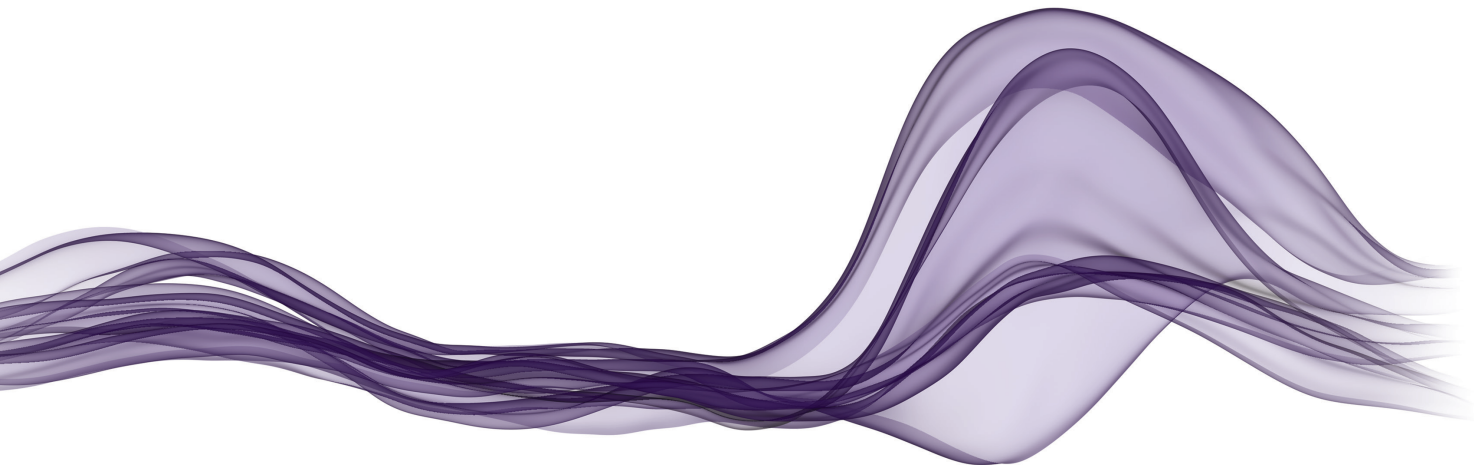


# **Royal London US Growth Trust**

## **Annual Report**

For the year ended 31 December 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	9
Comparative Tables	10
Statement of Manager's Responsibilities in Relation to the Report and Financial Statements of the Trust	11
Statement of the Trustee's Responsibilities in Relation to the Financial Statements of the Trust	12
Report of the Trustee to the Unitholders of the Royal London US Growth Trust	12
Independent Auditors' Report to the Unitholders of Royal London US Growth Trust	13
Statement of Total Return	15
Statement of Change in Net Assets Attributable to Unitholders	15
Balance Sheet	15
Notes to the Financial Statements	16
Distribution Table	23
Remuneration Policy (unaudited)	24
General Information	25

\* 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 US 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

J.M. Brett (Non-executive Director)

J.S. Glen (Chairman)

J.M. Jackson (Non-executive Director)

### 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 US 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 US Growth Trust aims to achieve capital growth over the medium to long term, which should be considered as a period of 5–7 years, by predominately investing in the shares of US companies listed on the New York Stock Exchange. The Trust's performance target is to outperform, after the deduction of charges, the MSCI USA £ Net Total Return Index (the "Index") over a rolling 7-year period.

At least 80% of the Scheme will be invested in the shares of listed US companies, which are those listed in the United States, domiciled in the United States, or which have significant US business operations.

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.

## 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 6.
- 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 6 because its unit price has shown a 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 historically been solely invested in shares.
- 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 31/12/23)

	1 year total return %	3 year total return %	5 year total return %
Royal London US Growth Trust, Class A Income	24.45	46.10	120.25
MSCI USA Net Total Return Index (in sterling)	19.36	37.48	102.38
IA North America TR	16.19	30.82	89.76

Class D Accumulation and Class D Income launched on 21 November 2023, therefore no performance available.

**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 December 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

The Fund outperformed the benchmark during the period under review on the back of positive stock selection.

#### Market overview

Global equities finished off the year on a strong footing, as weaker economic data and guidance from central bankers gave markets hope that interest rates would be cut sooner than investors had previously anticipated. As the year came to an end, bond markets moved sharply to expect more rate cuts in 2024. The Federal Reserve (Fed), European Central Bank (ECB) and Bank of England (BoE) all left rates unchanged in the final months of the year, maintaining official rates at multi-year highs. The Fed has now held rates unchanged at its last three meetings. There has however been a significant shift in messaging, with the US central bank now indicating that it expects to cut rates by 0.75% in 2024. The ECB has similarly kept rates steady at its two most recent meetings, but central bankers in the eurozone said that no rate cuts have yet been discussed.

#### Portfolio commentary

Strong Fund performance was based on stock selection, with positive impact from the likes of Microsoft and Amazon outweighing the negative impact from companies such as Tesla and Moderna.

For Microsoft, strong quarterly results announced in October 2023 continued to demonstrate their ability to continue to grow consistently. The Microsoft CEO attributed their strong results to demand for their Artificial Intelligence (AI) tools offered through Azure cloud services. AI services and products are evolving rapidly, and we see Microsoft as being well placed to help corporates with solutions to embrace AI. Amazon performed well over the period, due to the potential for its AWS (Amazon Web Services) business to capitalise on delivering positive AI solutions for corporate customers.

Tesla, the electric vehicle manufacturer, which was not owned over the period, was the largest negative for returns compared to the benchmark. We look at all companies on their ability to create wealth for shareholders and the price (or valuation) we have to pay to own those wealth creating characteristics. The wealth creation characteristics of Tesla are undoubtedly attractive, but the valuation is still excessive in our view. Moderna, the healthcare company known for its disruptive mRNA technology used to produce Covid vaccines declined during the period and was one of the Fund's large detractors. During the period Moderna reported results which were benign and in line with the markets expectations but the business is yet to demonstrate material advancements of their pipeline which the market has reacted poorly to.

## Manager's Investment Report (continued)

### Investment Review and Outlook – continued

#### Investment outlook

Whilst there remains significant geopolitical and macroeconomic risk, we remain focused on using our established investment process to generate returns through a 'bottom-up' focus on individual companies. With this volatile background, we believe that our approach of diversifying across broad range of companies from different sectors and stages of their life cycle will allow performance to continue to be driven more by the success of that investment process and the individual companies added to the portfolio, rather than the prevailing winds of the macroeconomy, or factors such as 'growth' or 'value' styles being in vogue.

**Chris Parr**

**Trust Manager**

**31 December 2023**

**Royal London Asset Management Limited**

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/individual-investors/funds>. 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 December 2023

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Taiwan – 0.44% (31/12/22 – 0.00%)</b>			
<b>Technology – 0.44% (31/12/22 – 0.00%)</b>			
Technology Hardware & Equipment – 0.44%			
	16,800 Taiwan Semiconductor Manufacturing ADR	1,370	0.44
<b>Total Taiwan</b>		<b>1,370</b>	<b>0.44</b>
<b>United Kingdom – 0.74% (31/12/22 – 0.00%)</b>			
<b>Oil &amp; Gas – 0.74% (31/12/22 – 0.00%)</b>			
Oil & Gas Producers – 0.74%			
	45,076 Shell ADR	2,326	0.74
<b>Total United Kingdom</b>		<b>2,326</b>	<b>0.74</b>
<b>United States – 98.64% (31/12/22 – 99.80%)</b>			
<b>Oil &amp; Gas – 3.83% (31/12/22 – 6.01%)</b>			
Oil & Gas Producers – 2.56%			
	72,064 Coterra Energy	1,442	0.46
	25,633 Exxon Mobil	2,010	0.64
	29,399 Occidental Petroleum	1,377	0.44
	50,218 Range Resources	1,199	0.38
	19,522 Valero Energy	1,991	0.64
Oil Equipment & Services – 1.27%			
	139,595 Kinder Morgan	1,931	0.62
	73,914 OGE Energy	2,025	0.65
<b>Total Oil &amp; Gas</b>		<b>11,975</b>	<b>3.83</b>
<b>Basic Materials – 2.38% (31/12/22 – 2.72%)</b>			
Chemicals – 0.45%			
	16,206 RPM International	1,419	0.45
Forestry & Paper – 0.48%			
	38,781 Sylvamo	1,494	0.48
Industrial Metals – 1.45%			
	9,111 Reliance Steel & Aluminium	1,999	0.64
	27,551 Steel Dynamics	2,552	0.81
<b>Total Basic Materials</b>		<b>7,464</b>	<b>2.38</b>
<b>Industrials – 9.27% (31/12/22 – 10.07%)</b>			
Aerospace & Defence – 0.78%			
	6,677 Northrop Grumman	2,454	0.78
Construction & Materials – 0.75%			
	6,767 Installed Building Products	969	0.31
	4,739 TopBuild	1,391	0.44
Electronic & Electrical Equipment – 2.02%			
	25,831 Ametek	3,341	1.07
	719 Mettler Toledo International	685	0.22
	5,321 Roper Technologies	2,276	0.73
Industrial Engineering – 1.37%			
	30,702 Paccar	2,352	0.75
	31,084 Timken	1,954	0.62

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Industrial Transportation – 3.41%			
	25,682 Expeditors International	2,562	0.82
	6,191 Landstar System	940	0.30
	8,700 Old Dominion Freight Line	2,764	0.88
	7,645 SAIA	2,628	0.84
	9,347 Union Pacific	1,801	0.57
Support Services – 0.94%			
	16,576 CoStar Group	1,136	0.36
	19,418 TriNet	1,811	0.58
<b>Total Industrials</b>		<b>29,064</b>	<b>9.27</b>
<b>Consumer Goods – 7.14% (31/12/22 – 8.30%)</b>			
Automobiles & Parts – 0.99%			
	164,690 Ford Motor	1,574	0.50
	54,659 General Motors	1,540	0.49
Beverages – 1.05%			
	24,592 PepsiCo	3,276	1.05
Food Producers – 1.38%			
	55,610 Kraft Heinz	1,613	0.51
	17,783 McCormick	954	0.30
	42,537 Tyson Foods A	1,793	0.57
Household Goods – 1.57%			
	18,270 Church & Dwight	1,356	0.43
	31,001 Procter & Gamble	3,564	1.14
Leisure Goods – 1.27%			
	15,533 Polaris Industries	1,155	0.37
	30,348 Thor Industries	2,815	0.90
Personal Goods – 0.19%			
	35,944 Kenvue	607	0.19
Tobacco – 0.69%			
	29,187 Philip Morris International	2,154	0.69
<b>Total Consumer Goods</b>		<b>22,401</b>	<b>7.14</b>
<b>Healthcare – 12.22% (31/12/22 – 15.20%)</b>			
Healthcare Equipment & Services – 6.44%			
	6,659 Elevance Health	2,463	0.79
	13,276 HCA Holdings	2,819	0.90
	2,234 IDEXX Laboratories	973	0.31
	6,840 Intuitive Surgical	1,810	0.58
	10,093 Stryker	2,373	0.76
	5,498 Thermo Fisher Scientific	2,291	0.73
	17,944 UnitedHealth	7,417	2.37
Pharmaceuticals & Biotechnology – 5.78%			
	28,291 Abbvie	3,440	1.10
	7,309 Alnylam Pharmaceuticals	1,097	0.34
	44,391 Bristol Myers Squibb	1,786	0.57
	10,310 Eli Lilly	4,717	1.51
	30,715 Johnson & Johnson	3,777	1.21
	11,587 Moderna	904	0.29
	7,416 Vertex Pharmaceuticals	2,367	0.76
<b>Total Healthcare</b>		<b>38,234</b>	<b>12.22</b>

## Portfolio Statement (continued)

As at 31 December 2023

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Consumer Services – 11.83% (31/12/22 – 9.57%)</b>			
Food & Drug Retailers – 0.62%			
51,190	Sprouts Farmers Market	1,932	0.62
General Retailers – 9.26%			
103,163	Amazon.com	12,296	3.92
25,778	BJ's Wholesale Club	1,348	0.43
69,982	Copart	2,690	0.86
11,056	Home Depot	3,005	0.96
5,101	Lithia Motors	1,318	0.42
1,885	MercadoLibre	2,321	0.74
4,808	Netflix	1,836	0.59
17,071	Ollie's Bargain Outlet	1,016	0.32
16,651	PayPal	802	0.26
32,344	TJX Companies	2,380	0.76
Media – 0.88%			
35,724	Comcast 'A'	1,229	0.39
4,115	FactSet Research Systems	1,539	0.49
Travel & Leisure – 1.07%			
80,896	Cinemark Holdings	895	0.29
77,048	Delta Airlines	2,432	0.78
<b>Total Consumer Services</b>		<b>37,039</b>	<b>11.83</b>
<b>Telecommunications – 0.64% (31/12/22 – 1.32%)</b>			
Fixed Line Telecommunications – 0.64%			
67,516	Verizon Communications	1,996	0.64
<b>Total Telecommunications</b>		<b>1,996</b>	<b>0.64</b>
<b>Utilities – 1.60% (31/12/22 – 2.31%)</b>			
Electricity – 1.60%			
29,539	Eversource Energy	1,430	0.46
27,305	IDACORP	2,106	0.67
25,783	MGE Energy	1,462	0.47
<b>Total Utilities</b>		<b>4,998</b>	<b>1.60</b>
<b>Financials – 14.30% (31/12/22 – 16.08%)</b>			
Banks – 3.25%			
50,167	JPMorgan Chase	6,699	2.14
9,967	PNC Financial Services	1,211	0.39
38,375	Truist Financial	1,111	0.35
33,782	US Bancorp	1,147	0.37
Financial Services – 4.84%			
2,954	BlackRock	1,883	0.60
11,914	Chicago Mercantile Exchange	1,968	0.63
6,113	Goldman Sachs	1,849	0.59
7,212	S&P Global	2,493	0.80
26,940	Schwab	1,455	0.46
26,946	Visa 'A'	5,507	1.76
Life Insurance – 0.47%			
9,124	Primerica	1,473	0.47
Non-Life Insurance – 3.53%			
19,151	Berkshire Hathaway 'B'	5,362	1.71
25,206	Brown & Brown	1,406	0.45
4,827	Kinsale Capital Group	1,268	0.40
24,329	Progressive	3,041	0.97

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Real Estate Investment Services – 1.22%			
21,822	Lamar Advertising Company	1,819	0.58
13,581	Jones Lang LaSalle	2,012	0.64
Real Estate Investment Trusts – 0.99%			
4,763	American Tower	807	0.26
59,466	CareTrust	1,044	0.33
12,087	Prologis	1,264	0.40
<b>Total Financials</b>		<b>44,819</b>	<b>14.30</b>
<b>Technology – 35.42% (31/12/22 – 28.22%)</b>			
Software & Computer Services – 20.84%			
12,415	Adobe	5,811	1.85
128,340	Alphabet 'A'	14,064	4.49
6,810	Ansys	1,938	0.62
941	Booking Holdings	2,614	0.83
19,846	CDW Corporation	3,539	1.13
20,434	Meta Platforms	5,674	1.81
87,774	Microsoft	25,883	8.26
6,834	Snowflake	1,066	0.34
8,912	Synopsys	3,597	1.15
20,167	The Trade Desk 'A'	1,138	0.36
Technology Hardware & Equipment – 14.58%			
161,639	Apple	24,407	7.79
34,435	Applied Materials	4,378	1.40
66,399	Cisco Systems	2,631	0.84
27,232	Micron Technology	1,823	0.58
32,055	Nvidia	12,451	3.97
<b>Total Technology</b>		<b>111,014</b>	<b>35.42</b>
<b>Total United States</b>		<b>309,004</b>	<b>98.63</b>
<b>Total value of investments</b>			
		<b>312,700</b>	<b>99.81</b>
<b>Net other assets</b>		<b>585</b>	<b>0.19</b>
<b>Total net assets</b>		<b>313,285</b>	<b>100.00</b>

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 December 2023

### Significant Purchases

	Cost £'000
Microsoft	9,530
Apple	8,500
Alphabet 'A'	5,807
Nvidia	3,717
UnitedHealth	3,497
Bristol Myers Squibb	3,139
Amazon.com	3,087
Berkshire Hathaway 'B'	2,510
Delta Airlines	2,437
Shell	2,401
<b>Subtotal</b>	<b>44,625</b>
<b>Total cost of purchases, including the above, for the year</b>	<b>145,016</b>

### Significant Sales

	Proceeds £'000
Apple	10,392
Microsoft	8,023
Nvidia	7,132
Alphabet 'A'	7,088
Exxon Mobil	4,221
Amazon.com	3,619
Eli Lilly	3,384
New York Times	2,833
Visa 'A'	2,741
Conoco Phillips	2,538
<b>Subtotal</b>	<b>51,971</b>
<b>Total proceeds from sales, including the above, for the year</b>	<b>140,231</b>

## Comparative Tables

### Class A Income

Change in net assets per unit	31/12/23 (p)	31/12/22 (p)	31/12/21 (p)
Opening net asset value per unit	350.27	390.83	300.00
Return before operating charges*	89.91	(35.88)	95.21
Operating charges	(4.81)	(4.68)	(4.38)
Return after operating charges*	85.10	(40.56)	90.83
Distributions on income units	(0.02)	0.00	0.00
<b>Closing net asset value per unit</b>	<b>435.35</b>	<b>350.27</b>	<b>390.83</b>
* after direct transaction costs of:	0.06	0.05	0.03
<b>Performance</b>			
Return after charges	24.30%	(10.38)%	30.28%
<b>Other information</b>			
Closing net asset value (£'000)	313,283	246,561	311,181
Closing number of units	71,960,650	70,391,350	79,620,650
Operating charges	1.18% <sup>^</sup>	1.29%	1.28%
Direct transaction costs	0.02%	0.01%	0.01%
<b>Prices<sup>^</sup></b>			
Highest unit price	438.40	393.60	397.10
Lowest unit price	348.40	324.60	297.00

<sup>^</sup> The AMC was reduced from 1.25% to 1.15% on 1 June 2023.

### Class D Accumulation

Change in net assets per unit	31/12/23** (p)
Opening net asset value per unit	100.00
Return before operating charges*	2.61
Operating charges	(0.02)
Return after operating charges*	2.59
Distributions on accumulation units	(0.13)
Retained distributions on accumulation units	0.13
<b>Closing net asset value per unit</b>	<b>102.59</b>
* after direct transaction costs of:	0.02
<b>Performance</b>	
Return after charges	2.59%
<b>Other information</b>	
Closing net asset value (£'000)	1
Closing number of units	500
Operating charges	0.30%
Direct transaction costs	0.02%
<b>Prices<sup>^</sup></b>	
Highest unit price	103.30
Lowest unit price	99.05

\*\* Class D Accumulation launched on 21 November 2023.

### Class D Income

Change in net assets per unit	31/12/23** (p)
Opening net asset value per unit	100.00
Return before operating charges*	2.61
Operating charges	(0.02)
Return after operating charges*	2.59
Distributions on income units	(0.13)
<b>Closing net asset value per unit</b>	<b>102.46</b>
* after direct transaction costs of:	0.02
<b>Performance</b>	
Return after charges	2.59%
<b>Other information</b>	
Closing net asset value (£'000)	1
Closing number of units	500
Operating charges	0.30%
Direct transaction costs	0.02%
<b>Prices<sup>^</sup></b>	
Highest unit price	103.30
Lowest unit price	99.05

\*\* Class D Accumulation launched on 21 November 2023.

<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 financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of 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 December 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 requirements of the Statement of Recommended Practice relating to 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 financial statements 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 US 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 US 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 US Growth Trust**  
**8 Canada Square, Canary Wharf, London E14 5HQ**  
**19 March 2024**

# Independent Auditors' Report to the Unitholders of Royal London US Growth Trust

## Report on the audit of the financial statements

### Opinion

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

- give a true and fair view of the financial position of the Trust as at 31 December 2023 and of the net revenue and the net capital gains 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 December 2023; the Statement of Total Return and the Statement of Change in Net Assets Attributable to Unitholders for the year then ended; the Distribution Table; 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 US Growth 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**  
**19 March 2024**

## Financial Statements

### Statement of Total Return

For the year ended 31 December 2023

	Note	31 Dec 2023 £'000	31 Dec 2022 £'000
<b>Income</b>			
Net capital gains/ (losses)	4	61,924	(30,646)
Revenue	5	3,988	3,933
Expenses	6	(3,407)	(3,416)
Interest payable and similar charges		(6)	(2)
Net revenue before taxation		575	515
Taxation	7	(561)	(572)
Net revenue/ (expense) after taxation		14	(57)
Total return/(deficit) before distributions		61,938	(30,703)
Distributions	8	(21)	6
<b>Change in net assets attributable to unitholders from investment activities</b>		<b>61,917</b>	<b>(30,697)</b>

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

For the year ended 31 December 2023

	31 Dec 2023 £'000	31 Dec 2022 £'000
<b>Opening net assets attributable to unitholders</b>	<b>246,561</b>	<b>311,181</b>
Amounts receivable on issue of units	90,425	65,058
Amounts payable on cancellation of units	(85,618)	(98,981)
	4,807	(33,923)
Change in net assets attributable to unitholders from investment activities	61,917	(30,697)
<b>Closing net assets attributable to unitholders</b>	<b>313,285</b>	<b>246,561</b>

### Balance Sheet

As at 31 December 2023

	Note	31 Dec 2023 £'000	31 Dec 2022 £'000
<b>Assets</b>			
Investments		312,700	246,065
<b>Current assets:</b>			
Debtors	9	318	2,858
Cash and bank balances	10	745	847
<b>Total assets</b>		<b>313,763</b>	<b>249,770</b>
<b>Liabilities</b>			
<b>Creditors:</b>			
Other creditors	11	466	3,209
Distribution payable		12	–
<b>Total liabilities</b>		<b>478</b>	<b>3,209</b>
<b>Net assets attributable to unitholders</b>		<b>313,285</b>	<b>246,561</b>

The financial statements were approved on 19 March 2024 and signed on behalf of the Board of the Manager by:

P. Beamish (Director)

J.S. Glen (Director)



# Notes to the Financial Statements

For the year ended 31 December 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 the UK Financial Reporting Standard 102 (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 11, 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 29 December 2023, 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 29 December 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.

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 received from US REITS are allocated between revenue and capital for distribution purposes. The split is based on the year-end tax reporting data issued by the US Nareit available on [www.REIT.com](http://www.REIT.com). Where the split of revenue and capital has not been announced at the accounting date a provisional split will be used. The provision will be calculated on the prior year's aggregated dividend split for each US REIT.

### Treatment of expenses

RLUM Limited's annual charge (A Income 1.15%; D Income and D Accumulation 0.27%) 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 semi-annually.

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.

The Trust operates a negative equalisation policy, so equalisation arising on cancellation of units may be negative if revenue was accrued at the time of cancellation but at the year-end there was a net expense and monies had to be transferred from the capital of the Trust to cover the income deficit.



## Notes to the Financial Statements (continued)

For the year ended 31 December 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 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.

#### 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 20.

#### 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.

##### Political risk

Political conflicts and their 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 internal political developments 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.

## Notes to the Financial Statements (continued)

For the year ended 31 December 2023

### 4. Net capital gains/(losses)

	31 Dec 2023 £'000	31 Dec 2022 £'000
<b>The net capital gains /(losses) during the year comprise:</b>		
Non-derivative securities	61,859	(30,677)
Special dividends (capital)	93	37
Currency (losses)/gains	(14)	11
Activity fees	(14)	(17)
<b>Net capital gains/(losses)</b>	<b>61,924</b>	<b>(30,646)</b>

### 5. Revenue

	31 Dec 2023 £'000	31 Dec 2022 £'000
UK dividends	49	–
Overseas dividends	3,895	3,921
Bank interest	44	12
<b>Total revenue</b>	<b>3,988</b>	<b>3,933</b>

### 6. Expenses

	31 Dec 2023 £'000	31 Dec 2022 £'000
<b>Payable to the Manager, associates of the Manager and their agents:</b>		
Manager's annual charge	3,332	3,336
<b>Payable to the Trustee, associates of the Trustee and their agents:</b>		
Trustee's fee	35	36
Safe custody charges	25	29
	60	65
<b>Other expenses</b>		
Audit fee	15	15
	15	15
<b>Total expenses</b>	<b>3,407</b>	<b>3,416</b>

Audit fee £14,146 (31/12/22: £14,998) inclusive of VAT.

### 7. Taxation

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

	31 Dec 2023 £'000	31 Dec 2022 £'000
Overseas tax	561	572
<b>Current tax charge for the year</b>	<b>561</b>	<b>572</b>

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

The tax assessed for the year is higher (31/12/22: higher) 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	575	515
Corporation tax 20% (31/12/22: 20%)	115	103
Effects of:		
Revenue not subject to taxation	(773)	(747)
Tax relief on overseas tax suffered	(2)	(6)
Irrecoverable overseas tax	561	572
Current year management expenses not utilised	660	650
<b>Current tax charge for the year</b>	<b>561</b>	<b>572</b>

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

At 31 December 2023, there are surplus management expenses of £38,884,000 (31/12/22: £35,582,000). It is unlikely that the Trust will generate sufficient taxable profits in the future to utilise this amount, and therefore a deferred tax asset of £7,776,000 (31/12/22: £7,116,000) has not been recognised.

## Notes to the Financial Statements (continued)

For the year ended 31 December 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 Dec 2023 £'000	31 Dec 2022 £'000
<b>Income Units</b>		
Final	12	–
	12	–
Add: Amounts deducted on cancellation of units	(1)	(19)
Deduct: Amounts received on creation of units	10	13
<b>Net distribution for the year</b>	<b>21</b>	<b>(6)</b>

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

Net revenue after taxation	14	(57)
Income deficit	–	49
Irrecoverable tax on special dividends	7	2
<b>Net distribution for the year</b>	<b>21</b>	<b>(6)</b>

### 9. Debtors

	31 Dec 2023 £'000	31 Dec 2022 £'000
Amount receivable for issue of units	93	–
Sales awaiting settlement	–	2,640
Accrued special dividends	8	3
Accrued revenue	217	215
<b>Total debtors</b>	<b>318</b>	<b>2,858</b>

### 10. Cash and bank balances

	31 Dec 2023 £'000	31 Dec 2022 £'000
Cash and bank balances	745	847
<b>Total cash and bank balances</b>	<b>745</b>	<b>847</b>

### 11. Other creditors

	31 Dec 2023 £'000	31 Dec 2022 £'000
Amount payable for cancellation of units	108	2,907
FX purchases awaiting settlement	–	5
Accrued expenses	358	297
<b>Total other creditors</b>	<b>466</b>	<b>3,209</b>

### 12. Reconciliation of number of units

	<b>Class A Income</b>
Opening units at 01/01/23	70,391,350
Units issued	23,209,500
Units cancelled	(21,640,200)
<b>Closing units at 31/12/23</b>	<b>71,960,650</b>

	<b>Class D Income</b>	<b>Class D Accumulation</b>
Opening units at 01/01/23	–	–
Units issued	500	500
Units cancelled	–	–
<b>Closing units at 31/12/23</b>	<b>500</b>	<b>500</b>

Class D Accumulation and Class D Income launched on 21 November 2023.

### 13. Contingent liabilities and outstanding capital commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/12/22: 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 £407,000 (31/12/22: £3,171,000) 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.

The units in issue are held by The Royal London Mutual Insurance Society Limited. RLUM Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

## Notes to the Financial Statements (continued)

For the year ended 31 December 2023

### 15. Risk disclosures

The policies applied to the management of risk disclosures are set out on page 17.

The fair values of the Trust's assets and liabilities are represented by the values shown in the balance sheet on page 15. 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 only interest bearing assets are cash balances of £745,132 (31/12/22: £846,609) which earn interest by reference to SONIA or international equivalents.

This equates to 0.24% of the current Net Asset Value and 0.34% of the previous years.

Interest risk is considered insignificant so no sensitivity analysis is required (31/12/22: same).

The Trust's currency exposure is analysed below:

Currency	31 Dec 2023 £'000	31 Dec 2022 £'000
Sterling	(67)	134
US dollar	313,352	246,427
<b>Total</b>	<b>313,285</b>	<b>246,561</b>

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 decreased by £31,335,000 (31/12/22: £24,643,000). 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 increased by £31,335,000 (31/12/22: £24,643,000). 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 £31,270,000 (31/12/22: £24,606,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Trust would have decreased by £31,270,000 (31/12/22: £24,606,000). These calculations assume all other variables remain constant.

## Notes to the Financial Statements (continued)

For the year ended 31 December 2023

### 16. Portfolio Transaction Costs

For the year ended 31 December 2023

Analysis of total purchases costs	Value £000	Commissions £000	%	Taxes £000	%	Other Expenses £000	%	Total £000
Equity transactions	144,991	25	0.02	–	–	–	–	145,016
<b>Total</b>	<b>144,991</b>	<b>25</b>		<b>–</b>		<b>–</b>		<b>145,016</b>

Analysis of total sales costs	Value £000	Commissions £000	%	Taxes £000	%	Other Expenses £000	%	Total £000
Equity transactions	138,915	18	0.01	–	–	1	–	138,896
Corporate actions	1,335	–	–	–	–	–	–	1,335
<b>Total</b>	<b>140,250</b>	<b>18</b>		<b>–</b>		<b>1</b>		<b>140,231</b>

Commissions, taxes and fees as % of average net assets

Commissions	0.02%
Taxes	0.00%
Other expenses	0.00%

For the year ended 31 December 2022

Analysis of total purchases costs	Value £000	Commissions £000	%	Taxes £000	%	Other Expenses £000	%	Total £000
Equity transactions	119,198	16	0.01	–	–	–	–	119,214
<b>Total</b>	<b>119,198</b>	<b>16</b>		<b>–</b>		<b>–</b>		<b>119,214</b>

Analysis of total sales costs	Value £000	Commissions £000	%	Taxes £000	%	Other Expenses £000	%	Total £000
Equity transactions	153,033	16	0.01	–	–	2	–	153,015
<b>Total</b>	<b>153,033</b>	<b>16</b>		<b>–</b>		<b>2</b>		<b>153,015</b>

Commissions, taxes and fees as % of average net assets

Commissions	0.01%
Taxes	0.00%
Other expenses	0.00%

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 0.03% (31/12/22: 0.02%).

## Notes to the Financial Statements (continued)

For the year ended 31 December 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:

Level 1	The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
Level 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.
Level 3	Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

#### As at the year end 31 December 2023

Level	1 £000	2 £000	3 £000	Total £000
<b>Investments</b>				
Equities	312,700	–	–	312,700
<b>Total</b>	<b>312,700</b>	<b>–</b>	<b>–</b>	<b>312,700</b>

#### As at the year end 31 December 2022

Level	1 £000	2 £000	3 £000	Total £000
<b>Investments</b>				
Equities	246,065	–	–	246,065
<b>Total</b>	<b>246,065</b>	<b>–</b>	<b>–</b>	<b>246,065</b>

### 18. Events after the balance sheet date

Subsequent to the Trust's year end, 31 December 2023, factors such as inflation and geopolitical events 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 13 March 2024 was £327,602,956. The impact of the market movements on the Trust's NAV between the end of the reporting period 31 December 2023 and the date of which the financial statements were authorised for issue was 4.21%.

There have been no significant redemptions during this period.

## Distribution Table

For the year ended 31 December 2023

### Distribution in pence per unit

#### Interim

No distributions have been paid during the six months to 30 June 2023 (30/06/22: nil).

#### Final

Group 1: Units purchased prior to 1 July 2023

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

	Net Income	Equalisation	Distribution payable 29/02/24	Distribution paid 28/02/23
<b>Class A Income</b>				
Group 1	0.0170	–	0.0170	–
Group 2	–	0.0170	0.0170	–
<b>Class D Accumulation</b>				
Group 1	0.1300	–	0.1300	–
Group 2	0.1300	–	0.1300	–
<b>Class D Income</b>				
Group 1	0.1300	–	0.1300	–
Group 2	0.1300	–	0.1300	–

## Remuneration Policy (unaudited)

The Manager of the Royal London US 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 performances 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 of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits and the composition of the remuneration committee. 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 2023, total remuneration of £17,127,659 was paid to 25 individuals whose actions may have a material impact on the risk profile of RLUM, of which £6,116,357 related to senior management. The fixed element of the total remuneration mentioned above is £5,745,670 and the variable element is £11,381,989. For the 2022 prior year’s comparison, a 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.



## 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 US 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.

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