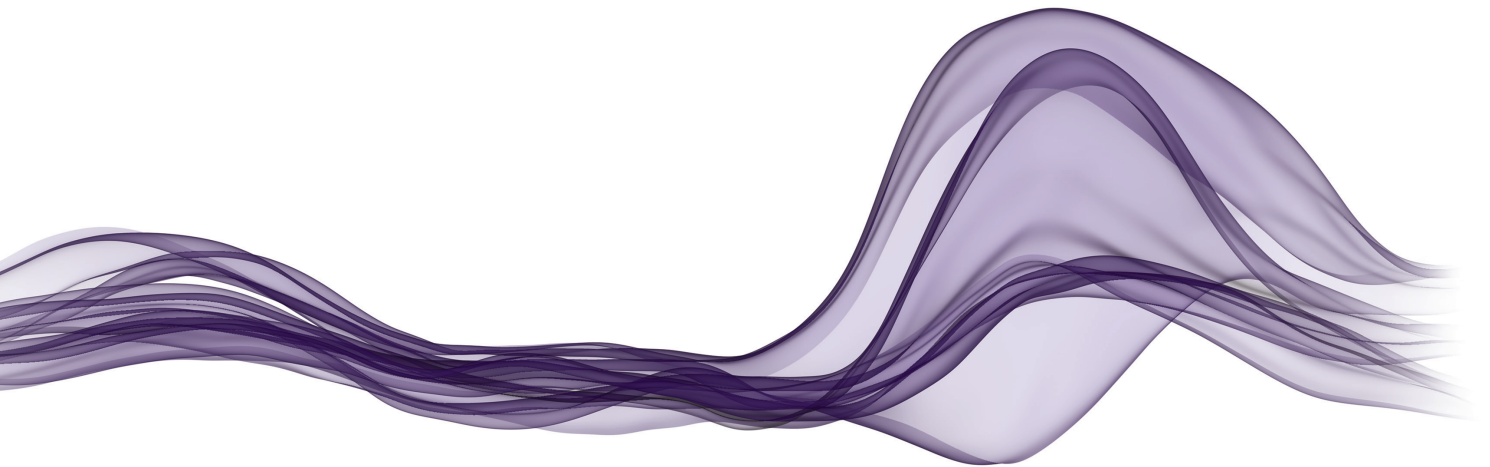


For professional clients only, not suitable for retail investors.

# **Royal London Corporate Bond Monthly Income Trust**

## **Annual Report**

For the year ended 31 August 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 Corporate Bond Monthly Income Trust	13
Independent Auditors' Report to the Unitholders of Royal London Corporate Bond Monthly Income Trust	14
Statement of Total Return	16
Statement of Change in Net Assets Attributable to Unitholders	16
Balance Sheet	16
Notes to the Financial Statements	17
Distribution Tables	23
Remuneration Policy (unaudited)	26
General Information	27

\* The Authorised Fund Manager's Report comprises these items (subsequent references to the Managers 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 Corporate Bond Monthly Income 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 (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**

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 Corporate Bond Monthly Income 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 Trust investment objective is to achieve a consistent monthly income with capital growth over the medium term (3–5 years) by investing predominantly in sterling-denominated investment-grade corporate bonds. The Trust is actively managed.

At least 80% of the Trust will be invested in corporate bonds denominated in sterling or hedged back to sterling. No more than 60% will be invested in bonds rated BBB or below. The remainder of the Trust’s assets may be invested in a range of securities, including UK government bonds, index-linked bonds, securitisations, preference shares, convertibles, permanent interest-bearing shares, and bonds denominated in currencies other than sterling. The Trust may invest up to 10% in 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 investment purposes and efficient portfolio management.

## 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 4.
- 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 4 because its unit price has shown a medium level of volatility historically. As an investment, bonds are typically more volatile than money market instruments but less volatile than shares. This Trust invests in bonds but doesn’t invest in shares.
- The risk rating has moved up from category 3 to category 4 during the financial 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 31/08/23)

	1 year total return %	3 year total return %	5 year total return %
Royal London Corporate Bond Monthly Income Trust, Class A Income	-1.01	-12.09	-2.48
iBoxx Sterling Non-Gilt All Maturities Index	-1.83	-16.51	-5.93
IA £ Corporate Bond TR	-1.17	-13.54	-3.09

**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 August 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](http://www.rlam.com).

### Investment Review and Outlook

#### Performance overview

After fees, the Trust outperformed the broad sterling investment grade credit market for the year under review, using Trust's benchmark, the Markit iBoxx Sterling Non-Gilt Overall Total Return Index as a guide, although returns in absolute terms were negative due to weakness in underlying government bond markets. The Trust's gross income was 1.52 pence per unit (ppu) for the period, meeting its income target.

#### Market overview

Over the past months, bond markets have been dominated by interest rates and inflation. Following the fiscal support of the Covid period and the Russian invasion of Ukraine, many economies have seen a resurgence in inflation, leading major central banks such as the Federal Reserve, European Central Bank and Bank of England to raise rates numerous times.

The backdrop of rising interest rates and inflation meant that global bond yields, including gilts, increased (and therefore prices fell) significantly over the period. Sterling investment grade credit markets also struggled, but outperformed gilts, as the negative impact of higher gilt yields was mitigated by the higher yield on corporate bonds, as well as the tightening of the credit spreads (the average extra yield available from non-gilt bonds compared with government debt of equal maturity).

In terms of sectors, financials outperformed industrials and utilities, with the banking sector shrugging off the impact of bank failures in the US and the Credit Suisse collapse and subsequent rescue by UBS. Shorter-dated bonds outperformed longer-dated, predominantly due to the higher interest rate risk in the latter.

#### Portfolio commentary

The period was difficult for fixed income investors, rising interest rates leading to higher bond yields and hence falling bond prices (yields and prices move inversely in bond markets). As a result, returns for both UK government bonds and corporate bonds were negative.

The Trust modestly outperformed the UK corporate bond market over the 12 months. Performance compared to benchmark was helped by our bias towards banks and insurance sectors, which both performed better than the wider market, and a bias away from utilities and supranational bonds, which performed worse.

Within both banking and insurance sectors, performance benefitted from the "buy back", for regulatory reason, of bonds at a premium to the market price; notable examples including HSBC, Lloyds, Aviva and M&G.

Activity has been focused on identifying attractively priced bonds that offer good yields and which support the Trust's income target. Areas of interest remained the financial sectors, with senior bonds from Credit Agricole, Deutsche Bank, Barclays and Nationwide all coming to market, paying an attractive premium relative to both gilts and the wider corporate bond market. We also remained active in the asset backed sectors – where bonds are backed either by defined assets or cashflows and therefore offer more security. These sectors offer exposure to a wide range of companies that are exposed to different areas of the economy. Examples of secured lending within the Trust include bonds issued by Centre Parcs, Anglian Water, the BBC and Tesco.

Over the year the duration (interest rate sensitivity of the portfolio) did not diverge significantly from that of the benchmark index. For most of the period duration was modestly below that of the index – reflecting a view that we thought yields were more likely to rise than fall – but was increased in recent months as government bond yields rose.

## Manager's Investment Report (continued)

### Investment outlook

We expect the downward trend in inflation to continue through the rest of 2023, as energy and food price increases, moderate and sluggish GDP weakens the labour market. Nonetheless, UK interest rates will rise further if the Bank of England believes inflation is not falling in line with their expectations.

Although the economic data remains very mixed, we still believe that past interest rate increases will lead to a slowdown in the UK, impacting company earnings. Nevertheless, it is our view that credit spreads remain at reasonable levels, and that absolute yield levels are attractive. We consider that credit spreads discount a significant portion of bad news and that investors are being paid well to take credit over government bond risk. Against this background, we will maintain our focus on identifying opportunities with an attractive balance of risk and return and ensuring a high degree of diversification across issuers and sectors.

**Matt Franklin and Jonathan Platt**  
**Trust Co-Managers**  
**Royal London Asset Management**  
**31 August 2023**

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to [www.rlam.com](http://www.rlam.com).

This report covers investment performance, activity and outlook. For a wider look at the Trust, our RLUM Annual Assessment of Value Report March 2023 (published July 2023) is available on [www.rlam.com](http://www.rlam.com).

The Task Force on Climate-related Financial Disclosures Report can be found under the relevant Trust name at <https://www.rlam.com/uk/institutional-investors/funds/fund-information-factsheets/>. This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change.

The views expressed are the authors' 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 August 2023

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Bonds – 99.24% (31/08/22 – 98.92%)</b>			
<b>Commercial Mortgage Backed Securities – 3.56% (31/08/22 – 3.23%)</b>			
£3,900,000	Finance for Residence Social Housing 'A1' 8.369% 4/10/2058*	2,840	1.60
£1,300,000	Finance for Residence Social Housing 'A2' 8.569% 5/10/2058*	821	0.46
£722,000	Parkmore Point RMBS 2022-1 FRN 25/7/2045	611	0.34
£863,000	Sage AR Funding FRN 17/11/2051	829	0.47
£741,000	Taurus 2019-2 FRN 17/11/2029	692	0.39
£376,000	Together Asset Backed Securitisation FRN 12/7/2063	201	0.11
£350,000	Transport for London 5% 31/3/2035	330	0.19
<b>Total Commercial Mortgage Backed Securities</b>		<b>6,324</b>	<b>3.56</b>

<b>Corporate Bonds – 95.16% (31/08/22 – 95.44%)</b>			
£1,500,000	3i Group 5.75% 3/12/2032	1,477	0.83
£233,000	AA Bond 3.25% 31/7/2050	185	0.10
£536,000	AA Bond 6.269% 2/7/2043	523	0.29
£480,000	AA Bond 7.375% 31/7/2050	447	0.25
£100,000	AA Bond 8.45% 31/7/2050	100	0.06
£600,000	Aberdeen 5.25% variable perpetual	488	0.28
£341,200	Alpha Plus 5% 31/3/2024	328	0.18
£447,000	Anglian Water Osprey Financing 2% 31/7/2028	338	0.19
£259,000	Anglian Water Services Financing 6% 20/6/2039	258	0.15
£1,250,000	Annes Gate Property 5.661% 30/6/2031	1,193	0.67
£1,509,000	Annington Funding 3.935% 12/7/2047	1,049	0.59
£369,000	Annington Funding 4.75% 9/8/2033	314	0.18
£600,000	Aroundtown 4.75% variable perpetual	226	0.13
£450,000	Arqiva Finance 4.882% 31/12/2032	262	0.15
£550,000	Arqiva Financing 5.34% 30/12/2037	511	0.29
£280,000	Arqiva Financing 7.21% 30/6/2045	286	0.16
£750,000	Asciano Finance 5% 19/9/2023	749	0.42
£1,250,000	Aspire Defence Finance 'B' 4.674% 31/3/2040	927	0.52
£400,000	Assicurazioni Generali 6.269% perpetual	386	0.22
£1,330,000	Aviva 4.375% variable 12/9/2049	1,147	0.65
£500,000	Aviva 5.125% variable 4/6/2050	441	0.25
£1,999,000	Aviva 6.875% variable 20/5/2058	1,930	1.09
£350,000	Aviva 6.875% variable perpetual	297	0.17
£1,988,000	AXA 6.6862% variable perpetual	1,962	1.11
£700,000	Banco Santander 2.25% variable 4/10/2032	569	0.32
£1,493,242	Bankers Investment Trust 8% 31/10/2023	1,495	0.84
£1,692,000	Barclays 6.369% variable 31/1/2031	1,644	0.93
£400,000	Barclays 6.375% variable perpetual	352	0.20
£1,146,000	Barclays 8.407% variable 14/11/2032	1,159	0.65
£446,000	Barclays 9.25% variable perpetual	403	0.23
£1,650,000	BAT International Finance 4% 23/11/2055	927	0.52
£782,000	Blackstone Property Partners Europe 4.875% 29/4/2032	603	0.34
£440,000	Blend Funding 3.508% 4/5/2059	296	0.17
£1,000,000	BNP Paribas 2% variable 24/5/2031	859	0.48
£500,000	BNP Paribas 5.75% 13/6/2032	477	0.27
£400,000	BNP Paribas 6% variable 18/8/2029	400	0.23
£193,000	Boston Mayflower Finance 4.321% 8/9/2059	152	0.09
£1,583,000	BP Capital Markets 4.25% variable perpetual	1,399	0.79
£1,400,000	BPCE 2.5% variable 30/11/2032	1,141	0.64
£1,000,000	BPHA Finance 4.816% 11/4/2044	890	0.50
£1,711,000	British Land 5.264% 24/9/2035	1,562	0.88
£1,170,000	Broadgate Finance 4.851% 5/4/2033	913	0.51
£353,000	BUPA Finance 4.125% 14/6/2035	264	0.15
£335,000	BWP Issuer 2.868% 30/6/2036	214	0.12
£1,500,000	Canary Wharf Finance II (A7) FRN 22/10/2037	1,223	0.69
£1,900,000	Canary Wharf Finance II 5.952% 22/10/2037	1,867	1.05
£3,770,000	Canary Wharf Finance II 6.455% 22/10/2033	483	0.27
£950,000	Centrica 5.25% variable 10/4/2075	907	0.51
£850,000	Cheltenham & Gloucester 11.75% perpetual	1,260	0.71

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£451,000	Close Brothers Group 2% variable 11/9/2031	370	0.21
£331,000	Close Brothers Group 7.75% 14/6/2028	333	0.19
£1,041,000	Co-operative Wholesale Society 6.25% Step 8/7/2026	981	0.55
£500,000	CPUK Finance 3.69% 28/2/2047	434	0.24
£315,000	CPUK Finance 6.136% 28/2/2047	301	0.17
£1,000,000	Credit Agricole 1.874% variable 9/12/2031	841	0.47
£600,000	Credit Agricole 6.375% variable 14/6/2031	599	0.34
£575,000	Credit Suisse 1.125% 15/12/2025	511	0.29
£1,250,000	Credit Suisse 2.125% variable 15/11/2029	1,028	0.58
£985,000	Credit Suisse 7.75% 10/3/2026	1,016	0.57
£400,000	CYBG 4% variable 3/9/2027	362	0.20
£1,000,000	Delamare Finance 5.5457% 19/2/2029	552	0.31
£1,250,000	Derby Healthcare 5.564% 30/6/2041	1,092	0.62
£700,000	Deutsche Bank 4% variable 24/6/2026	661	0.37
£767,000	Dignity Finance 3.5456% 31/12/2034	435	0.25
£400,000	Direct Line Insurance 4% 5/6/2032	289	0.16
£1,000,000	Electricite de France 5.875% variable perpetual	836	0.47
£600,000	Electricite de France 6% 23/1/2114	513	0.29
£2,000,000	Electricite de France 6% variable perpetual	1,847	1.04
£358,000	Enel Finance International 2.875% 11/4/2029	306	0.17
£3,320,000	Equity Release Funding 5.7% 26/2/2031	1,454	0.82
£391,000	Equity Release Funding No.3 5.05% 26/4/2033	346	0.19
£1,600,000	Eskmuir Group Finance 4.255% 12/12/2047*	933	0.53
£525,000	esure Group 12% variable 20/12/2033	535	0.30
£574,000	Eversholt Funding 2.742% 30/6/2040	389	0.22
£1,500,000	Eversholt Funding 6.697% 22/2/2035	1,244	0.70
£1,500,000	Fidelity International 7.125% 13/2/2024	1,500	0.85
£1,114,000	Freshwater Finance 5.182% 20/4/2035	1,029	0.58
£500,000	Gateway Funding 2.875% 5/7/2051	290	0.16
£1,000,000	GB Social Housing 5.193% 12/2/2038	922	0.52
£700,000	General Electric Capital 4.875% 18/9/2037	597	0.34
£527,000	Goldman Sachs 3.625% variable 29/10/2029	466	0.26
£1,500,000	Goldman Sachs 6.875% 18/1/2038	1,484	0.84
£403,000	Grainger 3% 3/7/2030	314	0.18
£250,000	Grainger 3.375% 24/4/2028	215	0.12
£2,343,000	Great Rolling Stock 6.875% 27/7/2035	1,289	0.73
£490,000	Greene King Finance 3.593% 15/3/2035	364	0.21
£281,000	GreenSquareAccord 5.25% 30/11/2047	253	0.14
£600,000	Grosvenor UK Finance 6.5% 29/9/2026	610	0.34
£681,296	Guinness Trust 7.5% 30/11/2037	558	0.31
£2,041,000	Harbour Funding 5.28% 31/3/2044	1,945	1.10
£736,848	Haven Funding 8.125% 30/9/2037	704	0.40
£1,150,000	Heathrow Finance 3.875% Step 1/3/2027	990	0.56
£600,000	Heathrow Funding 2.75% 9/8/2051	344	0.19
£536,000	Heathrow Funding 4.625% 31/10/2046	433	0.24
£745,000	Heathrow Funding 6.45% 10/12/2031	762	0.43
£500,000	Hemingway Properties 10.375% 31/7/2024*	425	0.24
£618,000	Hexagon Housing Association 3.625% 22/4/2048	414	0.23
£517,580	Home Group 8.75% 11/5/2037	601	0.34
£300,000	HSBC 5.844% variable perpetual	298	0.17
£1,000,000	HSBC 5.875% variable perpetual	887	0.50
£800,000	HSBC 7% 7/4/2038	780	0.44
£2,240,000	HSBC 8.201% variable 16/11/2034	2,303	1.30
£837,000	IG Group 3.125% 18/11/2028	661	0.37
£3,051,000	Income Contingent Student Loan 2 FRN 24/7/2058	304	0.17
£1,950,000	Income Contingent Student Loan 2.5% 24/7/2056	1,021	0.58
£2,430,000	Income Contingent Student Loan FRN 24/7/2056	136	0.08
£700,000	ING Groep NV 6.25% variable 20/5/2033	661	0.37
£364,000	InterContinental Hotels 3.375% 8/10/2028	318	0.18
£1,141,000	Intu Debenture 5.562% 31/12/2027	380	0.21
£2,046,000	Investec 1.875% variable 16/7/2028	1,654	0.93
£641,000	Investec 2.625% variable 4/1/2032	519	0.29
£290,000	Investec 9.125% variable 6/3/2033	292	0.16
£1,229,000	JRP Group 9% 26/10/2026	1,290	0.73

## Portfolio Statement (continued)

As at 31 August 2023

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Corporate Bonds – 95.16% (31/08/22 – 95.44%) – continued</b>			
£827,000	Juturna Euro Loan Conduit 5.0636% 10/8/2033	539	0.30
£1,010,000	Leeds Building Society 3.75% variable 25/4/2029	872	0.49
£1,250,000	Legal & General 4.5% variable 1/11/2050	1,061	0.60
£1,237,000	Legal & General 5.375% variable 27/10/2045	1,192	0.67
£712,000	Legal & General 5.5% variable 27/6/2064	640	0.36
£411,000	Liverpool Victoria Friendly Society 6.5% variable 22/5/2043	397	0.22
£883,000	Lloyds Banking Group 2.707% variable 3/12/2035	649	0.37
£1,700,000	Lloyds Banking Group 7.5% Step 22/3/2032	1,061	0.60
£604,000	Lloyds Banking Group 8.5% variable perpetual	570	0.32
£937,000	London Merchant Securities 6.5% 16/3/2026	930	0.52
£3,300,000	Longstone Finance 4.791% 19/4/2036	1,194	0.67
£1,000,000	Lunar Funding 5.75% 18/10/2033	996	0.56
£1,350,000	M&G 5% variable 20/7/2055	1,159	0.65
£1,500,000	M&G 5.7% variable 19/12/2063	1,296	0.73
£1,367,000	M&G 6.25% variable 20/10/2068	1,157	0.65
£657,000	Macquarie Group 4.08% 31/5/2029	585	0.33
£1,245,000	Majedie Investments 7.25% 31/3/2025	1,243	0.70
£2,000,000	Marstons Issuer FRN 15/10/2031	866	0.49
£865,000	Meadowhall Finance 4.986% 12/1/2032	398	0.22
£584,000	Mercantile Investment Trust 6.125% 25/2/2030	593	0.33
£1,000,000	Merchants Trust 5.875% 20/12/2029	998	0.56
£355,000	Metropolitan Life Global Funding I 5% 10/1/2030	341	0.19
£1,103,000	MIELI London 4.82% 12/8/2027*	992	0.56
£1,000,000	Mitchells & Butlers 5.574% 15/12/2030	243	0.14
£1,500,000	Mitchells & Butlers FRN 15/12/2028	757	0.43
£2,500,000	Mitchells & Butlers FRN 15/12/2030	910	0.51
£485,000	Mizuho Financial 5.628% 13/6/2028	473	0.27
£918,000	Morhomes 3.4% 19/2/2040	693	0.39
£450,000	MPT Operating Partnership M 3.375% 24/4/2030	281	0.16
£400,000	National Exhibition Center 7.5625% 30/9/2027	421	0.24
£750,000	National Express 4.25% variable perpetual	651	0.37
£387,000	Nationwide Building Society 6.125% 21/8/2028	388	0.22
£445,000	NatWest Group 2.057% variable 9/11/2028	374	0.21
£1,000,000	NatWest Group 2.105% variable 28/11/2031	843	0.48
£387,000	NatWest Group 3.619% variable 29/3/2029	341	0.19
£1,000,000	NatWest Group 7.416% variable 6/6/2033	985	0.56
£1,086,000	NGG Finance 5.625% variable 18/6/2073	1,034	0.58
£500,000	Nordea Bank Abp 1.625% variable 9/12/2032	398	0.22
£1,817,000	Octagon Healthcare 5.333% 31/12/2035	1,257	0.71
£355,000	Orsted 2.5% variable 18/2/3021	233	0.13
£448,000	OSB Group 9.5% variable 7/9/2028	448	0.25
£519,000	OSB Group 9.993% variable 27/7/2033	506	0.29
£700,000	Peel Land & Property Investments 8.375% Step 30/4/2040	690	0.39
£506,000	Peel South East 10% 30/4/2026	506	0.29
£400,000	Penarian Housing Finance 3.212% 7/6/2052	267	0.15
£418,000	Pension Insurance 3.625% 21/10/2032	308	0.17
£700,000	Pension Insurance 8% 23/11/2026	712	0.40
£500,000	Peterborough Progress Health 5.581% 2/10/2042	331	0.19
£497,000	Phoenix Group 5.625% 28/4/2031	439	0.25
£2,519,000	Places for People Homes 5.09% 31/7/2043	2,490	1.40
£589,000	Places for People Homes 6.625% 30/9/2038	440	0.25
£1,213,000	Poplar Housing & Regeneration Community 4.843% 30/9/2043	1,017	0.57
£500,000	Premier Transmission Finance 5.2022% 31/3/2030	201	0.11
£1,561,000	Premiertel 5.683% 8/8/2029	805	0.45
£502,000	Principality Building Society 8.625% 12/7/2028	518	0.29

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£565,000	Protective Life Global Funding 5.248% 13/1/2028	548	0.31
£738,000	QBE Insurance 2.5% variable 13/9/2038	579	0.33
£500,000	Quadrant Housing 7.93% Step 10/2/2033	411	0.23
£750,000	Retail Charity Bonds 4.25% 6/7/2028	671	0.38
£1,500,000	RMPA Services 5.337% 30/9/2038	967	0.54
£700,000	Rothsay Life 3.375% 12/7/2026	633	0.36
£400,000	Rothsay Life 6.875% variable perpetual	333	0.19
£443,000	Rothsay Life 7.734% 16/5/2033	431	0.24
£400,000	Rothschild Continuation Finance 9% perpetual	401	0.23
£710,000	Royal Bank of Scotland 3.125% variable 28/3/2027	650	0.37
£491,000	Royal Bank of Scotland 3.622% variable 14/8/2030	458	0.26
£330,000	RSA Insurance 5.125% variable 10/10/2045	315	0.18
£644,000	RSL Finance 6.625% 31/3/2038	540	0.30
£597,000	Sainsburys Bank 10.5% variable 12/3/2033	620	0.35
£890,000	Sanctuary 8.375% 1/9/2031	773	0.44
£800,000	Santander UK 7.098% variable 16/11/2027	801	0.45
£100,000	Santander UK 7.482% variable 29/8/2029	102	0.06
£1,349,115	Scottish Mortgage Investment Trust 12% 30/6/2026	1,547	0.87
£897,000	Scottish Widows 7% 16/6/2043	868	0.49
£750,000	Skipton Building Society 6.25% variable 25/4/2029	721	0.41
£1,400,000	Society of Lloyds 4.875% variable 7/2/2047	1,292	0.73
£300,000	South West Water 5.875% 16/7/2040	277	0.16
£677,000	Southern Housing Group 2.375% 8/10/2036	463	0.26
£1,150,000	Southern Water Services Finance 2.375% 28/5/2028	946	0.53
£463,000	SSE 3.74% variable perpetual	420	0.24
£500,000	St James Oncology Financing 2.804% 31/3/2037	306	0.17
£2,444,000	Summit Finance 6.484% 31/3/2028	795	0.45
£1,676,000	Sunderland (SHG) Finance 6.38% 31/3/2042	1,653	0.93
£2,500,000	Sustainable Communities for Leeds Finance 5.069% 30/9/2032	1,528	0.86
£1,100,000	Swan Housing Capital 3.625% 5/3/2048	783	0.44
£476,000	Swedbank 7.272% variable 15/11/2032	469	0.26
£730,000	Telereal Secured Finance 4.01% 10/12/2033	367	0.21
£422,000	Telereal Securitisation 1.9632% variable 10/12/2033	372	0.21
£564,000	Telereal Securitisation 3.507% variable 10/12/2033	499	0.28
£402,900	Telereal Securitisation 3.5625% 10/12/2036	342	0.19
£202,900	Telereal Securitisation 3.5625% 10/12/2036	172	0.10
£800,000	Telereal Securitisation 5.3887% 10/12/2033	298	0.17
£1,285,000	Telereal Securitisation 5.4252% 10/12/2033	1,034	0.58
£750,000	Telereal Securitisation 6.1645% 10/12/2033	621	0.35
£1,500,000	Telereal Securitisation FRN 10/12/2033	453	0.26
£350,000	Tesco Property 5.744% Sink 13/4/2040	295	0.17
£2,288,000	Tesco Property 5.8006% 13/10/2040	1,962	1.11
£750,000	Thames Water Kemble Finance 4.625% 19/5/2026	503	0.28
£100,000	Thames Water Utilities 4% 19/6/2025	93	0.05
£300,000	Thames Water Utilities 6.5% 9/2/2032	288	0.16
£800,000	Thames Water Utilities 7.738% 9/4/2058	857	0.48
£1,354,000	THFC Funding 5.2% 11/10/2043	1,251	0.71
£1,230,000	Time Warner Cable 5.75% 2/6/2031	1,138	0.64
£793,000	TP ICAP 5.25% 29/5/2026	741	0.42
£182,000	TP ICAP Finance 7.875% 17/4/2030	175	0.10
£500,000	Trafford Centre FRN 28/7/2038	400	0.23
£458,000	ULiving@essex3 LLP NEW ISSUE 2.72% 31/8/2066 FIX*	263	0.15
£1,032,000	Unifund 5.32% 7/12/2047	843	0.48
£1,708,000	Unique Pub Finance 5.659% 30/6/2027	675	0.38
£1,250,000	University of Oxford 2.544% 8/12/2117	629	0.35
£1,800,000	UPP Bond Issuer 4.9023% 28/2/2040	1,338	0.75
£550,000	Utmost Group 6.125% variable perpetual	402	0.23



## Portfolio Statement (continued)

As at 31 August 2023

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Corporate Bonds – 95.16% (31/08/22 – 95.44%) – continued</b>			
£373,000	Vattenfall AB 2.5% variable 29/6/2083	297	0.17
£309,000	Vattenfall AB 6.875% variable 17/8/2083	301	0.17
£620,000	Virgin Money 3.375% variable 24/4/2026	578	0.33
£1,200,000	Virgin Money UK 2.625% variable 19/8/2031	1,010	0.57
£219,000	Virgin Money UK 7.625% variable 23/8/2029	220	0.12
£239,000	Virgin Money UK 8.25% variable perpetual	203	0.11
£492,000	Vodafone Group 3% 12/8/2056	274	0.15
£500,000	Vodafone Group 4.875% variable 3/10/2078	468	0.26
£348,000	Weir Group 6.875% 14/6/2028	351	0.20
£1,000,000	Wellcome Trust 2.517% 7/2/2118	503	0.28
£1,000,000	Welltower 4.5% 1/12/2034	832	0.47
£1,820,000	White City Property 5.1202% 17/4/2035	1,332	0.75
£650,000	Yorkshire Building Society 3.375% variable 13/9/2028	554	0.31
£142,000	Yorkshire Building Society 3.511% variable 11/10/2030	119	0.07
£559,000	Yorkshire Building Society 6.375% variable 15/11/2028	543	0.31
£261,000	Yorkshire Water Finance 5.5% 28/4/2035	242	0.14
£561,000	Zurich Finance 5.125% variable 23/11/2052	495	0.28
<b>Total Corporate Bonds</b>		<b>168,827</b>	<b>95.16</b>
<b>Government Bonds – 0.52% (31/08/22 – 0.25%)</b>			
£600,000	Government of United Mexican States 5.625% 19/3/2114	438	0.25
£1,000,000	UK Treasury 0.875% 31/1/2046	482	0.27
<b>Total Government Bonds</b>		<b>920</b>	<b>0.52</b>
<b>Total value of investments</b>		<b>176,071</b>	<b>99.24</b>
<b>Net other assets</b>		<b>1,349</b>	<b>0.76</b>
<b>Total net assets</b>		<b>177,420</b>	<b>100.00</b>

# Level 3 asset

All investments 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 August 2023

### Significant Purchases

	Cost £'000
UK Treasury 4.25% 7/12/2046	8,705
UK Treasury 0.875% 31/1/2046	3,836
Barclays 6.369% variable 31/1/2031	2,417
HSBC 8.201% variable 16/11/2034	2,240
UK Treasury 1.25% 22/10/2041	1,819
Barclays 8.407% variable 14/11/2032	1,170
Merchants Trust 5.875% 20/12/2029	1,019
Credit Suisse 7.75% 10/3/2026	1,012
NatWest Group 7.416% variable 6/6/2033	1,006
Santander UK 7.098% variable 16/11/2027	812
<b>Subtotal</b>	<b>24,036</b>
<b>Total cost of purchases, including the above, for the year</b>	<b>58,044</b>

### Significant Sales

	Proceeds £'000
UK Treasury 4.25% 7/12/2046	8,508
UK Treasury 0.875% 31/1/2046	3,401
HSBC 5.375% variable 4/11/2030	3,175
UK Treasury 1.25% 22/10/2041	2,035
HSBC 5.375% 22/8/2033	1,919
Barclays 3.25% 17/1/2033	1,721
Monks Investment Trust 6.375% 1/3/2023	1,536
Edinburgh Investment Trust 7.75% 30/9/2022	1,535
Thames Water Utilities 5.75% 13/9/2030	1,500
Shaftesbury Carnaby 2.487% 30/9/2031	1,500
<b>Subtotal</b>	<b>26,830</b>
<b>Total proceeds from sales, including the above, for the year</b>	<b>59,648</b>

## Comparative Table

### Class A Income

Change in net assets per unit	31/08/23 (p)	31/08/22 (p)	31/08/21 (p)
Opening net asset value per unit	76.49	93.75	92.66
Return before operating charges*	0.08	(13.37)	5.04
Operating charges	(0.57)	(0.69)	(0.82)
Return after operating charges*	(0.49)	(14.06)	4.22
Distributions on income units	(3.52)	(3.20)	(3.13)
<b>Closing net asset value per unit</b>	<b>72.48</b>	<b>76.49</b>	<b>93.75</b>
* after direct transaction costs of:	0.00	0.00	0.00
<b>Performance</b>			
Return after charges	(0.64)%	(15.00)%	4.55%
<b>Other information</b>			
Closing net asset value (£'000)	177,420	190,011	232,501
Closing number of units	244,786,350	248,414,250	247,990,250
Operating charges	0.69%	0.79%	0.78%†
Direct transaction costs	—	—	—
<b>Prices<sup>^</sup></b>			
Highest unit price	77.62	94.35	96.48
Lowest unit price	68.42	77.52	92.21

† From 1 June 2023 the AMC was reduced from 0.75% to 0.65%.

<sup>^</sup> 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 August 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 losses 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 requirements of the Statement of Recommended Practice relating to UK Authorised Funds;
- 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 Corporate Bond Monthly Income 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 Corporate Bond Monthly Income 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 Corporate Bond Monthly**  
**Income Trust**  
**8 Canada Square, Canary Wharf, London E14 5HQ**  
**22 November 2023**

# Independent Auditors' Report to the Unitholders of Royal London Corporate Bond Monthly Income Trust

## Report on the audit of the financial statements

### Opinion

In our opinion, the financial statements of Royal London Corporate Bond Monthly Income Trust (the "Trust"):

- give a true and fair view of the financial position of the Trust as at 31 August 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 August 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.

### 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.



# Independent Auditors' Report to the Unitholders of Royal London Corporate Bond Monthly Income Trust (continued)

## Responsibilities for the financial statements and the audit – continued

### Responsibilities of the Manager for the financial statements – continued

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](http://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.

### 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**  
**22 November 2023**

## Financial Statements

### Statement of Total Return

For the year ended 31 August 2023

	Note	31 Aug 2023 £'000	31 Aug 2022 £'000
Income			
Net capital losses	4	(8,549)	(41,157)
Revenue	5	8,768	7,813
Expenses	6	(1,401)	(1,701)
Interest payable and similar charges		(4)	–
Net revenue before taxation		7,363	6,112
Taxation	7	–	–
Net revenue after taxation		7,363	6,112
Total deficit before distributions		(1,186)	(35,045)
Distributions	8	(8,677)	(7,937)
<b>Change in net assets attributable to unitholders from investment activities</b>		<b>(9,863)</b>	<b>(42,982)</b>

### Statement of Change in Net Assets Attributable to Unitholders

For the year ended 31 August 2023

	31 Aug 2023 £'000	31 Aug 2022 £'000
<b>Opening net assets attributable to unitholders</b>	<b>190,011</b>	<b>232,501</b>
Amounts receivable on issue of units	16,037	20,337
Amounts payable on cancellation of units	(18,767)	(19,848)
	(2,730)	489
Change in net assets attributable to unitholders from investment activities	(9,863)	(42,982)
Unclaimed distributions	2	3
<b>Closing net assets attributable to unitholders</b>	<b>177,420</b>	<b>190,011</b>

### Balance Sheet

As at 31 August 2023

	Note	31 Aug 2023 £'000	31 Aug 2022 £'000
<b>Assets</b>			
Investments		176,071	187,955
Current assets:			
Debtors	9	3,813	3,102
Cash and bank balances	10	107	1,415
<b>Total assets</b>		<b>179,991</b>	<b>192,472</b>
<b>Liabilities</b>			
Creditors:			
Other creditors	11	694	1,341
Distribution payable		1,877	1,120
<b>Total liabilities</b>		<b>2,571</b>	<b>2,461</b>
<b>Net assets attributable to unitholders</b>		<b>177,420</b>	<b>190,011</b>

The financial statements were approved on 22 November 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 August 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 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 August 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 August 2023.

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

### Recognition of revenue

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.

### Treatment of expenses

RLUM Limited's annual charge (A Income 0.65%) is calculated daily on the total net assets of the Trust.

All expenses are charged against revenue, except those relating to the purchase and sale of investments, which 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 monthly.

For the purpose of the calculation of distribution, revenue from debt securities is computed on 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.

## 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:

- 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.

## Notes to the Financial Statements (continued)

For the year ended 31 August 2023

### 3. Risk management policies – continued

#### 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 assets of the Trust can be affected by currency translation movements, as a small portion of the Trust's assets are denominated in currencies other than sterling, which is the Trust's base currency. The Trust does not hedge on foreign exchange rates.

#### 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.

#### Other risks

##### Potential implications of an epidemic and/or a pandemic

Epidemics and pandemics such as Covid-19, can seriously disrupt the global economy and markets. Pandemics and similar events could also have an acute effect on individual issuers or related groups of issuers and could adversely affect securities markets, interest rates, auctions, secondary trading, ratings, credit risk, inflation, deflation and other factors relating to a Trust's investments or the Manager's operations and the operations of the Manager and the Company's service providers.

##### Ukraine

The Ukraine conflict and its consequences, including economic sanctions on Russia, are having a significant impact on global financial markets and commodity pricing. The Manager is closely monitoring the associated geopolitical risks in relation to inflation, volatile markets and security pricing. Please refer to the Manager's Investment Reports for commentary on the impact and outlook.

The Trust has no direct exposure to Russian companies and the Manager is complying with all restrictions and sanctions issued by the relevant authorities.

Risk disclosure breakdown is available on page 20.

## Notes to the Financial Statements (continued)

For the year ended 31 August 2023

### 4. Net capital losses

	31 Aug 2023 £'000	31 Aug 2022 £'000
<b>The net capital losses during the year comprise:</b>		
Non-derivative securities	(8,547)	(41,155)
Activity fees	(2)	(2)
<b>Net capital losses</b>	<b>(8,549)</b>	<b>(41,157)</b>

### 5. Revenue

	31 Aug 2023 £'000	31 Aug 2022 £'000
Interest on debt securities	8,747	7,808
Bank interest	21	5
<b>Total revenue</b>	<b>8,768</b>	<b>7,813</b>

### 6. Expenses

	31 Aug 2023 £'000	31 Aug 2022 £'000
<b>Payable to the Manager, associates of the Manager and their agents:</b>		
Manager's annual charge	1,328	1,623
<b>Payable to the Trustee, associates of the Trustee and their agents:</b>		
Trustee's fee	29	33
Safe custody charges	20	23
	49	56
<b>Other expenses</b>		
Audit fee	24	22
	24	22
<b>Total expenses</b>	<b>1,401</b>	<b>1,701</b>

Audit fee £23,051 (31/08/22: £21,953) inclusive of VAT.

### 7. Taxation

#### a) Analysis of charge for the year

	31 Aug 2023 £'000	31 Aug 2022 £'000
Corporation tax	–	–
<b>Current tax charge for the year</b>	<b>–</b>	<b>–</b>

#### b) Factors affecting current tax charge for the year

The tax assessed for the year is lower (31/08/22: lower) than the standard rate of corporation tax in the UK for a unit trust of 20% (31/08/22: 20%).

The differences are explained below:

Net revenue before taxation	7,363	6,112
Corporation tax 20% (31/08/22: 20%)	1,473	1,222
Effects of:		
Tax deductible interest distributions	(1,473)	(1,222)
<b>Current tax charge for the year</b>	<b>–</b>	<b>–</b>

#### c) Factors that may affect future tax charges

At the year end there is no potential deferred tax asset (31/08/22: nil) in relation to surplus management expenses.

### 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 Aug 2023 £'000	31 Aug 2022 £'000
<b>Income Units</b>		
Monthly interims	6,785	6,823
Final	1,877	1,120
	<b>8,662</b>	<b>7,943</b>
Add: Amounts deducted on cancellation of units	86	51
Deduct: Amounts received on creation of units	(71)	(57)
<b>Gross interest distribution for the year</b>	<b>8,677</b>	<b>7,937</b>

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

Net revenue after taxation	7,363	6,112
Amortisation – coupon accounting	1,314	1,825
<b>Gross interest distribution for the year</b>	<b>8,677</b>	<b>7,937</b>

## Notes to the Financial Statements (continued)

For the year ended 31 August 2023

### 9. Debtors

	31 Aug 2023 £'000	31 Aug 2022 £'000
Amount receivable for issue of units	–	5
Sales awaiting settlement	601	–
Accrued revenue	3,212	3,097
<b>Total debtors</b>	<b>3,813</b>	<b>3,102</b>

### 10. Cash and bank balances

	31 Aug 2023 £'000	31 Aug 2022 £'000
Cash and bank balances	107	1,415
<b>Total cash and bank balances</b>	<b>107</b>	<b>1,415</b>

### 11. Other creditors

	31 Aug 2023 £'000	31 Aug 2022 £'000
Amount payable for cancellation of units	107	87
Purchases awaiting settlement	448	1,100
Accrued expenses	139	154
<b>Total other creditors</b>	<b>694</b>	<b>1,341</b>

### 12. Reconciliation of number of units

	Class A Income
Opening units at 01/09/22	248,414,250
Units issued	21,880,100
Units cancelled	(25,508,000)
<b>Closing units at 31/08/23</b>	<b>244,786,350</b>

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 (31/08/22: nil).

### 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 £205,000 (31/08/22: £210,000) was due to RLUM Limited. These amounts are included in amounts receivable for issue of units in note 9 and amounts payable for cancellation of units and accrued expenses in note 11.

At the year end, 26.20% (31/08/22: 24.87%) of the units in issue were held by RLUM Limited.

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

### 15. Risk disclosures

The Trust has no asset denominated in currencies other than sterling during the current and the prior year.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Trust would have increased by £17,607,000 (31/08/22: £18,796,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Trust would have decreased by £17,607,000 (31/08/22: £18,796,000). 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 August 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
<b>31 August 2023</b>				
Sterling	68,732	107,446	3,813	179,991
<b>Total</b>	<b>68,732</b>	<b>107,446</b>	<b>3,813</b>	<b>179,991</b>
<b>31 August 2022</b>				
Sterling	60,597	128,773	3,102	192,472
<b>Total</b>	<b>60,597</b>	<b>128,773</b>	<b>3,102</b>	<b>192,472</b>



## Notes to the Financial Statements (continued)

For the year ended 31 August 2023

### 15. Risk disclosures – continued

#### Interest rate risk profile of financial assets and financial liabilities – continued

Currency	Financial liabilities not carrying interest £'000	Total £'000
<b>31 August 2023</b>		
Sterling	(2,571)	(2,571)
<b>Total</b>	<b>(2,571)</b>	<b>(2,571)</b>
<b>31 August 2022</b>		
Sterling	(2,461)	(2,461)
<b>Total</b>	<b>(2,461)</b>	<b>(2,461)</b>

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 31/08/23, would change by £1,127,000 (31/08/22: £725,000). Another possible scenario would be 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 31/08/23, would change by £773,000 (31/08/22: £388,000).

A change of 3% in the prevailing interest rates would result in a change of 15.85% (31/08/22: 17.37%) to the value of the Fund. Another possible scenario would be if a change of 1% in the prevailing interest rates would result in a change of 5.28% (31/08/22: 5.79%) to the value of the Fund.

These examples represent the ACDs best estimate of possible shifts in interest rates. Interest rates and bond prices have an inverse relationship. As interest rates rise the value of bonds will decrease and vice versa.

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 August 2023		31 August 2022	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	134,857	76.01	142,760	75.13
Investments of below investment grade	12,580	7.09	11,847	6.24
Unrated bonds	28,634	16.14	33,348	17.55
<b>Total value of investments</b>	<b>176,071</b>	<b>99.24</b>	<b>187,955</b>	<b>98.92</b>

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

### 16. Portfolio transaction costs

For the year ended 31 August 2023

Analysis of total purchases costs	Total £'000
Bond transactions	58,044
<b>Total</b>	<b>58,044</b>
<b>Analysis of total sales costs</b>	
Bond transactions	59,648
<b>Total</b>	<b>59,648</b>

For the year ended 31 August 2022

Analysis of total purchases costs	Total £'000
Bond transactions	63,509
<b>Total</b>	<b>63,509</b>
<b>Analysis of total sales costs</b>	
Bond transactions	60,641
Corporate actions	44
<b>Total</b>	<b>60,685</b>

At the balance sheet date the dealing spread was 0.90% (31/08/22: 0.95%).

## Notes to the Financial Statements (continued)

For the year ended 31 August 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.

#### As at the year ended 31 August 2023

Category	1 £'000	2 £'000	3 £'000	Total £'000
<b>Investments</b>				
Bonds	–	169,797	6,274	176,071
<b>Total</b>	<b>–</b>	<b>169,797</b>	<b>6,274</b>	<b>176,071</b>

#### As at the year ended 31 August 2022

Category	1 £'000	2 £'000	3 £'000	Total £'000
<b>Investments</b>				
Bonds	–	181,250	6,705	187,955
<b>Total</b>	<b>–</b>	<b>181,250</b>	<b>6,705</b>	<b>187,955</b>

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: Eskmuir Group Finance 4.255% 12/12/2047, Finance for Residence Social Housing 'A1' 8.368% 4/10/2058, Finance for Residence Social Housing 'A2' 8.569% 5/10/2058, Hemingway Properties 10.375% 31/7/2024, MIELI London 4.82% 12/8/2027 and ULiving@essex3 LLP NEW ISSUE 2.72% 31/8/2066 FIX.

At the prior year Eskmuir Group Finance 4.255% 12/12/2047, Finance for Residence Social Housing 'A1' 8.369% 4/10/2058, Finance for Residence Social Housing 'A2' 8.569% 5/10/2058, MIELI London 4.82% 12/8/2027 and ULiving@essex3 LLP NEW ISSUE 2.72% 31/8/2066 FIX level 3 assets were held.

The fair value of ULiving@essex3 LLP NEW ISSUE 2.72% 31/8/2066 FIX and Hemingway Properties 10.375% 31/7/2024 are based on a single broker quote at the last valuation point in the current and prior accounting year. Finance for Residence Social Housing 'A1' 8.369% 4/10/2058, Finance for Residence Social Housing 'A2' 8.569% 5/10/2058 and MIELI London 4.82% 12/08/2027 are based on Bloomberg model prices which are derived from spreads using comparable bonds. Prior year these assets were based on a single broker quote.

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.

The methodology has been approved by the RLAM Valuation Oversight Committee.

### 18. Events after the balance sheet date

Subsequent to the Trust's year end, 31 August 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.

The net asset value (NAV) of the Trust as at 17 November 2023 was £178,484,470. The impact of the market movements on the Trust's NAV between the end of the reporting period 31 August 2023 and the date of which the financial statements were authorised for issue was (0.84%).

There have been no significant redemptions during this period.

## Distribution Tables

for the year ended 31 August 2023

### Distribution in pence per unit

#### For the month ended 30 September 2022

Group 1: Units purchased prior to 1 September 2022

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

	Net Income	Equalisation	Distribution paid 17/10/22	Distribution paid 17/10/21
<b>Class A Income</b>				
Group 1	0.2500	–	0.2500	0.2500
Group 2	0.0817	0.1683	0.2500	0.2500

#### For the month ended 31 October 2022

Group 1: Units purchased prior to 1 October 2022

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

	Net Income	Equalisation	Distribution paid 17/11/22	Distribution paid 17/11/21
<b>Class A Income</b>				
Group 1	0.2500	–	0.2500	0.2500
Group 2	0.1115	0.1385	0.2500	0.2500

#### For the month ended 30 November 2022

Group 1: Units purchased prior to 1 November 2022

Group 2: Units purchased between 1 November 2022 and 30 November 2022

	Net Income	Equalisation	Distribution paid 17/12/22	Distribution paid 17/12/21
<b>Class A Income</b>				
Group 1	0.2500	–	0.2500	0.2500
Group 2	0.0419	0.2081	0.2500	0.2500

#### For the month ended 31 December 2022

Group 1: Units purchased prior to 1 December 2022

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

	Net Income	Equalisation	Distribution paid 17/01/23	Distribution paid 17/01/22
<b>Class A Income</b>				
Group 1	0.2500	–	0.2500	0.2500
Group 2	0.0159	0.2341	0.2500	0.2500

**Distribution Tables** (continued)

for the year ended 31 August 2023

**Distribution in pence per unit****For the month ended 31 January 2023**

Group 1: Units purchased prior to 1 January 2023

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

	Net Income	Equalisation	Distribution paid 17/02/23	Distribution paid 17/02/22
<b>Class A Income</b>				
Group 1	0.2500	–	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500

**For the month ended 28 February 2023**

Group 1: Units purchased prior to 1 February 2023

Group 2: Units purchased between 1 February 2023 and 28 February 2023

	Net Income	Equalisation	Distribution paid 17/03/23	Distribution paid 17/03/22
<b>Class A Income</b>				
Group 1	0.2500	–	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500

**For the month ended 31 March 2023**

Group 1: Units purchased prior to 1 March 2023

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

	Net Income	Equalisation	Distribution paid 17/04/23	Distribution paid 17/04/22
<b>Class A Income</b>				
Group 1	0.2500	–	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500

**For the month ended 30 April 2023**

Group 1: Units purchased prior to 1 April 2023

Group 2: Units purchased between 1 April 2023 and 30 April 2023

	Net Income	Equalisation	Distribution paid 17/05/23	Distribution paid 17/05/22
<b>Class A Income</b>				
Group 1	0.2500	–	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500

**Distribution Tables** (continued)

for the year ended 31 August 2023

**Distribution in pence per unit****For the month ended 31 May 2023**

Group 1: Units purchased prior to 1 May 2023

Group 2: Units purchased between 1 May 2023 and 31 May 2023

	Net Income	Equalisation	Distribution paid 17/06/23	Distribution paid 17/06/22
<b>Class A Income</b>				
Group 1	0.2500	–	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500

**For the month ended 30 June 2023**

Group 1: Units purchased prior to 1 June 2023

Group 2: Units purchased between 1 June 2023 and 30 June 2023

	Net Income	Equalisation	Distribution paid 17/07/23	Distribution paid 17/07/22
<b>Class A Income</b>				
Group 1	0.2500	–	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500

**For the month ended 31 July 2023**

Group 1: Units purchased prior to 1 July 2023

Group 2: Units purchased between 1 July 2023 and 31 July 2023

	Net Income	Equalisation	Distribution paid 17/08/23	Distribution paid 17/08/22
<b>Class A Income</b>				
Group 1	0.2500	–	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500

**For the month ended 31 August 2023**

Group 1: Units purchased prior to 1 August 2023

Group 2: Units purchased between 1 August 2023 and 31 August 2023

	Net Income	Equalisation	Distribution paid 17/09/23	Distribution paid 17/09/22
<b>Class A Income</b>				
Group 1	0.7666	–	0.7666	0.4507
Group 2	0.1624	0.6042	0.7666	0.4507

## Remuneration Policy (unaudited)

The Manager of the Royal London Corporate Bond Monthly Income 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 Ltd (“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 Group 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](http://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 Customer Contact Centre on 0345 605 7777\*. 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 Customer Contact Centre on 0345 605 7777\* 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.

\* In the interest of investors' protection all telephone calls to the Customer Contact Centre 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:

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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 Corporate Bond Monthly Income Trust.

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