

Royal London Sustainable Managed Growth Trust

Interim Report

For the six month period ended 31 October 2023 (unaudited)



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* 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 Sustainable Managed 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.

Advisory Committee

Benjamin Yeoh (Chairman)

Professor Alex Edmans

Rachel McEwen (Appointed 29 June 2023)

Nicola Parker

Manager's Investment Report

The Royal London Sustainable Managed 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.

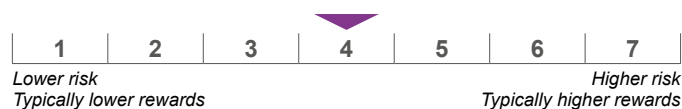
Investment Objective and Policy

The investment objective is to achieve a total return over the medium term (3-5 years) by investing mainly in sterling-denominated bonds, with some exposure to the shares of UK companies, that are deemed to make a positive contribution to society.

The Trust may also invest a small amount of its portfolio in derivatives for investment purposes and efficient portfolio management (EPM).

Investments in the Trust will adhere to the Investment Adviser's Ethical and Sustainable Investment Policy, a copy of which is available on request.

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 has a mixture of all these investments.
- The risk rating remains unchanged from the prior year.

Investors should note

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

Manager's Investment Report (continued)

Cumulative Performance (% change to 31/10/23)

	6 month total return %	1 year total return %	3 year total return %	5 year total return %
Royal London Sustainable Managed Growth Trust, Class B Accumulation	-1.80	4.45	-8.18	8.00
Royal London Sustainable Managed Growth Trust, Class B Income	-1.76	4.49	-7.86	8.27
Royal London Sustainable Managed Growth Trust, Class B Gross Accumulation	-1.75	4.53	-8.08	8.20
Royal London Sustainable Managed Growth Trust, Class B Gross Income	-1.66	4.66	-7.81	8.30
Royal London Sustainable Managed Growth Trust, Class C Accumulation	-1.70	4.75	-7.45	9.36
Royal London Sustainable Managed Growth Trust, Class C Income	-1.69	4.72	-7.54	9.36
Royal London Sustainable Managed Growth Trust, Class D Accumulation	-1.62	4.84	-7.22	9.94
Royal London Sustainable Managed Growth Trust, Class D Income	-1.56	4.92	-7.18	9.91
IA Mixed Investment 0-35% Shares TR	-2.76	0.86	-4.61	1.25

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

Investment Review and Outlook

Performance overview

The Trust delivered overall negative returns during the period under review but performed better than the average fund in its Investment Association peer group, IA Mixed Investment 0-0.35% Shares.

Market overview

Over the past six months, equity and bond markets have been dominated by interest rates and inflation. Following the additional government support during Covid 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 (BoE) 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, albeit by less than in the prior year. 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 corporate bonds compared with government debt of equal maturity). Equity markets made modest gains, with strong returns earlier in the period tempered with a sell-off in the late summer.

Portfolio commentary

The Trust's negative return over the period was predominantly due to our exposure to corporate bonds, which fell slightly due to the global trend of higher yields (and therefore lower prices). However, our corporate exposure did perform better than the market average. Our exposure to the banking sector was a key driver of performance – after the impact of the Credit Suisse failure earlier in 2023, banks have generally outperformed since the Spring as the market came to realise that this was more of an isolated incident rather than a sign that the financial system itself was at risk. New bonds purchased during the period included financials such as Principality Building Society and OneSavings Bank (OSB), while we also added secured bonds such as Last Mile Logistics a commercial mortgage-backed security floating rate note backed by a portfolio of logistics assets across the UK with an attractive loan to value ratio.

Manager's Investment Report (continued)

Investment Review and Outlook – continued

Portfolio commentary – continued

Our equity exposure helped overall performance, producing positive returns over the period. With the Trust's equity exposure, the lack of exposure has at times hurt performance as this sector has done quite well. However, from a sustainability perspective, we remain comfortable not owning these companies. Meanwhile a number of core holdings, such as Ferguson, Sage and Novo Nordisk continued to perform well. Notable activity included investing in HDFC Bank where we felt that a recent pull-back in the shares presented a compelling opportunity to get exposure to India's leading retail bank and to benefit from the structural growth trends of the Indian economy.

Investment outlook

We expect the downward trend in inflation to continue into 2024, as energy and food price increases, and weak economic growth translates into higher unemployment and slower wage growth. However, it may be some time before the Bank of England feels comfortable cutting interest rates given that inflation will remain above its target for some time yet.

Although the economic data remains very mixed, we still believe that increases in rates to date will slow the economy. This in turn will affect company profitability and potentially the market perception of how strong these companies are. We still think there is value in the sterling corporate bond market, which continues to pay an attractive yield over that available on gilts. We remain focused on identifying companies that are financially strong, favouring bonds that offer security (for instance being backed by covenants or underlying assets such as property), and ensuring that portfolios are diversified across issuers and sectors.

All issuers within our sustainable holdings offer a net benefit to society or show ESG leadership. Key themes in the funds include social housing, social & environmental infrastructure, community funding (regulated banks and building societies focused on SME and retail lending), financial inclusion & resilience (such as insurance products to support individuals through shocks) and the energy transition. On sustainability grounds, we have no exposure to bonds of oil & gas companies or extractive industries.

Shalin Shah and Matt Franklin
Trust Managers
Royal London Asset Management
31 October 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.

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.

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 October 2023

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Fixed Income – 73.89% (30/04/23 – 72.68%)			
Commercial Mortgage Backed Securities – 2.97% (30/04/23 – 3.00%)			
£2,143,000	Deco 2019-RAM DAC FRN 7/8/2030	700	0.09
£2,350,000	Equity Release Funding FRN 14/7/2045	1,621	0.20
£3,000,000	Finance for Residence Social Housing 'A1' 8.369% 4/10/2058	2,120	0.26
£2,546,000	Frost CMBS 2021 1 DAC FRN 22/11/2026	2,415	0.30
£8,113,000	Income Contingent Student Loan 2 FRN 24/7/2058	809	0.10
£1,147,000	Income Contingent Student Loan 2.5% 24/7/2056	593	0.07
£3,660,000	Income Contingent Student Loan 2.5% 24/7/2058	1,977	0.25
£9,964,000	Income Contingent Student Loan FRN 24/7/2056	560	0.07
£2,104,000	Last Mile Logistics 2023-1 17/8/2033	2,106	0.26
£2,377,000	PCL Funding FRN 15/7/2026	2,381	0.29
£1,470,000	Sage AR Funding FRN 17/11/2030	1,445	0.18
£5,271,000	Sage AR Funding FRN 17/11/2051	5,102	0.63
£2,349,000	Transport for London 5% 31/3/2035	2,212	0.27
Total Commercial Mortgage Backed Securities		24,041	2.97

Corporate Bonds – 70.92% (30/04/23 – 69.29%)			
£3,989,000	3i Group 3.75% 5/6/2040	2,769	0.34
£1,460,200	A2D Funding II 4.5% 30/9/2026	1,395	0.17
£2,476,000	A2Dominion Housing Group 3.5% 15/11/2028	2,209	0.27
£2,250,000	AA Bond 3.25% 31/7/2050	1,798	0.22
£2,400,000	AA Bond 5.5% 31/7/2050	2,182	0.27
£2,200,000	AA Bond 6.269% 2/7/2043	2,161	0.27
£2,639,000	AA Bond 7.375% 31/7/2050	2,464	0.30
£4,106,000	Abrdn 5.25% variable perpetual	3,296	0.41
£1,965,000	Aggregate Micro Power Infrastructure No.2 8% 17/10/2036	1,763	0.22
£3,906,000	Akelius Residential Property 2.375% 15/8/2025	3,604	0.44
£900,000	Alpha Plus 5% 31/3/2024	886	0.11
£1,000,000	Amicushorizon Finance 5.25% 13/3/2043	874	0.11
£760,000	Anglian Water Osprey Financing 2% 31/7/2028	579	0.07
£3,781,000	Anglian Water Osprey Financing 4% 8/3/2026	3,442	0.42
£2,700,000	Annington Funding 3.685% 12/7/2034	2,030	0.25
£1,757,000	Annington Funding 3.935% 12/7/2047	1,147	0.14
£2,073,000	Annington Funding 4.75% 9/8/2033	1,736	0.21
£5,413,000	Arqiva Financing 4.882% 31/12/2032	3,184	0.39
£1,600,000	Arqiva Financing 7.21% 30/6/2045	1,643	0.20
£3,650,000	Assicurazioni Generali 6.269% perpetual	3,526	0.44
£3,270,000	Aviva 6.125% variable 14/11/2036	3,233	0.40
£14,306,000	Aviva 6.875% variable 20/5/2058	13,253	1.64
£2,034,000	AXA 5.625% variable 16/1/2054	1,811	0.22
£5,168,000	AXA 6.6862% variable perpetual	5,098	0.63
£3,600,000	Banco Santander 2.25% variable 4/10/2032	2,945	0.36
£1,154,000	BBC Pacific Quay Finance 5.5653% 25/7/2034	848	0.10
£2,468,000	Blend Funding 3.508% 4/5/2059	1,547	0.19
£1,600,000	BNP Paribas 2% variable 24/5/2031	1,394	0.17
£4,000,000	BPCE 2.5% variable 30/11/2032	3,291	0.41
£5,181,000	British Land 5.264% 24/9/2035	4,613	0.57
£2,911,000	British Land 5.357% 31/3/2028	2,782	0.34
£3,529,500	British Land 5.357% 31/3/2028	3,374	0.42
£1,300,000	Broadgate Finance 4.821% 5/7/2036	1,187	0.15
£4,833,000	BUPA Finance 4.125% 14/6/2035	3,449	0.43
£4,557,000	Cambridge Housing Capital 4.25% 15/9/2045	3,502	0.43
£3,000,000	Cheltenham & Gloucester 11.75% perpetual	4,230	0.52
£4,373,000	Close Brothers Finance 1.625% 3/12/2030	3,121	0.39
£1,250,000	Close Brothers Finance 2% variable 11/9/2031	1,026	0.13
£1,155,000	Close Brothers Group 7.75% 14/6/2028	1,160	0.14
£4,027,000	Community Finance 5.017% 31/7/2034	3,825	0.47
£2,432,000	Co-operative Bank 9.5% variable 25/4/2029	2,378	0.29
£1,430,000	Co-operative Wholesale Society 7.5% Step 8/7/2026	1,365	0.17

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£4,200,000	Coventry Building Society 6.875% variable perpetual	4,011	0.50
£1,342,000	CPUK Finance 3.588% 28/2/2042	1,272	0.16
£1,400,000	Credit Agricole 1.874% variable 9/12/2031	1,192	0.15
£3,500,000	Credit Agricole 7.5% variable perpetual	3,281	0.41
£1,883,000	CYBG 3.125% variable 22/6/2025	1,824	0.23
£2,970,000	Delamare Finance 6.067% 19/2/2029	2,929	0.36
£4,212,000	Derby Healthcare 5.564% 30/6/2041	3,609	0.45
£2,611,000	Derwent London 1.875% 17/11/2031	1,839	0.23
£4,965,000	Dignity Finance 3.5456% 31/12/2034	2,838	0.35
£3,621,000	Direct Line Insurance 4% 5/6/2032	2,604	0.32
£2,227,000	DWR Cymru Financing 2.375% 31/3/2034	1,490	0.18
£3,888,000	Equity Release Funding 5.7% 26/2/2031	1,722	0.21
£2,533,000	Equity Release Funding 5.88% 26/5/2032	1,461	0.18
£1,141,000	Equity Release Funding No.3 5.05% 26/4/2033	1,006	0.12
£1,200,000	Eskmuir Group Finance 4.255% 12/12/2047	676	0.08
£2,400,000	Esure Group 6% variable perpetual	1,656	0.20
£1,376,000	Esure Group 12% variable 20/12/2033	1,407	0.17
£4,544,000	Eversholt Funding 2.742% 30/6/2040	3,086	0.38
£1,600,000	Eversholt Funding 3.529% 7/8/2042	1,123	0.14
£3,697,000	Eversholt Funding 6.697% 22/2/2035	3,079	0.38
£2,500,000	Exchequer Partnership 5.396% 13/7/2036	1,774	0.22
£5,000,000	Folio Residential Finance 1.246% 31/10/2037	4,192	0.52
£3,655,000	Freshwater Finance 4.556% 3/4/2036	2,965	0.37
£5,736,000	Freshwater Finance 5.182% 20/4/2035	5,157	0.64
£2,951,000	GB Social Housing 5.193% 12/2/2038	2,648	0.33
£2,850,000	Genfinance II 6.064% 21/12/2039	2,794	0.34
£900,200	Great Portland Estates 5.625% 31/1/2029	878	0.11
£2,533,000	Great Rolling Stock 6.5% 5/4/2031	1,855	0.23
£3,271,000	Great Rolling Stock 6.875% 27/7/2035	1,815	0.22
£4,182,000	Greater Gabbard OFTO 4.137% 29/11/2032	2,495	0.31
£1,601,000	GreenSquareAccord 5.25% 30/11/2047	1,371	0.17
£3,588,000	Guinness Trust 7.5% 30/11/2037	2,916	0.36
£5,534,000	Gwyn y Môr OFTO 2.778% 17/2/2034	3,083	0.38
£4,342,108	Harbour Funding 5.288% 31/3/2044	4,067	0.50
£1,606,000	Hastoe Capital 5.6% 27/3/2042	1,452	0.18
£2,817,502	Haven Funding 8.125% 30/9/2037	2,630	0.32
£2,025,000	HBOS 5.75% variable perpetual	1,882	0.23
£3,408,000	Hexagon Housing Association 3.625% 22/4/2048	2,175	0.27
£4,051,000	High Speed Rail Finance 4.375% 1/11/2038	3,449	0.43
£5,162,000	Housing and Care 3.288% 8/11/2049	3,278	0.40
£6,970,000	HSBC 5.844% variable perpetual	6,802	0.84
£9,852,000	HSBC 8.201% variable 16/11/2034	10,109	1.25
£4,400,000	ING Groep NV 6.25% variable 20/5/2033	4,181	0.52
£2,226,000	International Finance Facility for Immunisation 2.75% 7/6/2025	2,133	0.26
£800,000	Intu (SGS) Finance 4.25% 17/9/2035	428	0.05
£350,000	Intu (SGS) Finance 4.625% 17/3/2033	188	0.02
£200,000	Intu Debenture 5.562% 31/12/2027	66	0.01
£642,000	Intu Metrocentre Finance 4.125% 6/12/2028	339	0.04
£11,664,000	Investec 1.875% variable 16/7/2028	9,541	1.18
£2,676,000	Investec 2.625% variable 4/1/2032	2,180	0.27
£4,723,000	John Lewis 4.25% 18/12/2034	2,950	0.36
£1,900,000	John Lewis 6.125% 21/1/2025	1,862	0.23
£3,530,000	JRP Group 9% 26/10/2026	3,703	0.46
£2,895,000	Just Group 8.125% 26/10/2029	2,881	0.36
£2,923,000	Juturna Euro Loan Conduit 5.0636% 10/8/2033	1,911	0.24
£1,181,000	Knightstone Capital 5.576% Step 2/10/2048	1,095	0.14
£2,000,000	Land Securities Capital Markets 2.399% 8/2/2031	1,711	0.21
£4,441,000	Legal & General 3.75% variable 26/11/2049	3,657	0.45
£1,483,000	Legal & General 4.5% variable 1/11/2050	1,246	0.15
£12,028,000	Legal & General 5.5% variable 27/6/2064	10,222	1.26
£2,550,000	Lloyds Banking Group 1.985% variable 15/12/2031	2,190	0.27
£7,355,000	Lloyds Banking Group 7.625% 22/4/2025	7,502	0.93
£3,224,000	Lloyds Banking Group 8.5% variable perpetual	3,010	0.37
£1,800,000	London & Quadrant 2.625% 5/5/2026	1,667	0.20

Portfolio Statement (continued)

As at 31 October 2023

Holding	Investment	Bid-market value (£'000)	Total net assets (%)	Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Corporate Bonds – 70.92% (30/04/23 – 69.29%) – continued							
£1,989,000	London Quadrant Housing Trust 2% 31/3/2032	1,475	0.18	£1,910,000	Southern Housing Group 2.375% 8/10/2036	1,267	0.16
£4,450,000	Longstone Finance 4.791% 19/4/2036	1,566	0.19	£2,743,000	SSE 3.74% variable perpetual	2,496	0.31
£2,529,000	Lunar Funding 5.75% 18/10/2033	2,491	0.31	£1,554,000	Stagecoach 4% 29/9/2025	1,470	0.18
£2,507,000	M&G 5% variable 20/7/2055	2,074	0.26	£1,400,000	Suez SACA 6.625% 5/10/2043	1,381	0.17
£3,150,000	M&G 5.625% variable 20/10/2051	2,734	0.34	£4,132,000	Sunderland 6.38% 31/3/2042	3,953	0.49
£9,432,000	M&G 5.7% variable 19/12/2063	7,725	0.95	£1,755,000	Sustainable Communities for Leeds Finance 5.069% 30/9/2032	1,028	0.13
£4,760,000	M&G 6.25% variable 20/10/2068	3,780	0.47	£3,106,000	Svenska Handelsbanken 4.625% variable 23/8/2032	2,835	0.35
£6,475,000	Meadowhall Finance 4.986% 12/1/2032	2,910	0.36	£6,360,000	Swan Housing Capital 3.625% 5/3/2048	4,306	0.53
£1,000,000	Midland Heart Capital 5.087% 20/9/2044	875	0.11	£5,165,000	TC Dudgeon OFTO 3.158% 12/11/2038	3,678	0.45
£2,426,000	Mizuho Financial 5.628% 13/6/2028	2,390	0.30	£3,390,000	Telereal Secured Finance 4.01% 10/12/2033	1,676	0.21
£3,945,000	Morhomes 3.4% 19/2/2040	2,887	0.36	£2,125,000	Telereal Securitisation 1.3657% 10/12/2033	1,276	0.16
£3,481,000	Myriad Capital 4.75% 20/12/2043	2,804	0.35	£2,677,000	Telereal Securitisation 1.9632% variable 10/12/2033	2,407	0.30
£3,900,000	National Australia Bank 1.699% variable 15/9/2031	3,323	0.41	£2,000,000	Telereal Securitisation 3.507% variable 10/12/2033	1,800	0.22
£2,783,000	National Express 2.375% 20/11/2028	2,278	0.28	£2,910,100	Telereal Securitisation 3.5625% 10/12/2036	2,476	0.31
£3,444,000	National Express 4.25% variable perpetual	2,867	0.35	£1,634,200	Telereal Securitisation 3.5625% 10/12/2036	1,381	0.17
£4,000	Nationwide Building Society 10.25% variable perpetual	453	0.06	£7,743,000	Telereal Securitisation 4.9741% 10/12/2033	2,986	0.37
£1,992,000	NatWest Group 2.057% variable 9/11/2028	1,686	0.21	£2,476,000	Telereal Securitisation 5.3887% 10/12/2033	917	0.11
£4,184,000	NatWest Group 2.105% variable 28/11/2031	3,563	0.44	£5,011,000	Telereal Securitisation 5.4252% 10/12/2033	3,987	0.49
£3,604,000	NatWest Group 3.619% variable 29/3/2029	3,195	0.39	£3,000,000	Telereal Securitisation 6.1645% 10/12/2033	2,443	0.30
£1,672,000	NatWest Group 7.416% variable 6/6/2033	1,656	0.20	£1,000,000	Telereal Securitisation FRN 10/12/2033	792	0.10
£3,960,000	NGG Finance 5.625% variable 18/6/2073	3,786	0.47	£4,209,000	Tesco Property 5.6611% 13/10/2041	3,597	0.44
£2,120,000	Northumbrian Water Finance 2.375% 5/10/2027	1,845	0.23	£3,838,000	Tesco Property 5.8006% 13/10/2040	3,253	0.40
£1,184,000	Northumbrian Water Finance 6.375% 28/10/2034	1,151	0.14	£1,077,000	Tesco Property Finance 7.6227% 13/7/2039	889	0.11
£2,755,000	Notting Hill Genesis 2% 3/6/2036	1,770	0.22	£3,879,000	Thames Water Kemble Finance 4.625% 19/5/2026	2,194	0.27
£1,000,000	Opus Chartered variable 31/3/2025	246	0.03	£2,397,000	Thames Water Utilities 2.875% 3/5/2027	1,788	0.22
£2,579,000	Orsted 2.5% variable 18/2/3021	1,582	0.20	£1,250,000	Thames Water Utilities 4% 19/6/2025	1,174	0.14
£1,703,000	OSB Group 9.5% variable 7/9/2028	1,702	0.21	£3,056,000	Thames Water Utilities 7.738% 9/4/2058	2,996	0.37
£2,594,000	OSB Group 9.993% variable 27/7/2033	2,461	0.30	£4,920,000	THFC Funding 5.2% 11/10/2043	4,355	0.54
£2,030,000	Peabody Capital No.2 2.75% 2/3/2034	1,522	0.19	£2,615,000	THFC Funding 6.35% 8/7/2041	2,687	0.33
£1,097,000	Pension Insurance 5.625% 20/9/2030	962	0.12	£1,665,000	Uliving@essex3 LLP NEW ISSUE 2.72% 31/8/2066 FIX	906	0.11
£850,000	Phoenix Group 5.625% 28/4/2031	734	0.09	£5,052,000	Unifund 5.32% 7/12/2047	3,952	0.49
£2,546,000	Places for People Homes 3.625% 22/11/2028	2,280	0.28	£3,670,000	UPP Bond Issuer 4.9023% 28/2/2040	2,706	0.33
£3,986,000	Places for People Homes 5.09% 31/7/2043	3,950	0.49	£2,870,000	Vicinity Centres 3.375% 7/4/2026	2,698	0.33
£4,246,000	Places for People Homes 6.625% 30/9/2038	3,080	0.38	£3,695,000	Virgin Money 2.625% variable 19/8/2031	3,146	0.39
£3,836,000	Poplar Housing & Regeneration Community 4.843% 30/9/2043	3,088	0.38	£560,000	Virgin Money 3.375% variable 24/4/2026	524	0.06
£3,004,000	Porterbrook Rail Finance 4.625% 4/4/2029	2,787	0.34	£2,273,000	Virgin Money 5.125% variable 11/12/2030	2,126	0.26
£4,617,000	Principality Building Society 8.625% 12/7/2028	4,757	0.59	£2,027,000	Virgin Money 7.875% variable 14/12/2028	2,027	0.25
£4,617,000	Protective Life Global Funding 5.248% 13/1/2028	4,518	0.56	£5,585,000	Virgin Money 8.25% variable perpetual	4,804	0.59
£2,060,000	PRS Finance 1.5% 24/8/2034	1,443	0.18	£938,000	Virgin Money UK 7.625% variable 23/8/2029	941	0.12
£3,678,000	PRS Finance 2% 23/1/2029	3,181	0.39	£3,900,000	Vodafone 4.875% variable 3/10/2078	3,686	0.46
£1,314,000	Prudential 6.125% 19/12/2031	1,284	0.16	£1,250,000	Welltower 4.5% 1/12/2034	1,024	0.13
£3,170,000	Quadrant Housing 7.93% Step 10/2/2033	2,609	0.32	£2,165,000	Welltower 4.8% 20/11/2028	2,023	0.25
£622,000	RAC Bond Co 8.25% 6/5/2046	628	0.08	£3,060,000	Wessex Water Services 1.25% 12/1/2036	1,706	0.21
£4,703,000	Reassure Group 5.867% 13/6/2029	4,305	0.53	£3,504,000	Wessex Water Services 1.5% 17/9/2029	2,682	0.33
£1,243,800	Retail Charity Bonds 3.9% 23/11/2029	1,057	0.13	£6,110,000	Western Power Distribution 1.75% 9/9/2031	4,515	0.56
£951,300	Retail Charity Bonds 4% 31/10/2029	814	0.10	£200,000	Western Power Distribution 2.671% IL 1/6/2043	297	0.04
£1,000,000	Retail Charity Bonds 4.25% 30/3/2026	905	0.11	£3,944,000	Westfield Stratford City 1.642% 4/8/2031	3,452	0.43
£800,000	Retail Charity Bonds 4.25% 6/7/2028	720	0.09	£3,175,000	White City Property 5.1202% 17/4/2035	2,294	0.28
£6,406,000	Rothesay Life 3.375% 12/7/2026	5,839	0.72	£4,428,000	Yorkshire Building Society 3.375% variable 13/9/2028	3,794	0.47
£4,432,000	Rothesay Life 6.875% variable perpetual	3,664	0.45	£1,041,000	Yorkshire Building Society 3.511% variable 11/10/2030	867	0.11
£1,897,000	Rothesay Life 7.734% 16/5/2033	1,830	0.23	£2,394,000	Yorkshire Building Society 6.375% variable 15/11/2028	2,331	0.29
£2,500,000	Royal Bank of Scotland 3.622% variable 14/8/2030	2,347	0.29	£1,583,000	Yorkshire Housing Finance 4.125% 31/10/2044	1,183	0.15
£2,127,000	RSA Insurance 5.125% variable 10/10/2045	2,047	0.25	£1,450,000	Yorkshire Water Finance 3.625% 1/8/2029	1,266	0.16
£3,207,000	RSL Finance 6.625% 31/3/2038	2,620	0.32	£4,470,000	Yorkshire Water Finance 5.5% 28/4/2035	4,006	0.49
£3,543,700	Sanctuary 8.375% 1/9/2031	3,002	0.37	£1,499,000	Yorkshire Water Finance 6.6011% 17/4/2031	1,500	0.19
£3,415,000	Santander UK 2.421% variable 17/01/2029	2,869	0.35	£3,084,000	Zurich Finance 5.125% variable 23/11/2052	2,698	0.33
£2,788,000	Santander UK 7.098% variable 16/11/2027	2,803	0.35				
£750,000	Santander UK 10.0625% perpetual	967	0.12				
£4,208,000	Saxon Weald Capital 5.375% 6/6/2042	3,836	0.47				
£4,677,000	Scottish Widows 7% 16/6/2043	4,360	0.54				
£5,066,000	Society of Lloyds 4.875% variable 7/2/2047	4,698	0.58				
£1,816,000	South East Water 5.5834% 29/3/2029	1,722	0.21				
£782,000	South West Water 5.875% 16/7/2040	687	0.08				
				Total Corporate Bonds		574,507	70.92

Portfolio Statement (continued)

As at 31 October 2023

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Equities – 25.23% (30/04/23 – 26.30%)			
Canada – 0.54% (30/04/23 – 0.51%)			
Industrials – 0.54%			
	50,066 Canadian National Railway	4,348	0.54
Total Canada		4,348	0.54
Channel Islands – 1.01% (30/04/23 – 1.79%)			
Consumer Services – 0.47%			
	31,132 Ferguson	3,851	0.47
Industrials – 0.54%			
	175,618 Experian	4,375	0.54
Total Channel Islands		8,226	1.01
Denmark – 0.60% (30/04/23 – 0.54%)			
Healthcare – 0.60%			
	61,836 Novo Nordisk A/S	4,894	0.60
Total Denmark		4,894	0.60
France – 1.43% (30/04/23 – 1.67%)			
Consumer Goods – 0.62%			
	14,688 L'Oreal	5,061	0.62
Industrials – 0.81%			
	52,096 Schneider Electric	6,568	0.81
Total France		11,629	1.43
Germany – 0.45% (30/04/23 – 0.48%)			
Consumer Goods – 0.45%			
	25,133 Adidas	3,656	0.45
Total Germany		3,656	0.45
India – 0.34% (30/04/23 – 0.00%)			
Financials – 0.34%			
	59,015 HDFC Bank ADR	2,750	0.34
Total India		2,750	0.34
Ireland – 0.90% (30/04/23 – 0.97%)			
Healthcare – 0.38%			
	17,757 Steris	3,072	0.38
Industrials – 0.52%			
	26,789 Trane Technologies	4,197	0.52
Total Ireland		7,269	0.90

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Netherlands – 0.93% (30/04/23 – 0.49%)			
Basic Materials – 0.41%			
	33,605 IMCD Group	3,317	0.41
Technology – 0.52%			
	8,533 ASML Holding	4,202	0.52
Total Netherlands		7,519	0.93
Switzerland – 0.89% (30/04/23 – 0.97%)			
Basic Materials – 0.41%			
	16,756 Sika	3,291	0.41
Industrials – 0.48%			
	40,037 TE Connectivity	3,885	0.48
Total Switzerland		7,176	0.89
Taiwan – 0.29% (30/04/23 – 0.26%)			
Technology – 0.29%			
	33,360 Taiwan Semiconductor Manufacturing ADR	2,374	0.29
Total Taiwan		2,374	0.29
United Kingdom – 10.57% (30/04/23 – 12.11%)			
Basic Materials – 0.43%			
	78,606 Croda International	3,441	0.43
Industrials – 1.06%			
	46,542 Ashtead Group	2,189	0.27
	1,136,114 Rentokil Initial	4,735	0.58
	20,979 Spirax-Sarco Engineering	1,719	0.21
Healthcare – 0.78%			
	61,886 AstraZeneca	6,341	0.78
Consumer Goods – 0.39%			
	81,404 Unilever	3,166	0.39
Consumer Services – 2.87%			
	330,006 Compass Group	6,841	0.84
	215,564 Greggs	5,109	0.63
	1,245,599 Haleon	4,104	0.51
	250,498 RELX	7,184	0.89
Preference Shares – 0.18%			
	1,160,000 Lloyds Bank 9.25% Non Cumulative	1,473	0.18
Utilities – 0.79%			
	393,872 SSE	6,426	0.79
Financials – 3.24%			
	889,828 HSBC	5,269	0.65
	7,936,473 Lloyds Banking Group	3,169	0.39
	86,573 London Stock Exchange	7,167	0.89
	526,336 Prudential	4,515	0.56
	965,506 Standard Chartered	6,083	0.75
Technology – 0.83%			
	689,340 Sage	6,689	0.83
Total United Kingdom		85,620	10.57

Portfolio Statement (continued)

As at 31 October 2023

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
United States – 7.28% (30/04/23 – 6.51%)			
Industrials – 1.95%			
14,500	AGCO Holdings	1,370	0.17
39,732	Agilent Technologies	3,385	0.42
33,012	Nordson Corporation	5,784	0.71
60,447	Wabtec Corporation	5,286	0.65
Healthcare – 1.30%			
9,186	Intuitive Surgical	1,985	0.25
14,074	IQVIA	2,095	0.26
17,481	Thermo Fisher Scientific	6,405	0.79
Consumer Services – 0.65%			
21,528	Amazon.com	2,360	0.29
2,860	Mercado Libre	2,925	0.36
Financials – 0.74%			
30,728	Visa 'A'	5,951	0.74
Technology – 2.64%			
5,738	Adobe	2,516	0.31
28,125	Alphabet 'A'	2,875	0.36
15,042	Autodesk	2,449	0.30
6,123	Intuit	2,495	0.31
23,117	Microsoft	6,441	0.79
39,451	Texas Instruments	4,617	0.57
Total United States		58,939	7.28
Total value of investments		802,948	99.12
Net other assets		7,099	0.88
Total net assets		810,047	100.00

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

Summary of Portfolio Investments

As at 31 October 2023

	31 Oct 2023		30 Apr 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Credit breakdown*				
Investments of investment grade	476,060	58.79	570,005	61.06
Investments of below investment grade	31,955	3.94	28,125	3.01
Unrated bonds	90,533	11.16	80,143	8.61
Equities	204,400	25.23	245,446	26.30
Total value of investments	802,948	99.12	923,719	98.98

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

Summary of Material Portfolio Changes

For the six month period ended 31 October 2023

Significant Purchases

	Cost £'000
UK Treasury 4.125% 29/1/2027	12,862
Principality Building Society 8.625% 12/7/2028	4,673
IMCD Group	3,638
HDFC Bank ADR	3,018
Yorkshire Water Finance 5.5% 28/4/2035	2,702
Ashtead Group	2,583
Virgin Money 2.625% variable 19/8/2031	2,411
Yorkshire Building Society 6.375% variable 15/11/2028	2,389
Co-operative Bank 9.5% variable 25/4/2029	2,380
Nationwide Building Society 6.125% 21/8/2028	2,213
Subtotal	38,869
Total cost of purchases, including the above, for the period	86,035

Significant Sales

	Proceeds £'000
UK Treasury 4.125% 29/1/2027	12,842
Principality Building Society 2.375% 23/11/2023	5,888
Bunzl	5,616
Lloyds Banking Group 6% 8/2/2029	5,309
Leeds Building Society 3.75% variable 25/4/2029	5,209
Santander UK 7.098% variable 16/11/2027	5,049
ING Groep NV 5% variable 30/8/2026	4,346
AXA 5.625% variable 16/1/2054	4,025
Aptiv	4,016
Natwest Group	3,999
Subtotal	56,299
Total proceeds from sales, including the above, for the period	170,987

Comparative Tables

Class B Accumulation

Change in net assets per unit	31/10/23 (p)	30/04/23 (p)	30/04/22 (p)	30/04/21 (p)
Opening net asset value per unit	155.22	162.66	171.70	156.68
Return before operating charges*	(2.46)	(5.97)	(7.49)	16.52
Operating charges	(0.75)	(1.47)	(1.55)	(1.50)
Return after operating charges*	(3.21)	(7.44)	(9.04)	15.02
Distributions on accumulation units	(2.66)	(4.47)	(3.53)	(0.82)
Retained distributions on accumulation units	2.66	4.47	3.53	0.82
Closing net asset value per unit	152.01	155.22	162.66	171.70
* after direct transaction costs of:	0.01	0.03	0.01	0.07
Performance				
Return after charges	(2.07)%	(4.57)%	(5.26)%	9.59%
Other information				
Closing net asset value (£'000)	1	1	1	1
Closing number of units	500	500	500	500
Operating charges	0.92%	0.92%	0.92%	0.92%
Direct transaction costs	0.00%	0.02%	0.01%	0.04%
Prices[^]				
Highest unit price	156.20	163.30	184.90	174.80
Lowest unit price	150.40	136.80	163.60	156.40

Class B Income

Change in net assets per unit	31/10/23 (p)	30/04/23 (p)	30/04/22 (p)	30/04/21 (p)
Opening net asset value per unit	122.10	131.71	141.90	130.23
Return before operating charges*	(1.91)	(4.85)	(6.02)	13.70
Operating charges	(0.49)	(1.23)	(1.41)	(1.39)
Return after operating charges*	(2.40)	(6.08)	(7.43)	12.31
Distributions on income units	(2.18)	(3.53)	(2.76)	(0.64)
Closing net asset value per unit	117.52	122.10	131.71	141.90
* after direct transaction costs of:	0.01	0.02	0.01	0.06
Performance				
Return after charges	(1.97)%	(4.62)%	(5.24)%	9.45%
Other information				
Closing net asset value (£'000)	1	1	1	1
Closing number of units	500	500	500	500
Operating charges	0.92%	0.92%	0.92%	0.92%
Direct transaction costs	0.00%	0.02%	0.01%	0.04%
Prices[^]				
Highest unit price	122.70	132.20	151.30	145.20
Lowest unit price	117.50	110.00	133.20	130.00

Class B Gross Accumulation

Change in net assets per unit	31/10/23 (p)	30/04/23 (p)	30/04/22 (p)	30/04/21 (p)
Opening net asset value per unit	159.64	167.25	176.54	161.08
Return before operating charges*	(2.53)	(6.13)	(7.71)	16.99
Operating charges	(0.75)	(1.48)	(1.58)	(1.53)
Return after operating charges*	(3.28)	(7.61)	(9.29)	15.46
Distributions on accumulation units	(2.75)	(4.63)	(3.64)	(0.84)
Retained distributions on accumulation units	2.75	4.63	3.64	0.84
Closing net asset value per unit	156.36	159.64	167.25	176.54
* after direct transaction costs of:	0.01	0.03	0.01	0.07
Performance				
Return after charges	(2.05)%	(4.55)%	(5.26)%	9.60%
Other information				
Closing net asset value (£'000)	1	1	1	1
Closing number of units	500	500	500	500
Operating charges	0.92%	0.92%	0.92%	0.92%
Direct transaction costs	0.00%	0.02%	0.01%	0.04%
Prices[^]				
Highest unit price	160.70	167.90	190.10	179.70
Lowest unit price	154.60	140.60	168.20	160.80

Class B Gross Income

Change in net assets per unit	31/10/23 (p)	30/04/23 (p)	30/04/22 (p)	30/04/21 (p)
Opening net asset value per unit	121.35	130.90	141.03	129.46
Return before operating charges*	(1.90)	(4.82)	(5.99)	13.59
Operating charges	(0.46)	(1.17)	(1.39)	(1.39)
Return after operating charges*	(2.36)	(5.99)	(7.38)	12.20
Distributions on income units	(2.20)	(3.56)	(2.75)	(0.63)
Closing net asset value per unit	116.79	121.35	130.90	141.03
* after direct transaction costs of:	0.01	0.02	0.01	0.06
Performance				
Return after charges	(1.94)%	(4.58)%	(5.23)%	9.42%
Other information				
Closing net asset value (£'000)	1	1	1	1
Closing number of units	500	500	500	500
Operating charges	0.92%	0.92%	0.92%	0.92%
Direct transaction costs	0.00%	0.02%	0.01%	0.04%
Prices[^]				
Highest unit price	122.00	131.40	150.40	144.30
Lowest unit price	116.80	109.40	132.40	129.20

Comparative Tables (continued)

Class C Accumulation

Change in net assets per unit	31/10/23 (p)	30/04/23 (p)	30/04/22 (p)	30/04/21 (p)
Opening net asset value per unit	158.97	166.11	174.97	159.28
Return before operating charges*	(2.51)	(6.09)	(7.66)	16.84
Operating charges	(0.54)	(1.05)	(1.20)	(1.15)
Return after operating charges*	(3.05)	(7.14)	(8.86)	15.69
Distributions on accumulation units	(2.96)	(5.02)	(3.98)	(3.72)
Retained distributions on accumulation units	2.96	5.02	3.98	3.72
Closing net asset value per unit	155.92	158.97	166.11	174.97
* after direct transaction costs of:	0.01	0.03	0.01	0.07
Performance				
Return after charges	(1.92)%	(4.30)%	(5.06)%	9.85%
Other information				
Closing net asset value (£'000)	511,301	613,663	843,755	786,863
Closing number of units	327,928,573	386,022,064	507,963,612	449,709,078
Operating charges	0.67%	0.67%	0.67%	0.67%
Direct transaction costs	0.00%	0.02%	0.01%	0.04%
Prices[^]				
Highest unit price	160.20	166.70	188.70	178.00
Lowest unit price	154.10	139.80	167.10	159.00

Class C Income

Change in net assets per unit	31/10/23 (p)	30/04/23 (p)	30/04/22 (p)	30/04/21 (p)
Opening net asset value per unit	119.25	128.65	138.61	128.94
Return before operating charges*	(1.86)	(4.75)	(5.90)	13.57
Operating charges	(0.40)	(0.81)	(0.94)	(0.92)
Return after operating charges*	(2.26)	(5.56)	(6.84)	12.65
Distributions on income units	(2.21)	(3.84)	(3.12)	(2.98)
Closing net asset value per unit	114.78	119.25	128.65	138.61
* after direct transaction costs of:	0.01	0.02	0.01	0.06
Performance				
Return after charges	(1.90)%	(4.32)%	(4.93)%	9.81%
Other information				
Closing net asset value (£'000)	46,388	53,375	76,039	86,281
Closing number of units	40,416,373	44,758,785	59,107,804	62,249,571
Operating charges	0.67%	0.67%	0.67%	0.67%
Direct transaction costs	0.00%	0.02%	0.01%	0.04%
Prices[^]				
Highest unit price	119.90	129.10	147.80	142.60
Lowest unit price	114.80	107.50	130.20	128.80

Comparative Tables (continued)

Class D Accumulation

Change in net assets per unit	31/10/23 (p)	30/04/23 (p)	30/04/22 (p)	30/04/21 (p)
Opening net asset value per unit	160.51	167.55	176.31	160.34
Return before operating charges*	(2.54)	(6.13)	(7.73)	16.96
Operating charges	(0.46)	(0.91)	(1.03)	(0.99)
Return after operating charges*	(3.00)	(7.04)	(8.76)	15.97
Distributions on accumulation units	(3.07)	(5.23)	(4.19)	(3.92)
Retained distributions on accumulation units	3.07	5.23	4.19	3.92
Closing net asset value per unit	157.51	160.51	167.55	176.31
* after direct transaction costs of:	0.01	0.03	0.01	0.08
Performance				
Return after charges	(1.87)%	(4.20)%	(4.97)%	9.96%
Other information				
Closing net asset value (£'000)	212,629	243,458	264,454	217,394
Closing number of units	134,995,318	151,676,078	157,838,684	123,300,035
Operating charges	0.57%	0.57%	0.57%	0.57%
Direct transaction costs	0.00%	0.02%	0.01%	0.04%
Prices[^]				
Highest unit price	161.80	168.20	190.20	179.30
Lowest unit price	155.60	141.10	168.50	160.10

Class D Income

Change in net assets per unit	31/10/23 (p)	30/04/23 (p)	30/04/22 (p)	30/04/21 (p)
Opening net asset value per unit	119.26	128.65	138.61	128.95
Return before operating charges*	(1.87)	(4.74)	(5.89)	13.56
Operating charges	(0.34)	(0.68)	(0.80)	(0.78)
Return after operating charges*	(2.21)	(5.42)	(6.69)	12.78
Distributions on income units	(2.27)	(3.97)	(3.27)	(3.12)
Closing net asset value per unit	114.78	119.26	128.65	138.61
* after direct transaction costs of:	0.01	0.02	0.01	0.06
Performance				
Return after charges	(1.85)%	(4.21)%	(4.83)%	9.91%
Other information				
Closing net asset value (£'000)	39,725	22,742	16,232	5,145
Closing number of units	34,609,568	19,070,068	12,617,468	3,712,043
Operating charges	0.57%	0.57%	0.57%	0.57%
Direct transaction costs	0.00%	0.02%	0.01%	0.04%
Prices[^]				
Highest unit price	119.90	129.10	147.90	142.60
Lowest unit price	114.90	107.60	130.20	128.80

[^] 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.

Financial Statements

Statement of Total Return

For the six month period ended 31 October 2023

	31 Oct 2023		31 Oct 2022	
	£'000	£'000	£'000	£'000
Income				
Net capital losses		(30,887)		(133,757)
Revenue	16,791		15,604	
Expenses	(2,824)		(3,560)	
Interest payable and similar charges	(1)		(1)	
Net revenue before taxation	13,966		12,043	
Taxation	(95)		(124)	
Net revenue after taxation		13,871		11,919
Total deficit before distributions		(17,016)		(121,838)
Distributions		(16,477)		(16,103)
Change in net assets attributable to unitholders from investment activities		(33,493)		(137,941)

Statement of Change in Net Assets Attributable to Unitholders

For the six month period ended 31 October 2023

	31 Oct 2023		31 Oct 2022	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		933,242		1,200,484
Amounts receivable on issue of units	28,746		23,795	
Amounts payable on cancellation of units	(132,876)		(130,845)	
		(104,130)		(107,050)
Change in net assets attributable to unitholders from investment activities		(33,493)		(137,941)
Retained distribution on accumulation units		14,428		14,298
Closing net assets attributable to unitholders		810,047		969,791

Balance Sheet

As at 31 October 2023

	31 Oct 2023	30 Apr 2023
	£'000	£'000
Assets		
Investments	802,948	923,719
Current assets:		
Debtors	10,381	11,716
Cash and bank balances	1,111	6,001
Total assets	814,440	941,436
Liabilities		
Creditors:		
Other creditors	3,547	7,480
Distribution payable	846	714
Total liabilities	4,393	8,194
Net assets attributable to unitholders	810,047	933,242

The financial statements were approved on 19 December 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 six month period ended 31 October 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.

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

Basis of valuation of investments

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

Exchange rates

Assets and liabilities in currencies other than sterling are translated into sterling at the rates of exchange ruling at Balance Sheet date, 31 October 2023.

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

Recognition of revenue

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

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

Other revenue is accounted for on an accruals basis.

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

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

In the case of an enhanced stock dividend the value of the enhancement is treated as income and forms part of the distribution.

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

Treatment of expenses

RLUM Limited's annual charge (B Income and B Accumulation 0.90%; B Gross Income and B Gross Accumulation 0.90%; C Income and C Accumulation 0.65%; D Income and D Accumulation 0.55%) 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 quarterly.

For Accumulation units, this revenue is not distributed but automatically reinvested in the Trust and is reflected in the value of the units.

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

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

Notes to the Financial Statements (continued)

For the six month period ended 31 October 2023

3. Risk management policies

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

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

The main risks arising from the Trust's financial instruments are summarised below, and remain unchanged from the prior year.

Market price risk

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

Interest rate risk

The Trust invests in fixed and variable rate securities and any changes to interest rates relevant for particular securities may result in either revenue increasing or decreasing. In general, if interest rates rise the revenue potential of the Trust also rises but the value of fixed rate securities will decline. A fall in interest rates will, in general, have the opposite effect.

Foreign currency risk

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

Credit risk

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

Liquidity risk

The Trust's assets comprise mainly readily available realisable securities, which can be sold to meet funding requirements if and when necessary. The main liability of the Trust is the redemption of any units that investors wish to sell. Liquidity risk, mainly derived from the liability to unitholders, is minimised through holding cash and readily realisable securities which can meet the usual requirements of unit redemptions.

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.

4. Events after the balance sheet date

Effective 20 November 2023, the Trust changed from following RLUM's Ethical & Sustainable Investment Policy to following the Investment Adviser's Ethical and Sustainable Investment Policy.

Distribution Tables

For the six month period ended 31 October 2023

Distribution in pence per unit

First Interim

Group 1: Units purchased prior to 1 May 2023

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

	Net income	Equalisation	Distribution paid 29/09/2023	Distribution paid 30/09/2022
Class B Accumulation				
Group 1	1.3105	–	1.3105	1.0178
Group 2	1.3105	0.0000	1.3105	1.0178
Class B Income				
Group 1	1.0627	–	1.0627	0.7812
Group 2	1.0627	0.0000	1.0627	0.7812
Class B Gross Accumulation				
Group 1	1.3572	–	1.3572	1.0560
Group 2	1.3572	0.0000	1.3572	1.0560
Class B Gross Income				
Group 1	1.0812	–	1.0812	0.7753
Group 2	1.0812	0.0000	1.0812	0.7753
Class C Accumulation				
Group 1	1.4612	–	1.4612	1.1506
Group 2	0.7865	0.6747	1.4612	1.1506
Class C Income				
Group 1	1.0961	–	1.0961	0.8911
Group 2	0.5316	0.5645	1.0961	0.8911
Class D Accumulation				
Group 1	1.5159	–	1.5159	1.2014
Group 2	0.8395	0.6764	1.5159	1.2014
Class D Income				
Group 1	1.1263	–	1.1263	0.9235
Group 2	0.5434	0.5829	1.1263	0.9235

Distribution Tables (continued)

For the six month period ended 31 October 2023

Distribution in pence per unit**Second Interim**

Group 1: Units purchased prior to 1 August 2023

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

	Net income	Equalisation	Distribution payable 29/12/2022	Distribution paid 31/12/2022
Class B Accumulation				
Group 1	1.3456	–	1.3456	1.0200
Group 2	1.3456	0.0000	1.3456	1.0200
Class B Income				
Group 1	1.1212	–	1.1212	0.8300
Group 2	1.1212	0.0000	1.1212	0.8300
Class B Gross Accumulation				
Group 1	1.3932	–	1.3932	1.0520
Group 2	1.3932	0.0000	1.3932	1.0520
Class B Gross Income				
Group 1	1.1156	–	1.1156	0.8340
Group 2	1.1156	0.0000	1.1156	0.8340
Class C Accumulation				
Group 1	1.4975	–	1.4975	1.1526
Group 2	0.7395	0.7580	1.4975	1.1526
Class C Income				
Group 1	1.1131	–	1.1131	0.8864
Group 2	0.6351	0.4780	1.1131	0.8864
Class D Accumulation				
Group 1	1.5528	–	1.5528	1.2021
Group 2	0.7967	0.7561	1.5528	1.2021
Class D Income				
Group 1	1.1454	–	1.1454	0.9167
Group 2	0.7804	0.3650	1.1454	0.9167

General Information

Pricing and dealing

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

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

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

Dealing in units is conducted between 8.00am and 8.00pm Monday to Friday, and 8:00am and 5:00pm on Saturday.

Buying units

Units may be bought on any business day via an authorised intermediary or from the Manager by telephoning the 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.

Advisory Committee

This is an independent committee providing oversight of both the universe of companies approved for the Sustainable Trusts and general environmental, social and governance issues that may impact it. It provides an independent check that all companies invested in the Trusts meet the stated objectives and criteria.

Transfer of units

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

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

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

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

Contact Us

For further information
please contact:

**Royal London
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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 Sustainable Managed Growth Trust.

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

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

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

Ref: SREP RLAM PD 0305

