of financial, environmental, social and governance issues throughout the investment process when selecting companies for investment and we also vote at every Annual General Meeting of companies we hold, the exception being where voting would prevent trading.

Investment Objective and Policy

The Royal London UK Income with Growth Trust aims to achieve an above-average income with some capital growth over the medium-to-long term (5–7 years) by primarily investing in the shares and sterling-denominated bonds of UK companies listed on the London Stock Exchange.

The Trust's income target is to produce an annual income that exceeds the income of the FTSE® All-Share Index (the "Index") by at least 20% over a rolling 7-year period.

At least 50% of the Trust will be invested in shares of UK companies. A UK company is one that is domiciled in the UK, or which has significant UK business operations. Up to 30% of the Trust's assets may be invested in the shares of companies that are not UK companies (as defined above), but which are listed in the UK. In total, typically between 50% and 80% will be invested in shares of companies that form part of the FTSE® All-Share Index. The Trust's Manager may invest the remainder of the Trust's assets in UK corporate bonds, listed on the iBoxx £ Non-Gilts Total Return Index, and UK government bonds, which must be rated investment grade at the time of purchase.

The Trust may invest up to 10% in other investment funds, known as collective investment schemes. Typically only a small portion of assets will be invested in cash. The Trust may also invest a small amount of its portfolio in derivatives (investments that derive their value from another closely related underlying investment) for the purposes of efficient portfolio management (EPM).

Risk and Reward Profile



About this indicator

- This Synthetic Risk and Reward Indicator (SRRI) is calculated according to European Securities and Markets Authority (ESMA) regulations, to allow investors to compare funds on the same basis. According to this methodology the Trust has been classed as category 5.
- The scale shows that the higher the risk, the higher the potential for greater returns. The numerical indicator which is referenced on the scale, is a measure of how much the unit price of this Trust has risen and fallen (over the last five years) and therefore how much the Trust's returns have varied.
- The Trust is shown in risk category 5 because its unit price has shown a medium to high level of volatility historically. As an investment, bonds are typically more volatile than money market instruments but less volatile than shares. This Trust has a mixture of all these investments.
- The risk rating remains unchanged from the prior year.

Investors should note

- The indicator is based on historical data and may not be a reliable indication of the future risk profile of this Trust.
- The lowest rating does not mean 'risk free' and it does not measure the risk that you may suffer a capital loss.
- The risk and reward profile shown is not guaranteed to remain the same and may change over time.

Manager's Investment Report (continued)

Cumulative Performance (% change to 31/03/23)

| | 1 year total return % | 3 year total return % | 5 year total return % |
|--|--------------------------------|--------------------------------|--------------------------------|
| Royal London UK Income with Growth Trust, Class A Income | -2.01 | 35.49 | 21.95 |
| FTSE® All-Share Index | 2.92 | 47.41 | 27.85 |

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: Royal London Asset Management Limited and Lipper, as at 31 March 2023. Returns are net of management fees. Investors should note that the total return is calculated on the Trust's official midday price whereas the Trust has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Trust breakdown information, please refer to the latest factsheet at www.rlam.com.

Investment Review and Outlook

Performance overview

The Trust delivered negative returns for the period under review, underperforming its benchmark index. This was primarily due to the asset allocation of the Trust. While the Trust is compared to the FTSE® All-Share which is an equity benchmark, the Trust is composed of both equities and bonds and will typically have at least 20% of the assets in corporate bonds. Over the period under review while the equity assets made small positive return, the bonds fell in value. The Trust has outperformed its income objective (producing an income of more than 120% of the FTSE All-Share index) over the review period and over the past seven years.

Market overview

The US Federal Reserve (Fed), the European Central Bank (ECB), and the Bank of England (BoE) all continued to raise rates over the past 12 months, but investors were growing in confidence that central banks were nearing the end of their tightening cycle. Since the start of the current cycle the Fed has increased rates by 4.75% over the course of nine rises since March 2022. The Bank of England (BoE) started the cycle at 0.1% but has moved rates higher 11 times since the end of 2022, now sitting at 4.25%, while the European Central Bank (ECB) on the other hand has only increased its main rate by six times to 3.50%.

In the first half of the 12 months under review there was weakness in financial markets. Both bonds and equities were down in value, with bonds the weaker. In the equity markets, small and mid-sized companies fared worse than their larger counterparts, with the FTSE® 250 and FTSE® SmallCap indices significantly underperforming the FTSE® 100.

The second half of the period saw markets start to focus on whether interest rates would soon peak. This led to a move in favour of faster growing companies (which tend to do better when interest rates are low or falling) and away from more mature companies with lower growth rates that tend to benefit when interest rates are higher. The final market trend of note was the collapse of Silicon Valley Bank and Credit Suisse, which refocused attention on the strength of the banking sector and dragged returns for equity and bond markets sharply lower before US and Swiss regulator actions seemed to calm markets.

Portfolio commentary

As stated earlier, the key impact on the portfolio was the weakness in the Trust's allocation to corporate bonds – with sterling corporate bonds returning -10.2% over the 12 months (iBoxx Sterling Non-Gilt index), compared to +2.9% for UK equities. A major theme for the economy and financial markets was the high level of inflation being experienced and the consequent cost of living squeeze that households are facing. Central banks have responded and interest rates have risen sharply to try to tackle inflation and bond market yields have risen in consequence, putting downward pressure on bond prices. Corporate bonds now yield more than equities and so we have added to the Trust's position in them, as they help achieve the Trust's income objective.

At the heart of the inflation issues is the cost of energy, driven by the severe disruption to the energy markets from Russia's invasion of Ukraine. However, the pressures are by no means confined to energy and wages costs and food prices are also stoking inflation.

Within the equity portfolio the biggest boost to performance was the holding in BP, whose exposure to higher oil and gas prices boosted profits. The holding in the tobacco company Imperial Brands also helped performance. Despite the pressure on household budgets, holdings in two retailers were also notable contributors to performance – Sainsbury and the household goods company Dunelm.

Manager's Investment Report (continued)

Portfolio commentary – continued

The holding in Synthomer was negative for returns, as weakening trading caused investors to worry about the company's borrowing and indeed the company was forced to cut its dividend. Motor insurance company Sabre also weighed on performance after the company warned on profits. Motor insurers are seeing strains on profitability as policy prices are not rising quickly enough to offset the rising costs of meeting claims.

Within our credit exposure, the portfolio had a very low weighting in supranational bonds (these being quasi-government in nature). This has impacted returns relative to broad credit markets, as supranationals performed well compared to wider corporate bond markets. Overall performance from the portfolio was negative given the backdrop of falling bond prices over the year.

Investment outlook

Consumers are facing a significant cost of living squeeze, as inflation is currently at its highest level for decades. Likewise, companies are battling to defend profit margins, as their own costs increase significantly. We believe our approach of investing in a broad range of companies who are in control of their own fates, irrespective of market conditions, is the right one. As well as looking for durable businesses, a willingness to look through short-term extremes of sentiment and buy stocks when they are out of favour, or take profits when sentiment becomes overly exuberant should drive longer-term performance.

There is considerable uncertainty about the outlook for 2023. The Federal Reserve (Fed) has continued to raise interest rates and many investors fear that this could tip the US into a hard-landing recession, although the hard data remain mixed at this stage. The picture is only marginally different in the UK and Europe, with energy prices remaining high in absolute terms and geopolitical events continuing to affect sentiment. However, the outlook for further interest rate changes is mixed due to some of the negative impacts of rising rates. The Fed needs to balance the need to curb inflation without causing significant economic pain for the broader economy as all the mechanisms by which interest rate hikes affect businesses aren't immediately understood.

Richard Marwood
Trust Manager
Head of Fixed Income
Royal London Asset Management Limited
31 March 2023

Please note that this commentary is written as at 31 March 2023. For further insights on marketing 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 Trust, our RLUM Annual Value Assessment Report March 2022 (published July 2022) 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 Trust performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

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

Portfolio Statement

As at 31 March 2023

| Holding | Investment | Bid-market value (£'000) | Total net assets (%) |
|---|---|--------------------------|----------------------|
| Fixed Income – 26.08% (31/03/22 – 22.62%) | | | |
| Commercial Mortgage Backed Securities – 0.52% (31/03/22 – 0.58%) | | | |
| £1,500,000 | Finance for Residence Social Housing 'A1' 8.369% 4/10/2058^ | 1,178 | 0.52 |
| Total Commercial Mortgage Backed Securities | | 1,178 | 0.52 |
| Corporate Bonds – 25.38% (31/03/22 – 21.85%) | | | |
| £500,000 | 3i Group 5.75% 3/12/2032 | 506 | 0.22 |
| £447,000 | AA Bond 6.269% 2/7/2043 | 436 | 0.19 |
| £350,000 | Alpha Plus 5% 31/3/2024 | 338 | 0.15 |
| £150,000 | Annington Funding 3.184% 12/7/2029 | 125 | 0.06 |
| £240,000 | Annington Funding 3.935% 12/7/2047 | 168 | 0.07 |
| £273,000 | APT Pipelines 3.125% 18/7/2031 | 225 | 0.10 |
| £200,000 | Aspire Defence Finance 'A' 4.674% 31/3/2040 | 155 | 0.07 |
| £500,000 | Assicurazioni Generali 6.269% perpetual | 489 | 0.21 |
| £200,000 | AT&T 4.875% 1/6/2044 | 178 | 0.08 |
| £724,000 | Aviva 6.875% variable 20/5/2058 | 752 | 0.33 |
| £1,000,000 | AXA 5.453% variable perpetual | 977 | 0.43 |
| £600,000 | Bank of America 7% 31/7/2028 | 645 | 0.28 |
| £200,000 | Banque Federative du Credit Mutuel 1% 16/7/2026 | 175 | 0.08 |
| £750,000 | Barclays 3.25% 17/1/2033 | 594 | 0.26 |
| £600,000 | Barclays 3.75% variable 22/11/2030 | 547 | 0.24 |
| £526,000 | Barclays 6.369% VRN 31/1/2031 | 529 | 0.23 |
| £234,000 | Bazalgette Finance 2.75% 10/3/2034 | 188 | 0.08 |
| £452,000 | Blend Funding 3.459% 21/9/2049 | 349 | 0.15 |
| £1,100,000 | BNP Paribas 2% variable 24/5/2031 | 947 | 0.41 |
| £500,000 | BNP Paribas 3.125% 30/6/2032 | 503 | 0.22 |
| £250,000 | Boston Mayflower Finance 4.321% 8/9/2059 | 212 | 0.09 |
| £497,000 | BP Capital Markets 4.25% variable perpetual | 444 | 0.19 |
| £600,000 | BPCE 2.5% variable 30/11/2032 | 491 | 0.21 |
| £500,000 | BPCE 5.25% 16/4/2029 | 462 | 0.20 |
| £200,000 | Broadgate Finance 4.851% 5/4/2033 | 163 | 0.07 |
| £306,000 | BUPA Finance 4.125% 14/6/2035 | 241 | 0.11 |
| £835,000 | Canary Wharf II 5.952% 22/10/2037 | 863 | 0.38 |
| £300,000 | Cheltenham & Gloucester 11.75% perpetual | 424 | 0.19 |
| £214,000 | Close Brothers Finance 1.625% 3/12/2030 | 155 | 0.07 |
| £500,000 | Cooperatieve Rabobank 5.25% 14/9/2027 | 482 | 0.21 |
| £200,000 | CPUK Finance 3.588% 28/2/2042 | 189 | 0.08 |
| £200,000 | CPUK Finance 7.239% 28/2/2042 | 201 | 0.09 |
| £400,000 | Credit Agricole 1.874% variable 9/12/2031 | 334 | 0.15 |
| £600,000 | Credit Agricole 4.875% 23/10/2029 | 591 | 0.26 |
| £500,000 | CYBG 3.125% variable 22/6/2025 | 475 | 0.21 |
| £250,000 | Dali Capital 4.79924% 21/12/2037 | 242 | 0.11 |
| £640,000 | Delamare Finance 6.067% 19/2/2029 | 626 | 0.27 |
| £400,000 | Derby Healthcare 5.564% 30/6/2041 | 377 | 0.16 |
| £522,000 | Derwent London 1.875% 17/11/2031 | 378 | 0.17 |
| £500,000 | E.ON International Finance 6.125% 6/7/2039 | 521 | 0.23 |
| £650,000 | E.ON International Finance 6.25% 3/6/2030 | 684 | 0.30 |
| £200,000 | Electricite de France 5.5% 17/10/2041 | 183 | 0.08 |
| £300,000 | Electricite de France 6% 23/1/2114 | 274 | 0.12 |
| £500,000 | Electricite de France 6% variable perpetual | 444 | 0.19 |
| £300,000 | Equity Release Funding 5.88% 26/5/2032 | 195 | 0.09 |
| £650,000 | Eskmuir Group Finance 4.255% 12/12/2047^ | 409 | 0.18 |
| £500,000 | Eversholt Funding 6.697% 22/2/2035 | 448 | 0.20 |
| £500,000 | Fidelity International 7.125% 13/2/2024 | 504 | 0.22 |
| £585,000 | First Abu Dhabi Bank PJSC 1.125% 7/9/2026 | 508 | 0.22 |
| £500,000 | Fonterra 9.375% 4/12/2023 | 512 | 0.22 |
| £500,000 | Freshwater Finance 4.556% 3/4/2036 | 439 | 0.19 |
| £150,000 | Freshwater Finance 5.182% 20/4/2035 | 145 | 0.06 |
| £200,000 | Gatwick Funding 6.5% 2/3/2043 | 211 | 0.09 |
| £200,000 | GB Social Housing 5.193% 12/2/2038 | 196 | 0.09 |
| £500,000 | Genfinance II 6.064% 21/12/2039 | 538 | 0.24 |
| £600,000 | Goldman Sachs 6.875% 18/1/2038 | 627 | 0.27 |
| £500,000 | Great Rolling Stock 6.5% 5/4/2031 | 391 | 0.17 |
| £180,000 | Greene King Finance 3.593% 15/3/2035 | 138 | 0.06 |
| £300,000 | Harbour Funding 5.28% 31/3/2044 | 301 | 0.13 |
| £500,000 | Heathrow Funding 7.075% variable 4/8/2028 | 533 | 0.23 |
| £900,000 | Hexagon Housing Association 3.625% 22/4/2048 | 647 | 0.28 |
| £850,000 | High Speed Rail Finance 4.375% 1/11/2038 | 783 | 0.34 |
| £220,000 | Home Group 3.125% 27/3/2043 | 161 | 0.07 |
| £375,000 | Housing and Care 3.288% 8/11/2049 | 274 | 0.12 |
| £343,000 | HSBC 5.844% variable perpetual | 349 | 0.15 |
| £234,000 | HSBC Holdings 8.201% VRN 16/11/2034 | 245 | 0.11 |

| Holding | Investment | Bid-market value (£'000) | Total net assets (%) |
|------------|--|--------------------------|----------------------|
| £250,000 | IG Group 3.125% 18/11/2028 | 192 | 0.08 |
| £270,000 | Income Contingent Student Loan 2.5% 24/7/2056 | 154 | 0.07 |
| £410,000 | Income Contingent Student Loan FRN 24/7/2056 | 65 | 0.03 |
| £912,000 | Income Contingent Student Loan 2 FRN 24/7/2058 | 200 | 0.09 |
| £800,000 | ING Groep 1.125% variable 7/12/2028 | 655 | 0.29 |
| £500,000 | InterContinental Hotels 3.375% 8/10/2028 | 447 | 0.20 |
| £500,000 | Intu Debenture 5.562% 31/12/2027 | 166 | 0.07 |
| £166,000 | Investec 2.625% variable 4/1/2032 | 133 | 0.06 |
| £250,000 | Investor AB 5.5% 5/5/2037 | 267 | 0.12 |
| £249,000 | JPMorgan Chase 1.895% variable 28/4/2033 | 191 | 0.08 |
| £700,000 | Juturna Euro Loan Conduit 5.0636% 10/8/2033 | 491 | 0.21 |
| £300,000 | Land Securities Capital Markets 2.399% 8/2/2031 | 262 | 0.11 |
| £1,202,000 | Leeds Building Society 3.75% variable 25/4/2029 | 1,057 | 0.46 |
| £500,000 | Legal & General 4.5% variable 1/11/2050 | 434 | 0.19 |
| £490,000 | Legal & General 5.5% variable 27/6/2064 | 429 | 0.19 |
| £250,000 | Libra Treasury 5.125% 2/8/2038 | 249 | 0.11 |
| £294,000 | Lloyds Bank 2.707% variable 3/12/2035 | 227 | 0.10 |
| £400,000 | Lloyds Bank 7.5% Step 22/3/2032 | 263 | 0.12 |
| £337,000 | Logicor 2019 1.875% 17/11/2031 | 297 | 0.13 |
| £260,000 | London & Quadrant Housing Trust 2.75% 20/7/2057 | 157 | 0.07 |
| £850,000 | Longstone Finance 4.791% 19/4/2036 | 338 | 0.15 |
| £200,000 | M&G 5.625% variable 20/10/2051 | 182 | 0.08 |
| £1,250,000 | M&G 5.7% variable 19/12/2063 | 1,099 | 0.48 |
| £440,000 | Martlet Homes 3% 9/5/2052 | 305 | 0.13 |
| £600,000 | Meadowhall Finance 4.986% 12/1/2032 | 304 | 0.13 |
| £575,000 | Meadowhall Finance FRN 12/7/2037 | 319 | 0.14 |
| £315,000 | MIELI London 4.82% 12/8/2027^ | 293 | 0.13 |
| £200,000 | Mitchells & Butlers 5.574% 15/12/2030 | 51 | 0.02 |
| £950,000 | Mitchells & Butlers (A1N) FRN 15/12/2030 | 355 | 0.16 |
| £450,000 | Morhomes 3.4% 19/2/2040 | 363 | 0.16 |
| £10,000 | Nationwide Building Society 10.25% variable perpetual | 1,197 | 0.52 |
| £240,000 | NATS En Route 1.375% 31/3/2031 | 205 | 0.09 |
| £1,093,000 | New York Life Global Funding 0.75% 14/12/2028 | 883 | 0.39 |
| £500,000 | NGG Finance 5.625% variable 18/6/2073 | 484 | 0.21 |
| £200,000 | NIE Finance 6.375% 2/6/2026 | 207 | 0.09 |
| £365,000 | Northern Electric Finance 5.125% 4/5/2035 | 364 | 0.16 |
| £750,000 | Octagon Healthcare 5.333% 31/12/2035 | 559 | 0.24 |
| £291,000 | Orbit Capital 3.375% 14/6/2048 | 214 | 0.09 |
| £254,000 | Paradigm Homes Charitable Housing 2.25% 20/5/2051 | 152 | 0.07 |
| £200,000 | Paragon Treasury 3.625% 21/1/2047 | 157 | 0.07 |
| £600,000 | Peabody Capital 5.25% 17/3/2043 | 599 | 0.26 |
| £200,000 | Peel South East 10% 30/4/2026 | 201 | 0.09 |
| £280,000 | Penarian Housing Finance 3.212% 7/6/2052 | 205 | 0.09 |
| £300,000 | Pension Insurance 8% 23/11/2026 | 309 | 0.14 |
| £500,000 | Phoenix Group 5.625% 28/4/2031 | 451 | 0.20 |
| £250,000 | Poplar Housing & Regeneration Community 4.843% 30/9/2043 | 224 | 0.10 |
| £428,000 | Premier Transmission Finance 5.2022% 31/3/2030 | 174 | 0.08 |
| £471,000 | Protective Life Global Funding 5.248% 13/1/2028 | 474 | 0.21 |
| £175,000 | Prudential 6.125% 19/12/2031 | 174 | 0.08 |
| £200,000 | Retail Charity Bonds 4.25% 6/7/2028 | 184 | 0.08 |
| £750,000 | RMPA Services 5.337% 30/9/2038 | 506 | 0.22 |
| £507,000 | Royal Bank of Canada 5% 24/1/2028 | 503 | 0.22 |
| £750,000 | Royal Bank of Scotland 3.622% variable 14/8/2030 | 692 | 0.30 |
| £102,000 | RSA Insurance 5.125% variable 10/10/2045 | 98 | 0.04 |
| £390,000 | RSL Finance 6.625% 31/3/2038 | 348 | 0.15 |
| £400,000 | Scottish Investment Trust 5.75% 17/4/2030 | 413 | 0.18 |
| £100,000 | Scottish Mortgage Investment Trust 12% 30/6/2026 | 120 | 0.05 |
| £300,000 | Scottish Widows 7% 16/6/2043 | 295 | 0.13 |
| £511,000 | Society of Lloyds 4.875% variable 7/2/2047 | 475 | 0.21 |
| £229,000 | South East Water 5.5834% 29/3/2029 | 226 | 0.10 |
| £100,000 | South Eastern Power Networks 6.375% 12/11/2031 | 109 | 0.05 |

Portfolio Statement (continued)

As at 31 March 2023

| Holding | Investment | Bid-market value (£'000) | Total net assets (%) |
|---|--|--------------------------|----------------------|
| Corporate Bonds – 25.38% (31/03/22 – 21.85%) – continued | | | |
| £300,000 | Southern Gas Networks 4.875% 21/3/2029 | 295 | 0.13 |
| £219,000 | Southern Housing Group 3.5% 19/10/2047 | 162 | 0.07 |
| £328,000 | Southern Water Services Finance 6.192% 31/3/2029 | 343 | 0.15 |
| £200,000 | Southern Water Services Finance 6.64% 31/3/2026 | 207 | 0.09 |
| £500,000 | Sunderland 6.38% 31/3/2042 | 522 | 0.23 |
| £260,000 | Swan Housing Capital 3.625% 5/3/2048 | 202 | 0.09 |
| £2,000,000 | Telereal Securitisation FRN 10/12/2033 | 625 | 0.27 |
| £853,000 | Telereal Securitisation 5.4252% 10/12/2033 | 713 | 0.31 |
| £500,000 | Thames Water Utilities 7.738% 9/4/2058 | 637 | 0.28 |
| £700,000 | THFC Funding 5.2% 11/10/2043 | 693 | 0.30 |
| £400,000 | Time Warner Cable 5.25% 15/7/2042 | 333 | 0.15 |
| £204,000 | TP ICAP 5.25% 29/5/2026 | 192 | 0.08 |
| £500,000 | Unifund 5.32% 7/12/2047 | 451 | 0.20 |
| £650,000 | UPP Bond Issuer 4.9023% 28/2/2040 | 513 | 0.22 |
| £200,000 | Virgin Money 5.125% variable 11/12/2030 | 185 | 0.08 |
| £500,000 | Volkswagen Financial Services 4.25% 9/10/2025 | 486 | 0.21 |
| £450,000 | Welltower 4.5% 1/12/2034 | 387 | 0.17 |
| £750,000 | Western Power Distribution 1.75% 9/9/2031 | 576 | 0.25 |
| £700,000 | Western Power Distribution 5.75% 16/4/2032 | 722 | 0.32 |
| £1,251,000 | Westfield Stratford City 1.642% 4/8/2031 | 1,093 | 0.48 |
| £327,000 | White City Property 5.1202% 17/4/2035 | 257 | 0.11 |
| £450,000 | Wods Transmission 3.446% 24/8/2034 | 304 | 0.13 |
| £159,000 | Yorkshire Building Society 3.375% variable 13/9/2028 | 137 | 0.06 |
| Total Corporate Bonds | | 58,018 | 25.38 |
| Government Bonds – 0.18% (31/03/22 – 0.19%) | | | |
| £401,000 | Republic of Italy 6% 4/8/2028 | 412 | 0.18 |
| Total Government Bonds | | 412 | 0.18 |
| Equities – 70.77% (31/03/22 – 74.56%) | | | |
| Oil & Gas – 10.78% (31/03/22 – 9.53%) | | | |
| Oil & Gas Producers – 10.78% | | | |
| 2,000,000 | BP | 10,216 | 4.47 |
| 625,000 | Shell | 14,425 | 6.31 |
| Total Oil & Gas | | 24,641 | 10.78 |
| Basic Materials – 6.88% (31/03/22 – 10.10%) | | | |
| Chemicals – 1.08% | | | |
| 125,000 | Johnson Matthey | 2,479 | 1.08 |
| Mining – 5.80% | | | |
| 125,000 | Anglo American | 3,347 | 1.46 |
| 1,250,000 | Glencore | 5,807 | 2.54 |
| 75,000 | Rio Tinto | 4,108 | 1.80 |
| Total Basic Materials | | 15,741 | 6.88 |
| Industrials – 3.29% (31/03/22 – 4.46%) | | | |
| Aerospace & Defence – 0.40% | | | |
| 100,000 | Avon Protection | 926 | 0.40 |
| Construction & Materials – 0.45% | | | |
| 600,000 | Ibstock | 1,035 | 0.45 |
| General Industrials – 2.21% | | | |
| 900,000 | Smith (DS) | 2,829 | 1.24 |
| 250,000 | Videndum | 2,212 | 0.97 |
| Support Services – 0.23% | | | |
| 1,000,000 | De La Rue | 517 | 0.23 |
| Total Industrials | | 7,519 | 3.29 |

| Holding | Investment | Bid-market value (£'000) | Total net assets (%) |
|--|--------------------------|--------------------------|----------------------|
| Consumer Goods – 11.20% (31/03/22 – 11.98%) | | | |
| Household Goods – 2.42% | | | |
| 350,000 | Barratt Developments | 1,633 | 0.71 |
| 500,000 | Vistry Group | 3,905 | 1.71 |
| Personal Goods – 3.21% | | | |
| 175,000 | Unilever | 7,332 | 3.21 |
| Tobacco – 5.57% | | | |
| 255,000 | British American Tobacco | 7,243 | 3.17 |
| 295,000 | Imperial Brands | 5,499 | 2.40 |
| Total Consumer Goods | | 25,612 | 11.20 |
| Healthcare – 5.82% (31/03/22 – 5.89%) | | | |
| Pharmaceuticals & Biotechnology – 5.82% | | | |
| 55,000 | AstraZeneca | 6,178 | 2.70 |
| 425,000 | GlaxoSmithKline | 6,073 | 2.66 |
| 62,627 | Hikma Pharmaceuticals | 1,049 | 0.46 |
| Total Healthcare | | 13,300 | 5.82 |
| Consumer Services – 7.50% (31/03/22 – 6.58%) | | | |
| Food & Drug Retailers – 2.33% | | | |
| 2,000,000 | Tesco | 5,314 | 2.33 |
| General Retailers – 1.81% | | | |
| 375,000 | Dunelm | 4,144 | 1.81 |
| Media – 3.36% | | | |
| 3,750,000 | ITV | 3,105 | 1.36 |
| 175,000 | RELX | 4,580 | 2.00 |
| Total Consumer Services | | 17,143 | 7.50 |
| Telecommunications – 1.95% (31/03/22 – 1.01%) | | | |
| Mobile Telecommunications – 1.95% | | | |
| 5,000,000 | Vodafone | 4,465 | 1.95 |
| Total Telecommunications | | 4,465 | 1.95 |
| Utilities – 5.96% (31/03/22 – 7.02%) | | | |
| Electricity – 4.16% | | | |
| 825,000 | Drax | 5,012 | 2.19 |
| 250,000 | SSE | 4,507 | 1.97 |
| Gas, Water & Multiutilities – 1.80% | | | |
| 375,000 | National Grid | 4,110 | 1.80 |
| Total Utilities | | 13,629 | 5.96 |
| Financials – 17.39% (31/03/22 – 16.93%) | | | |
| Banks – 5.35% | | | |
| 1,000,000 | Barclays | 1,458 | 0.64 |
| 1,000,000 | HSBC | 5,496 | 2.40 |
| 2,000,000 | Natwest Group | 5,272 | 2.31 |
| Financial Services – 4.66% | | | |
| 1,187,500 | Ashmore | 2,833 | 1.24 |
| 250,000 | Close Brothers | 2,252 | 0.98 |
| 600,000 | IG Group | 4,191 | 1.83 |
| 750,000 | Ninety One | 1,389 | 0.61 |
| Life Insurance – 3.15% | | | |
| 2,000,000 | Legal & General | 4,778 | 2.09 |
| 200,000 | St James's Place Capital | 2,422 | 1.06 |
| Non-Life Insurance – 0.74% | | | |
| 1,500,000 | Sabre Insurance | 1,695 | 0.74 |

Portfolio Statement (continued)

As at 31 March 2023

| Holding | Investment | Bid-market value (£'000) | Total net assets (%) |
|--|---------------|--------------------------------|-------------------------|
| Financials – 17.39% (31/03/22 – 16.93%) – continued | | | |
| Real Estate Investment Trusts – 3.49% | | | |
| 500,000 | British Land | 1,938 | 0.85 |
| 3,500,000 | NewRiver REIT | 2,758 | 1.21 |
| 750,000 | Workspace | 3,276 | 1.43 |
| Total Financials | | 39,758 | 17.39 |
| Technology – 0.00% (31/03/22 – 1.06%) | | | |
| Total value of investments | | 221,416 | 96.85 |
| Net other assets | | 7,203 | 3.15 |
| Total net assets | | 228,619 | 100.00 |

^ Level 3 assets.

All investments are listed on recognised stock exchanges and are “approved securities” within the meaning of FCA rules unless otherwise stated.

Summary of Material Portfolio Changes

For the year ended 31 March 2023

Significant Purchases

| | Cost £'000 |
|---|---------------|
| HSBC | 5,921 |
| Natwest Group | 5,829 |
| Drax | 5,130 |
| UK Treasury 0.5% 31/1/2029 | 4,957 |
| Vodafone | 4,861 |
| Hikma Pharmaceuticals | 4,080 |
| Anglo American | 4,029 |
| Sainsbury (J) | 3,481 |
| Standard Life Aberdeen | 2,200 |
| Vesuvius | 2,015 |
| Subtotal | 42,503 |
| Total cost of purchases, including the above, for the year | 87,525 |

Significant Sales

| | Proceeds £'000 |
|---|-------------------|
| Anglo American | 7,388 |
| Standard Life Aberdeen | 4,986 |
| UK Treasury 0.5% 31/1/2029 | 4,976 |
| Spectris | 4,744 |
| TP ICAP | 4,389 |
| Sainsbury (J) | 3,848 |
| Rio Tinto | 3,550 |
| Drax | 3,506 |
| Hikma Pharmaceuticals | 3,381 |
| BP | 3,267 |
| Subtotal | 44,035 |
| Total proceeds from sales, including the above, for the year | 91,847 |

Comparative Table

Class A Income

| Change in net assets per unit | 31/03/23 (p) | 31/03/22 (p) | 31/03/21 (p) |
|---|-----------------|-----------------|-----------------|
| Opening net asset value per unit | 219.99 | 205.14 | 173.95 |
| Return before operating charges* | (1.55) | 27.33 | 41.80 |
| Operating charges | (2.68) | (2.75) | (2.79) |
| Return after operating charges* | (4.23) | 24.58 | 39.01 |
| Distributions on income units | (10.63) | (9.73) | (7.82) |
| Closing net asset value per unit | 205.13 | 219.99 | 205.14 |
| * after direct transaction costs of: | 0.33 | 0.35 | 0.33 |
| Performance | | | |
| Return after charges | (1.92)% | 11.98% | 22.43% |
| Other information | | | |
| Closing net asset value (£'000) | 228,619 | 247,883 | 232,678 |
| Closing number of units | 111,451,800 | 112,677,000 | 113,426,450 |
| Operating charges* | 1.28% | 1.27% | 1.28% |
| Direct transaction costs | 0.16% | 0.16% | 0.17% |
| Prices[^] | | | |
| Highest unit price | 223.30 | 223.40 | 209.00 |
| Lowest unit price | 186.30 | 206.10 | 170.60 |

The AMC was reduced on 1 January 2021 to 1.25%.

[^] 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 unit price is based on the net asset value in the published accounts 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 units, and the income derived from them, can vary.

Statement of Manager's Responsibilities in Relation to the Report and Financial Statements of the Trust

Financial statements for the year ended 31 March 2023, and this Manager's Report have been prepared in accordance with the rules of the Collective Investment Schemes Sourcebook, published by the Financial Conduct Authority (FCA).

These require the Manager to prepare financial statements for each accounting year which give a true and fair view of the financial affairs of the Trust and of its net revenue and the net capital gains on the property of the Trust for the year.

In preparing the financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the UK requirements of the Statement of Recommended Practice relating to UK Authorised Funds and the Trust Deed;
- 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;
- prepare accounts on a going concern basis unless inappropriate to do so.

The Manager is responsible for the management of the Trust in accordance with its Trust Deed, Prospectus and the FCA's rules. The Manager has general responsibility for taking such steps as are reasonably open to him to prevent and detect fraud and other irregularities.

Statement of the Trustee's Responsibilities in Relation to the Financial Statements of the Trust

The Depositary in its capacity as Trustee of Royal London UK Income with Growth Trust must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed 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 Trust and its investors. The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Trust in accordance with the Regulations.

The Depositary must ensure that:

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

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

Report of the Trustee to the Unitholders of the Royal London UK Income with Growth Trust

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

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

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

HSBC Bank Plc

Trustee of Royal London UK Income with Growth Trust

8 Canada Square, Canary Wharf, London E14 5HQ

24 May 2023

Independent Auditors' Report to the Unitholders of Royal London UK Income with Growth Trust

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Royal London UK Income with Growth Trust (the "Trust"):

- give a true and fair view of the financial position of the Trust as at 31 March 2023 and of the net revenue and the net capital losses on its scheme property 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 Trust Deed.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 31 March 2023; the Statement of Total Return and the Statement of Change in Net Assets Attributable to Unitholders for the year then ended; the Distribution Tables; and the Notes to the Financial Statements, which include a description of the significant accounting policies.

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 Trust 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 Trust's 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 Manager'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 Trust's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Manager 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 Manager 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.

Manager's Report

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

Independent Auditors' Report to the Unitholders of Royal London UK Income with Growth Trust (continued)

Report on the audit of the financial statements – continued

Responsibilities for the financial statements and the audit

Responsibilities of the Manager for the financial statements

As explained more fully in the Statement of Manager's Responsibilities in Relation to the Report and Financial Statements of the Trust, the Manager 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 Manager 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 Manager is responsible for assessing the Trust's 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 Manager either intends to wind up or terminate the Trust, 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 Trust/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 Trust. Audit procedures performed included:

- Discussions with the Manager, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Manager'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 Trust's unitholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook 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 Unitholders of Royal London UK Income with Growth Trust (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 and returns.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
24 May 2023

Financial Statements

Statement of Total Return

For the year ended 31 March 2023

| | Note | 31 Mar 2023 £'000 | 31 Mar 2022 £'000 |
|--|------|----------------------|----------------------|
| Income | | | |
| Net capital (losses)/gains | 4 | (14,417) | 19,433 |
| Revenue | 5 | 12,508 | 11,560 |
| Expenses | 6 | (2,997) | (3,114) |
| Interest payable and similar charges | | (1) | (1) |
| Net revenue before taxation | | 9,510 | 8,445 |
| Taxation | 7 | (1) | (5) |
| Net revenue after taxation | | 9,509 | 8,440 |
| Total (deficit)/return before distributions | | (4,908) | 27,873 |
| Distributions | 8 | (11,899) | (11,010) |
| Change in net assets attributable to unitholders from investment activities | | (16,807) | 16,863 |

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 31 March 2023

| | 31 Mar 2023 £'000 | 31 Mar 2022 £'000 |
|---|----------------------|----------------------|
| Opening net assets attributable to unitholders | 247,883 | 232,678 |
| Amounts receivable on issue of units | 13,097 | 14,877 |
| Amounts payable on cancellation of units | (15,563) | (16,544) |
| | (2,466) | (1,667) |
| Change in net assets attributable to unitholders from investment activities | (16,807) | 16,863 |
| Unclaimed distributions | 9 | 9 |
| Closing net assets attributable to unitholders | 228,619 | 247,883 |

Balance Sheet

As at 31 March 2023

| | Note | 31 Mar 2023 £'000 | 31 Mar 2022 £'000 |
|---|------|----------------------|----------------------|
| Assets | | | |
| Investments | | 221,416 | 240,882 |
| Current assets: | | | |
| Debtors | 9 | 3,217 | 2,006 |
| Cash and bank balances | 10 | 7,103 | 8,608 |
| Total assets | | 231,736 | 251,496 |
| Liabilities | | | |
| Creditors: | | | |
| Other creditors | 11 | 455 | 938 |
| Distribution payable | | 2,662 | 2,675 |
| Total liabilities | | 3,117 | 3,613 |
| Net assets attributable to unitholders | | 228,619 | 247,883 |

The financial statements were approved on 24 May 2023 and signed on behalf of the Board of the Manager by:

J.S. Glen (Director)

P. Bowker (Director)

Notes to the Financial Statements

For the year ended 31 March 2023

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 Investments Schemes Sourcebook. They have been prepared in accordance with applicable UK accounting standards, Trust Deed and in accordance with FRS 102 and the Statement of Recommended Practice (SORP) for Financial Statements of UK Authorised Funds issued by the Investment Management Association (now referred to as The Investment Association) in May 2014 (the 2014 SORP) and amended in 2017.

As stated in the Statement of the Manager's Responsibilities in Relation to the Report and Financial Statements of the Trust on page 12 the Manager continues to adopt the going concern basis in the preparation of the financial statements of the Trust.

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

Basis of valuation of investments

The investments of the Trust have been valued at closing bid price on 31 March 2023 excluding accrued interest for fixed interest securities, the last valuation point in the accounting year.

Exchange rates

Assets and liabilities denominated in foreign currencies have been converted to sterling at the bid-market closing rates of exchange on 31 March 2023.

Revenue and expenditure transactions are translated at the rates of exchange ruling at the date of transaction.

Recognition of revenue

Revenue from equities and non-equity shares is recognised when the security is quoted ex-dividend.

Interest on debt securities is accounted for on an effective yield basis.

Other revenue is accounted for on an accruals basis.

All revenue is recognised as a gross amount that includes any withholding taxes but excludes any other taxes such as attributable tax credits.

Special dividends are treated as revenue or capital according to the nature of the event giving rise to the payment.

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 Trust. 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.

Treatment of expenses

RLUM Limited's annual charge (A Income 1.25%) is calculated daily on the total net assets of the Trust.

All expenses are charged against capital.

Expenses include irrecoverable VAT.

Taxation

Corporation tax is provided at 20% on taxable revenue, after deduction of allowable expenses.

Where overseas tax has been deducted from overseas revenue, then that tax can, in some instances, be set off against the corporation tax payable, by way of double tax relief.

Deferred tax is provided using the liability method on all timing differences arising on the treatment of certain items for taxation and accounting purposes, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only to the extent they are regarded as recoverable.

It should be noted that legislation governing taxation is liable to change. The information contained in this report is based upon RLUM Limited's understanding of the current position.

2. Distribution policy

The excess of revenue over expenses and taxation charged to revenue, as disclosed in the financial statements, is distributable to unitholders. Any revenue deficit is deducted from capital.

Distributions are paid to unitholders quarterly.

For the purpose of the calculation of distribution, revenue from debt securities is computed on an effective yield basis.

Equalisation applies only to units purchased during the distribution period (Group 2 units). It represents the accrued revenue included in the purchase price of the units. 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 units for Capital Gains Tax purposes.

Notes to the Financial Statements (continued)

For the year ended 31 March 2023

3. Risk management policies

In pursuing the Trust's objectives set out on page 4, the Trust holds a number of financial instruments which include:

- Equity shares, Corporate Bonds and Government securities held in accordance with the Trust's investment objectives and policies.
- Cash, liquid resources and short-term debtors and creditors that arise directly from its operations.

The main risks arising from the Trust's financial instruments are market price risk, interest rate risk, foreign currency risk, credit risk and liquidity risk. Numerical disclosures have been made for interest rate risk, foreign currency risk and credit risk. However, these risks are not significant at current levels. These risks remain unchanged from the prior year.

Market price risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Trust might suffer through holding market positions in the face of price movements. The asset allocation of the portfolio is reviewed in order to manage the risk associated with particular industry sectors whilst continuing to follow the investment objective. An individual Fund Manager has responsibility for monitoring the existing portfolio selected in accordance with an overall asset allocation parameter and seeks to ensure that the Trust invests in a diversified fashion, to reduce the risk of exposure to a significant event affecting a single security, or industry, subject to the obligation under the Trust's objective to invest in securities which share certain characteristics.

Interest rate risk

The Trust invests in fixed and variable rate securities and 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 Trust also rises but the value of fixed rate securities will decline.

A fall in interest rates will, in general, have the opposite effect.

Foreign currency risk

The value of the Trust's investments may be affected by currency movements since a proportion of the assets are denominated in currencies other than sterling. The Manager 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. However, no such arrangements were in place at the year end. The Trust may also be subject to short-term exposure to exchange rate movements, for example where there is a delay between dealing and subsequent settlement. However, the Manager considers that this does not pose a significant risk given the short-term nature of this exposure. The risk of currency movements on the income property of the Trust is minimised by converting income received in foreign currency into sterling on the date of transaction.

Credit 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 Trust 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 Trust has fulfilled its responsibilities. The Trust 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.

Liquidity risk

The Trust'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 Trust is the redemption of any units that investors wish to sell. Liquidity risk, mainly derived from the liability to unitholders, is minimised through holding cash and readily realisable securities which can meet the usual requirements of unit redemptions.

Risk disclosure breakdown is available on page 22.

Other risks – geopolitical

The Ukraine conflict and its consequences, including economic sanctions on Russia, are having an impact on global financial markets and commodity pricing.

Royal London Asset Management Limited is closely monitoring the associated geopolitical risks in relation to inflation, volatile markets and security pricing. The Trust has no direct exposure to Russian companies and Royal London Asset Management Limited is complying with all restrictions and sanctions issued by the relevant authorities.

Notes to the Financial Statements (continued)

For the year ended 31 March 2023

4. Net capital (losses)/gains

| | 31 Mar 2023 £'000 | 31 Mar 2022 £'000 |
|---|----------------------|----------------------|
| The net capital (losses)/gains during the year comprise: | | |
| Non-derivative securities | (14,877) | 18,538 |
| Special dividends (capital) | 455 | 897 |
| Currency gains/(losses) | 7 | (1) |
| Activity fees | (2) | (1) |
| Net capital (losses)/gains | (14,417) | 19,433 |

5. Revenue

| | 31 Mar 2023 £'000 | 31 Mar 2022 £'000 |
|-----------------------------|----------------------|----------------------|
| UK dividends | 9,254 | 8,719 |
| Overseas dividends | 219 | 123 |
| Interest on debt securities | 2,401 | 2,279 |
| Property revenue from REITs | 490 | 436 |
| Bank interest | 144 | 3 |
| Total revenue | 12,508 | 11,560 |

6. Expenses

| | 31 Mar 2023 £'000 | 31 Mar 2022 £'000 |
|--|----------------------|----------------------|
| Payable to the Manager, associates of the Manager and their agents: | | |
| Manager's annual charge | 2,940 | 3,056 |
| Payable to the Trustee, associates of the Trustee and their agents: | | |
| Trustee's fee | 33 | 34 |
| Safe custody charges | 9 | 10 |
| | 42 | 44 |
| Other expenses | | |
| Audit fee | 15 | 14 |
| Total expenses | 2,997 | 3,114 |

Audit fee £14,886 (31/03/22: £13,636) inclusive of VAT.

7. Taxation

a) Analysis of charge for the year

| | 31 Mar 2023 £'000 | 31 Mar 2022 £'000 |
|--|----------------------|----------------------|
| Overseas tax | 1 | 5 |
| Current tax charge for the year | 1 | 5 |

b) Factors affecting current tax charge for the year

The tax assessed for the year is lower (31/03/22: lower) than the standard rate of corporation tax in the UK for a unit trust of 20%.

The differences are explained below:

| | | |
|--|----------|----------|
| Net revenue before taxation | 9,510 | 8,445 |
| Corporation tax 20% (31/03/23: 20%) | 1,902 | 1,689 |
| Effects of: | | |
| Revenue not subject to taxation | (1,895) | (1,769) |
| Current year expenses not utilised | (7) | 80 |
| Irrecoverable overseas tax | 1 | 5 |
| Current tax charge for the year | 1 | 5 |

c) Factors that may affect future tax charges

At the year end there is potential deferred tax asset £6,095,000 (31/03/22: £6,102,000) in relation to surplus management expenses. It is unlikely the Trust will generate sufficient taxable profits in the near future to utilise these amounts and therefore no deferred tax asset has been recognised in the current year or the prior years.

Notes to the Financial Statements (continued)

For the year ended 31 March 2023

8. Distributions

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

| | 31 Mar 2023 £'000 | 31 Mar 2022 £'000 |
|--|----------------------|----------------------|
| Income Units | | |
| First Interim | 3,456 | 2,537 |
| Second Interim | 3,147 | 3,659 |
| Third Interim | 2,644 | 2,142 |
| Final | 2,662 | 2,675 |
| | 11,909 | 11,013 |
| Add: Amounts deducted on cancellation of units | 99 | 108 |
| Deduct: Amounts received on creation of units | (109) | (111) |
| Net distribution for the year | 11,899 | 11,010 |

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

| | | |
|--------------------------------------|---------------|---------------|
| Net revenue after taxation | 9,509 | 8,440 |
| Expenses charged to capital | 2,997 | 3,114 |
| Corporation tax relief to capital | (607) | (544) |
| Net distribution for the year | 11,899 | 11,010 |

9. Debtors

| | 31 Mar 2023 £'000 | 31 Mar 2022 £'000 |
|---------------------------|----------------------|----------------------|
| Sales awaiting settlement | 1,033 | – |
| Accrued revenue | 2,184 | 2,006 |
| Total debtors | 3,217 | 2,006 |

10. Cash and bank balances

| | 31 Mar 2023 £'000 | 31 Mar 2022 £'000 |
|-------------------------------------|----------------------|----------------------|
| Cash and bank balances | 7,103 | 8,608 |
| Total cash and bank balances | 7,103 | 8,608 |

11. Other creditors

| | 31 Mar 2023 £'000 | 31 Mar 2022 £'000 |
|--|----------------------|----------------------|
| Amount payable for cancellation of units | 184 | 235 |
| Purchases awaiting settlement | – | 423 |
| Accrued expenses | 271 | 280 |
| Total other creditors | 455 | 938 |

12. Reconciliation of number of units

| | Class A Income |
|----------------------------------|--------------------|
| Opening units at 01/04/22 | 112,677,000 |
| Units issued | 6,244,100 |
| Units cancelled | (7,469,300) |
| Closing units at 31/03/23 | 111,451,800 |

This is a single class Trust therefore there will be no conversions or switches.

13. Contingent liabilities and outstanding capital commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/03/22: same).

14. Related party transactions

The Manager is a related party to the Trust as defined by Financial Reporting Standard FRS 102 'Related Party Disclosures' and is named on page 3. Fees received by the Manager are disclosed in note 6 of the financial statements. By virtue of the Regulations governing authorised unit trusts, the Manager is party to every transaction in respect of units of the Trust, which are summarised in the Statement of Change in Net Assets Attributable to Unitholders and within note 8, Distributions, for the revenue element.

Any amounts due to or from the Manager at the end of the accounting year are disclosed in notes 9 (Debtors) and 11 (Other creditors).

At the year end £433,000 (31/03/22: £494,000) was due to RLUM Limited. These amounts are included in amounts payable for cancellation of units and accrued expenses in note 11.

At the year end, 0.53% (31/03/22: 0.55%) of the units in issue were held by RLUM Limited.

The Royal London Mutual Insurance Society Limited is the ultimate parent of RLUM Limited.

Notes to the Financial Statements (continued)

For the year ended 31 March 2023

15. Risk disclosures

The policies applied to the management of risk disclosures are set out on page 19.

The fair values of the Trust's assets and liabilities are represented by the values shown in the balance sheet on page 17.

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 proportion of the Trust's assets denominated in currencies other than sterling is considered insignificant, therefore, no currency sensitivity has been disclosed in these financial statements.

If sterling to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Trust would have increased by £60,000 (31/03/22: £43,000). If sterling to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Trust would have decreased by £60,000 (31/03/22: £43,000). 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 Trust would have increased by £22,142,000 (31/03/22: £24,088,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Trust would have decreased by £22,142,000 (31/03/22: £24,088,000). These calculations assume all other variables remain constant.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Trust's financial assets and liabilities at 31 March 2023 compared to the previous year end was:

| Currency | Floating rate financial assets £'000 | Fixed rate financial assets £'000 | Financial assets not carrying interest £'000 | Total £'000 |
|----------------------|---|--------------------------------------|---|----------------|
| 31 March 2023 | | | | |
| Sterling | 23,487 | 43,042 | 164,610 | 231,139 |
| Euro | 180 | – | – | 180 |
| US dollar | 1 | – | 416 | 417 |
| Total | 23,668 | 43,042 | 165,026 | 231,736 |
| 31 March 2022 | | | | |
| Sterling | 25,427 | 39,064 | 186,576 | 251,067 |
| Euro | 174 | – | – | 174 |
| US dollar | – | – | 255 | 255 |
| Total | 25,601 | 39,064 | 186,831 | 251,496 |

| Currency | Financial liabilities not carrying interest £'000 | Total £'000 |
|----------------------|--|----------------|
| 31 March 2023 | | |
| Sterling | 3,117 | 3,117 |
| Total | 3,117 | 3,117 |

| | | |
|----------------------|--------------|--------------|
| 31 March 2022 | | |
| Sterling | 3,613 | 3,613 |
| Total | 3,613 | 3,613 |

Based on 2022 Bank of England interest rate increases, if the coupon rate of floating rate instruments was to change by 3%, the income attributable to these investments at the year end 31/03/23, would change by £53,000 (31/03/22: £63,000). A change of 3% in the prevailing interest rates would result in a change of 6.30% (31/03/22: 5.31%) to the value of the Trust.

Another possible scenario, if the coupon rate of floating rate instruments was to change by 1% in the future, the income attributable to these investments at the year end 31/03/23, would change by £18,000 (31/03/22: £21,000). A change of 1% in the prevailing interest rates would result in a change of 2.10% (31/03/22: 1.77%) to the value of the Trust.

These examples represent the range of plausible shifts in interest rates based on 2022 Bank of England interest rate increases.

Interest rates and bond prices have an inverse relationship. As interest rates rise the value of bonds will decrease and vice versa.

| Credit breakdown* | 31 March 2023 | | 31 March 2022 | |
|---------------------------------------|---------------------------|-----------------------|---------------------------|-----------------------|
| | Bid-Market value £'000 | Total net assets % | Bid-Market value £'000 | Total net assets % |
| Investments of investment grade | 52,165 | 22.82 | 48,917 | 19.75 |
| Investments of below investment grade | 547 | 0.24 | 508 | 0.20 |
| Unrated bonds | 6,896 | 3.02 | 6,632 | 2.67 |
| Equities | 161,808 | 70.77 | 184,825 | 74.56 |
| Total value of investments | 221,416 | 96.85 | 240,882 | 97.18 |

* Ratings supplied by S&P, followed by Moody's.

Notes to the Financial Statements (continued)

For the year ended 31 March 2023

16. Portfolio Transaction Costs

For the year ended 31 March 2023

| Analysis of total purchases costs | Value £'000 | Commissions £'000 | % | Taxes £'000 | % | Other Expenses £'000 | % | Total £'000 |
|-----------------------------------|----------------|----------------------|------|----------------|------|----------------------------|------|----------------|
| Equity transactions | 60,127 | 32 | 0.05 | 208 | 0.35 | 86 | 0.14 | 60,453 |
| Bond transactions | 27,072 | – | – | – | – | – | – | 27,072 |
| Total | 87,199 | 32 | | 208 | | 86 | | 87,525 |

| Analysis of total sales costs | Value £'000 | Commissions £'000 | % | Taxes £'000 | % | Other Expenses £'000 | % | Total £'000 |
|-------------------------------|----------------|----------------------|------|----------------|---|----------------------------|---|----------------|
| Equity transactions | 76,974 | 41 | 0.05 | – | – | – | – | 76,933 |
| Bond transactions | 14,522 | – | – | – | – | – | – | 14,522 |
| Corporate actions | 392 | – | – | – | – | – | – | 392 |
| Total | 91,888 | 41 | | – | | – | | 91,847 |

Commissions, taxes and fees as % of average net assets

| | |
|----------------|-------|
| Commissions | 0.03% |
| Taxes | 0.09% |
| Other expenses | 0.04% |

For the year ended 31 March 2022

| Analysis of total purchases costs | Value £'000 | Commissions £'000 | % | Taxes £'000 | % | Other Expenses £'000 | % | Total £'000 |
|-----------------------------------|----------------|----------------------|------|----------------|------|----------------------------|------|----------------|
| Equity transactions | 70,042 | 35 | 0.05 | 302 | 0.43 | 25 | 0.04 | 70,404 |
| Bond transactions | 7,792 | – | – | – | – | – | – | 7,792 |
| Corporate actions | 26 | – | – | – | – | – | – | 26 |
| Total | 77,860 | 35 | | 302 | | 25 | | 78,222 |

| Analysis of total sales costs | Value £'000 | Commissions £'000 | % | Taxes £'000 | % | Other Expenses £'000 | % | Total £'000 |
|-------------------------------|----------------|----------------------|------|----------------|---|----------------------------|---|----------------|
| Equity transactions | 66,928 | 35 | 0.05 | – | – | – | – | 66,893 |
| Bond transactions | 17,699 | – | – | – | – | – | – | 17,699 |
| Total | 84,627 | 35 | | – | | – | | 84,592 |

Commissions, taxes and fees as % of average net assets

| | |
|----------------|-------|
| Commissions | 0.03% |
| Taxes | 0.12% |
| Other expenses | 0.01% |

In the case of shares, commissions and taxes are paid by the Trust on each transaction. In addition, there is a dealing spread between the buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment. At the balance sheet date the dealing spread was 0.32% (31/03/22: 0.33%).

Notes to the Financial Statements (continued)

For the year ended 31 March 2023

17. Fair value of investments

The fair values of the Trust'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.

For the year ended 31 March 2023

| Category | 1 £'000 | 2 £'000 | 3 £'000 | Total £'000 |
|--------------------|----------------|---------------|--------------|----------------|
| Investments | | | | |
| Equities | 161,808 | – | – | 161,808 |
| Bonds | 412 | 57,316 | 1,880 | 59,608 |
| Total | 162,220 | 57,316 | 1,880 | 221,416 |

For the year ended 31 March 2022

| Category | 1 £'000 | 2 £'000 | 3 £'000 | Total £'000 |
|--------------------|----------------|---------------|--------------|----------------|
| Investments | | | | |
| Equities | 184,825 | – | – | 184,825 |
| Bonds | – | 53,774 | 2,283 | 56,057 |
| Total | 184,825 | 53,774 | 2,283 | 240,882 |

Where a price is unavailable or the price provided is not thought to be a fair reflection of the current market value of the asset, the Manager, at its discretion, may permit some other method of valuation to be used.

At the current year end, the level 3 assets held were the following debt securities: Finance for Residence Social Housing 'A1' 8.369% 4/10/2058, Eskmuir Group Finance 4.255% 12/12/2047 and MIELI London 4.82% 12/8/2027.

At the prior year end, the level 3 assets held were the following debt securities: Finance for Residence Social Housing 'A1' 8.369% 4/10/2058, Eskmuir Group Finance 4.255% 12/12/2047 and MIELI London 4.82% 12/8/2027.

The fair value of Finance for Residence Social Housing 'A1' 8.369% 4/10/2058 and MIELI London 4.82% 12/8/2027 were based on comparable bonds spreads using a Bloomberg model to derive a price.

Eskmuir Group Finance 4.255% 12/12/2047 is priced by the Investment Adviser using an internal pricing model. In order to estimate a fair value price for this illiquid asset the model uses several buckets of debenture peer groups. These are comprised of rated and unrated property debentures and are deemed to be the closest comparators to Eskmuir based on perceived risk. The assets spreads of the peer groups are reviewed monthly to evaluate an appropriate spread for Eskmuir. Spreads are also compared against larger, higher quality issuers. The estimated spread is then applied to the calculation based on the issue price.

18. Events after the balance sheet date

Subsequent to the Trust's year end, 31 March 2023, factors such as inflation and the Ukraine situation could cause the Trust to be impacted by resulting volatility in stock markets and adverse investor sentiment.

These events have given rise to a non-adjusting subsequent event. The net asset value (NAV) of the Trust as at 19 May 2023 was £227,963,515. The impact of the market movements on the Trust's NAV between the end of the reporting period 31 March 2023 and the date of which the financial statements were authorised for issue was (1.69)%.

There have been no significant redemptions during this period.

Distribution Tables

For the year ended 31 March 2023

Distribution in pence per unit

First Interim

Group 1: Units purchased prior to 1 April 2022

Group 2: Units purchased between 1 April 2022 and 30 June 2022

| | Net income | Equalisation | Distribution paid 31/08/22 | Distribution paid 31/08/21 |
|-----------------------|---------------|--------------|----------------------------------|----------------------------------|
| Class A Income | | | | |
| Group 1 | 3.0810 | – | 3.0810 | 2.2382 |
| Group 2 | 0.9928 | 2.0882 | 3.0810 | 2.2382 |

Second Interim

Group 1: Units purchased prior to 1 July 2022

Group 2: Units purchased between 1 July 2022 and 30 September 2022

| | Net income | Equalisation | Distribution paid 30/11/22 | Distribution paid 30/11/21 |
|-----------------------|---------------|--------------|----------------------------------|----------------------------------|
| Class A Income | | | | |
| Group 1 | 2.8003 | – | 2.8003 | 3.2234 |
| Group 2 | 1.0120 | 1.7883 | 2.8003 | 3.2234 |

Third Interim

Group 1: Units purchased prior to 1 October 2022

Group 2: Units purchased between 1 October 2022 and 31 December 2022

| | Net income | Equalisation | Distribution paid 28/02/23 | Distribution paid 28/02/22 |
|-----------------------|---------------|--------------|----------------------------------|----------------------------------|
| Class A Income | | | | |
| Group 1 | 2.3578 | – | 2.3578 | 1.8924 |
| Group 2 | 0.7407 | 1.6171 | 2.3578 | 1.8924 |

Final

Group 1: Units purchased prior to 1 January 2023

Group 2: Units purchased between 1 January 2023 and 31 March 2023

| | Net income | Equalisation | Distribution payable 31/05/23 | Distribution paid 31/05/22 |
|-----------------------|---------------|--------------|-------------------------------------|----------------------------------|
| Class A Income | | | | |
| Group 1 | 2.3884 | – | 2.3884 | 2.3741 |
| Group 2 | 1.3461 | 1.0423 | 2.3884 | 2.3741 |

Remuneration Policy (unaudited)

The Manager of the Royal London UK Income with Growth Trust, RLUM Limited (the “Manager”), is subject to remuneration policies, procedures and practices (together, the “Remuneration Policy”), as required under the UCITS Directive (“UCITS V”).

RLUM Limited and Royal London Asset Management Limited (“the Investment Adviser”) are wholly owned subsidiaries of The Royal London Mutual Insurance Society, “the Group”. The Group maintains a “Group Remuneration Policy” that RLUM 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 profile of the Trust. 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 Committee considers implications of remuneration policies across the Group, including for RLUM.

The Group Remuneration Policy adopts performance related pay, with salaries determined by reference to both individual performance and the external market. Total Remuneration comprises 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 Manager whose professional activities have a material impact on the risk profile of the Manager or the Trust and ensures that an individual cannot be involved in determining or approving their own remuneration.

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 RLUM Limited 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 RLUM Limited 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 Manager, upon request.

The Manager delegates investment management of the Trust to Royal London Asset Management Limited (the “Investment Adviser”). In accordance with the Group Remuneration Policy and the requirements of UCITS V, staff working for the Investment Adviser are not remunerated by the Manager, they are subject to remuneration requirements which are equally as effective as those in place under the UCITS Directive.

RLUM 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 RLUM. 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 RLUM.

RLUM has no employees and therefore there are no other controlled functions, or senior management employed and paid by RLUM. However, for the financial year ending 31 December 2022, total remuneration of £11,887,148 was paid to 23 individuals whose actions may have a material impact on the risk profile of RLUM, of which £3,199,729 related to senior management. The fixed element of the total remuneration mentioned above is £4,624,325 and the variable element is £7,262,823. For the 2021 prior year’s comparison, a total remuneration of £5,261,118 was paid to 15 individuals whose actions may have a material impact on the risk profile of RLUM, of which £3,547,603 related to senior management. The fixed element of the total remuneration mentioned above is £2,969,292 and the variable element is £2,291,826.

General Information

Pricing and dealing

The prices of units are determined by reference to the underlying market value of the net assets of the Trust at the relevant valuation point.

Unit prices are normally calculated daily however, if the markets are exceptionally volatile the Manager may conduct more frequent valuations to reflect any significant changes in the value of the Trust's underlying assets.

Dealing prices, yields and details of risks and charges are published on our website, www.rlam.com.

Dealing in units is conducted between 8.00am and 8.00pm Monday to Friday, and 8.00am and 5.00pm on Saturday.

Buying units

Units may be bought on any business day via an authorised intermediary or from the Manager by telephoning the Dealing desk on 03456 05 77 77*. Alternatively, an application form should be completed and sent to the Manager. Units 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 units

Units may be sold back to the Manager on any business day. Units can be sold by telephone by calling the Dealing desk on 03456 05 77 77* or alternatively by putting your request in writing. The Manager 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 units.

* In the interest of investors' protection all telephone calls to the Dealing desk are recorded.

Cancellation rights

Where a person purchases units 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 Trust is not subject to Capital Gains Tax.

Capital gains established when units 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 the Trust 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 unit holders is detailed on the reverse of dividend warrants. The first distribution received after purchasing units 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 units for Capital Gains Tax purposes.

Authorisation

RLUM Limited is authorised and regulated by the Financial Conduct Authority and is a subsidiary of The Royal London Mutual Insurance Society Limited.

Trust Reports and Prospectus

Copies of the latest yearly and half yearly financial statements and copies of the Prospectus may be obtained from RLUM Limited upon request.

Transfer of units

Subject to any restrictions in the Trust's Prospectus, unitholders are entitled to transfer their units to another person or body. All transfers must be in writing in the form of an instrument of transfer approved by the Manager for this purpose.

Completed instruments of transfer must be returned to the Manager in order for the transfer to be registered by the Manager.

The Manager currently accepts transfers of title (including renunciation of title in the case of a redemption) to units on the authority of electronic instructions transmitted via electronic messaging systems.

Please refer to the Trust's Prospectus for further information.

Contact Us

For further information
please contact:

**Royal London
Asset Management Limited**

80 Fenchurch Street,
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 RLUM Limited.

Royal London Asset Management Limited provides asset management services to RLUM Limited which is the authorised Manager of the Royal London UK Income with Growth Trust.

Royal London Asset Management Limited, registered in England and Wales number 2244297; Royal London Unit Trust Managers Limited, registered in England and Wales number 2372439. RLUM Limited, registered in England and Wales number 2369965. All of these companies are authorised and regulated by the Financial Conduct Authority.

The marketing brand also includes Royal London Asset Management Funds Plc, an umbrella company with segregated liability between sub-funds, authorised and regulated by the Central Bank of Ireland, registered in Ireland number 364259, and subject to limited regulation by the Financial Conduct Authority. Details about the extent of our regulation by the Financial Conduct Authority are available from us on request. Registered office: 70 Sir John Rogerson's Quay, Dublin 2, Ireland.

All of these companies are subsidiaries of The Royal London Mutual Insurance Society Limited, registered in England and Wales number 99064. Registered office: 80 Fenchurch Street, London EC3M 4BY.

Ref: SREP RLAM PD 0272

