



Contents

Fund Information¹	3
Fund Performance¹	3
Review of Investment Activities¹	4
Risk Profile¹	5
Statement of the Manager's Responsibilities	6
Portfolio Statement¹	7
Financial Statements (unaudited)	9
Notes to the Accounts (unaudited)	10
General Information¹	11

¹ Collectively these comprise the Manager's report.

Fund Information

Investment objective and policy

Schroder MM Diversity Fund (the 'Fund') aims to provide capital growth in excess of the UK Consumer Price Index (after fees have been deducted) over a five to seven year period by investing in a diversified range of assets worldwide. There is no guarantee that this objective will be met and your capital is at risk.

The Fund is actively managed and invests its assets indirectly through collective investment schemes, exchange traded funds, real estate investment trusts and closed ended funds in equity and equity related securities, fixed and floating rate securities and alternative assets worldwide. Alternative assets may include hedge funds, real estate, private equity and commodities.

The Fund may also invest directly in equity and equity related securities and fixed and floating rate securities. The Fund may directly or indirectly invest in money market instruments, and may hold cash.

The Fund may invest up to 100% of its assets in collective investment schemes (including other Schroder funds).

The Fund invests (directly or indirectly) one third of its assets in equity and equity related securities, one third in fixed and floating rate securities, money market instruments and cash, and one third in alternative assets. The Fund may deviate from this by up to 5% of assets (+/-) for equity and equity related securities and alternative assets, and by up to 10% of assets (+/-) for fixed and floating rate securities, money market instruments and cash.

The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently (for more information please refer to Section 10. "Derivatives and Forward Transactions" of Appendix 1 of the Prospectus).

Fund characteristics

The Fund's performance should be assessed against its target benchmark, being to exceed the UK Consumer Price Index, and compared against the Investment Association Mixed Investment 20% to 60% Shares sector average return. The target benchmark has been selected because the target return of the Fund is to deliver or exceed the return of that benchmark as stated in the investment objective. The comparator benchmark has been selected because the Investment Manager and the Manager believe that this benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy.

Total purchases and sales

	For the period to 31.8.24 £000's	For the year to 29.2.24 £000's
Total purchases	103,964	218,234
Total sales	130,632	142,580

Fund Performance

	Number of units in issue 31.8.24	Net asset value per unit 31.8.24	Net asset value per unit 29.2.24
A Accumulation units	27,183,667	142.87p	132.06p
A Income units	1,161,644	126.03p	118.38p
Q Accumulation units	712,571	153.55p	141.35p
S Accumulation units	227,748	149.90p	137.99p
S Income units	2,282,404	71.48p	66.50p
T Accumulation units	73,705,611	143.26p	131.90p
Z Accumulation units	212,504,018	142.05p	130.92p
Z Income units	21,115,898	128.39p	119.61p

Past performance is not a guide to future performance and may not be repeated. The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. Exchange rate changes may cause the value of any overseas investments to rise or fall.

Review of Investment Activities

From 29 February 2024 to 31 August 2024, the price of Z Accumulation units on a dealing price rose by 8.64%. In the same period, the UK Consumer Price Index increased by 1.51%¹.

It was a fruitful period for investors. Most asset categories generated positive returns at the index level, with equities leading the way, bonds delivering gains but commodities mixed. Risk appetite was aided by supportive macroeconomic conditions, including robust global growth, an easing in the pace of inflation and steps taken by central banks to pivot to a more accommodative monetary policy stance.

Admittedly, these macro developments were not without some agitation. US economic activity disappointed forecasts (as per the Citigroup Economic Surprise Index), though not by enough to reignite recessionary fears. The disinflationary path was interrupted by some hotter monthly readings, albeit ending with a cooling trend. Finally, whilst global interest rate settings began to loosen, the market had already anticipated this at the beginning of 2024 and not all central banks followed suit. The Bank of Japan the noteworthy outlier here.

The Fund performed well in this backdrop. Returns over the six months were strong in both absolute and relative terms, comfortably outpacing the Fund's benchmark, UK CPI, as well as its peer group average, the IA Mixed Investment 20-60% Shares TR sector. Almost all holdings in the portfolio delivered positive returns, with positions in the equity space driving the gains.

Standing out most notably, the Fund was rewarded by its exposure to gold equities. The mining segment was buoyed by higher gold prices, which set a series of new all-time highs, boosting earnings growth and stirring interest among investors from low levels of participation. The holding in Schroder ISF Global Gold returned more than 50% over the period (C Acc USD shares, sterling terms on a total return basis*). Alongside this, the Fund benefited from its exposure to UK equities. Holdings in TM Redwheel UK Equity Income Fund, Jupiter UK Multi Cap Income Fund (formerly GAM UK Equity Income) and Jupiter UK Special Situations Fund delivered double-digit gains, with positions in the banking space a common area of success on well received earnings results and buyback programmes.

Performance was solid across the Fund's fixed income holdings, with income and capital appreciation contributing in roughly equal measure to the gains. The position in iShares USD Treasury Bond 7-10yr Fund (GBP hedged) delivered the best returns in this part of the portfolio, thanks to falling Treasury yields late in the period. The allocation to short-duration money market instruments, through Schroder SSF Sterling Liquidity Plus, provided lower returns but capital preservation, which remains an important component of the downside protection sought from the portfolio.

Finally, there was mixed performance in the alternatives space. Here, Iguana Investments Long/Short Equity Fund performed well, with stock selection on the long side proving rewarding. Holdings in Rolls Royce, Saab, Centamin, Vistry Group and Sanofi were among the manager's top contributors. In contrast, it was a more challenging stock picking environment for Invenomic US Equity Long/Short Fund, with an underlying skew that correlated negatively to the S&P 500 index, despite being positioned modestly net long US equities. The manager was the only holding in the Fund ending the period lower, though only marginally.

From an activity standpoint, the most meaningful change to the Fund came in the form of a newly introduced position, QSM Global Equity Long. This is a long equity strategy with a developed market focus and Value bias. It sits within the alternatives sleeve of the portfolio, managed in flexible fashion with a variable net equity exposure that is increased/decreased depending on the economic environment and market conditions. The position was funded through reductions in several existing alternatives holdings, as well as deploying a small portion of the cash allocation.

In terms of overall positioning, we began the year with a moderately pro-cyclical bias across the portfolio, with Value the dominant expression from a style standpoint. We have gradually shifted positioning since this time, increasing exposure to more defensive areas of the market that offer an attractive risk/reward proposition particularly in the context of a difficult economic outlook and diversified portfolio. This, whilst remaining positive on the long-term outlook for various cyclical segments, but taking profits and recognising potential near-term headwinds amidst increasingly mixed data releases.

We should note, however, that we are not betting on a specific twist or turn in the cycle from here. We remain open-minded about different economic and market outcomes, positioning the portfolio wherever we find the most attractive risk/reward opportunities in what is always an uncertain and unknowable future.

Head of Multi-Manager: Robin McDonald



Robin is Head of the Multi Manager team
Joined Schroders in July 2013 following the acquisition of Cazenove Capital
Previous to the acquisition he was a Fund Manager at Cazenove Capital, which he joined in October 2007, responsible for co-managing the multi manager fund range as well as a few segregated mandates
Prior to this Robin was a Multi Manager Analyst at Gartmore, a position he held from September 2003
Up to this time he worked as a Multi Manager Analyst for Insight Investment Management, following its acquisition of Rothschild Asset Management in 2003, which he joined in 2001
Robin began his career in September 1999 when he joined Bank of New York (Europe) Limited as a Client Relationship Executive
Robin is a CFA charter holder

Co-Fund Manager: Joe Le Jehan



Joined Schroders in July 2013 following the acquisition of Cazenove Capital
Previous to the acquisition he was a Fund Manager in the Multi Manager team at Cazenove Capital from January 2013, a firm he joined in March 2008 as an Analyst
Prior to this, Joe was a Fund Analyst at Brewin Dolphin, a position he held from January 2005
Joe began his career in September 2000, as an Associate on Retail Funds in the Assurance and Business Advisory Division at PricewaterhouseCoopers
Joe is a CFA charter holder

Co-Fund Manager: Geoff Challinor



Joined Schroders in September 2019 as a Fund Manager within the Multi-Manager team
Prior to this, Geoff was a Senior Investment Analyst at Saunderson House, which he joined in September 2007
His role focused on fund selection and asset allocation with specific responsibility for US and Japanese equities
Geoff is a CFA charterholder

¹ Source: LSEG Workspace.

Past performance is not a guide to future performance and may not be repeated. The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. Exchange rate changes may cause the value of any overseas investments to rise or fall.

Risk Profile

Risk and reward indicator



The risk category was calculated using historical performance data and may not be a reliable indicator of the Fund’s future risk profile. The Fund’s risk category is not guaranteed to remain fixed and may change over time. A Fund in the lowest category does not mean a risk-free investment.

For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com/en-lu/lu/professional/literature/key-investor-information-documents/.

Statement of the Manager's Responsibilities

The Collective Investment Schemes sourcebook published by the FCA, ("the COLL Rules") require the Manager to prepare financial statements for each annual and interim accounting period which give a true and fair view of the financial position of the Fund and of the net revenue and the net capital gains on the property of the Fund for the period.

In preparing the accounts the Manager is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so;
- 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; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The Manager is responsible for the management of the Fund in accordance with its Trust Deed, the Prospectus and the COLL Rules.

The Manager is responsible for the maintenance and integrity of the corporate and financial information included on its website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

S. Reedy

Directors

24 October 2024

P. Truscott

Portfolio Statement

	Holding at 31.8.24	Market Value £000's	% of net assets
Collective Investment Schemes 97.40% (99.61%)			
Absolute Return Funds 9.95% (11.44%)			
Man GLG Asia Pacific ex-Japan Equity Alternative Fund Class INF H GBP Shares	135,000	14,349	3.00
Man GLG UK Absolute Value Fund - Professional Accumulation (Class CX)	20,000,000	33,200	6.95
		47,549	9.95
Cash Funds 7.82% (14.89%)			
Schroder SSF Sterling Liquidity Plus Class I Accumulation GBP	280,000	37,383	7.82
		37,383	7.82
Commodity Funds 1.28% (1.14%)			
iShares Physical Gold Fund	165,000	6,115	1.28
		6,115	1.28
Global Emerging Markets Equity Funds 1.66% (1.68%)			
Artemis SmartGARP Global Emerging Markets Equity Fund - Class I accumulation shares GBP	4,000,000	7,935	1.66
		7,935	1.66
Global Equity Funds 13.63% (11.92%)			
JOHCM Global Opportunities Fund X Hedged GBP	300,000	398	0.08
Kopernik Global All-Cap Equity Fund - Class Z (USD)	227,000	23,684	4.96
Schroder ISF Global Gold Class C Accumulation USD	333,000	41,056	8.59
		65,138	13.63
Global Fixed Interest Funds 9.83% (10.06%)			
Invesco Tactical Bond Fund (UK) Income (No Trail) Share Class	38,500,000	46,970	9.83
		46,970	9.83
Hedge Funds 23.83% (17.45%)			
GMO Equity Dislocation Investment Fund Class A USD Accumulation	820,000	19,221	4.02

	Holding at 31.8.24	Market Value £000's	% of net assets
Iguana Investments Long/Short Equity Fund Class B GBP	19,300,000	24,420	5.11
Man GLG Alpha Select Alternative Fund Class IN GBP Shares	75,000	9,349	1.95
MontLake Platform Invenomic US Equity Long/ Short Fund GBP Institutional Pooled Class Shares	195,000	22,404	4.69
QSM Global Equity Long	38,350,000	38,519	8.06
		113,913	23.83
Japanese Equity Funds 4.05% (5.74%)			
Man GLG Japan CoreAlpha Fund - Professional Income Shares (Class D)	6,300,000	19,341	4.05
		19,341	4.05
UK Equity Funds 14.11% (13.83%)			
Jupiter UK Multi Cap Income Fund Class W GBP Income	3,150,000	33,771	7.07
Jupiter UK Special Situations Fund I Class Accumulation Units	8,300,000	28,881	6.04
TM Redwheel UK Equity Income Fund - Class L (Income)	4,000,000	4,800	1.00
		67,452	14.11
UK Fixed Interest Funds 5.77% (5.93%)			
Invesco Fixed Interest Corporate Bond Fund Income (No Trail) Share Class	1,700,000	1,865	0.39
iShares Core UK Gilts Fund GBP (Dist) Share Class	2,475,000	25,690	5.38
		27,555	5.77
US Fixed Interest Funds 5.47% (5.53%)			
iShares USD Treasury Bond 7-10yr Fund GBP Hedged (Dist) Share Class	5,850,000	26,138	5.47
		26,138	5.47
Collective Investment Schemes total		465,489	97.40

Portfolio Statement (continued)

	Holding at 31.8.24	Market Value £000's	% of net assets
Forward Foreign Currency Contracts (0.01)% ((0.01)%)			
Buy JPY 5,352,152,490 Sell USD 37,000,000 25/09/2024		(33)	(0.01)
Forward Foreign Currency Contracts total		(33)	(0.01)

	Holding at 31.8.24	Market Value £000's	% of net assets
Portfolio of investments		465,456	97.39
Net other assets		12,463	2.61
Net assets attributable to unitholders		477,919	100.00

The comparative percentage figures in brackets are as at 29 February 2024.

Unless otherwise stated, all securities are admitted to official stock exchange listings or are permitted collective investment schemes.

1 Cash equivalents.

Statement of Total Return (unaudited)

For the six months ended 31 August 2024

	31.8.24	31.8.23
	£000's	£000's
Income		
Net capital gains/(losses)	33,010	(1,028)
Revenue	6,756	3,421
Expenses	(1,665)	(1,494)
Net revenue before taxation	5,091	1,927
Taxation	-	-
Net revenue after taxation	5,091	1,927
Total return before distributions	38,101	899
Distributions	(5,091)	(1,935)
Change in net assets attributable to unitholders from investment activities	33,010	(1,036)

Statement of Change in Net Assets Attributable to Unitholders (unaudited)

For the six months ended 31 August 2024

	31.8.24	31.8.23
	£000's	£000's
Opening net assets attributable to unitholders	458,192 [^]	375,727
Amounts receivable on issue of units	44,714	59,560
Amounts payable on cancellation of units	(62,748)	(14,116)
	(18,034)	45,444
Dilution adjustment	-	1
Change in net assets attributable to unitholders from investment activities	33,010	(1,036)
Retained distribution on Accumulation units	4,751	1,824
Closing net assets attributable to unitholders	477,919	421,960[^]

[^] The opening net assets attributable to unitholders for the current period do not equal the closing net assets attributable to unitholders for the comparative period as they are not consecutive periods.

Balance Sheet (unaudited)

As at 31 August 2024

	31.8.24	29.2.24
	£000's	£000's
Assets		
Investments	428,106	388,176
Current assets		
Debtors	3,246	3,473
Cash and bank balances	14,083	1,340
Cash equivalents	37,383	68,250
Total assets	482,818	461,239
Liabilities		
Investment liabilities	(33)	(53)
Creditors		
Distributions payable	(332)	(151)
Other creditors	(4,534)	(2,843)
Total liabilities	(4,899)	(3,047)
Net assets attributable to unitholders	477,919	458,192

Notes to the Accounts (unaudited)

Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014 and in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 (The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102)).

The Manager has undertaken a detailed assessment of the Fund's ability to meet its liabilities as they fall due, including liquidity, fluctuations in global capital markets and investor redemption levels. Based on this assessment, the Fund continues to be open for trading and the Manager is satisfied the Fund has adequate financial resources to continue in operation for at least the next 12 months after the financial statements are signed and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

The accounting policies applied are consistent with those of the annual accounts for the year ended 29 February 2024 and are described in those annual accounts.

General Information

Manager

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU
Authorised and regulated by the Financial Conduct Authority

Investment Adviser

Schroders Investment Management Limited
1 London Wall Place
London EC2Y 5AU
Authorised and regulated by the Financial Conduct Authority

Trustee

J.P. Morgan Europe Limited
Chaseside
Bournemouth BH7 7DA
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority

Registrar

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU
Authorised and regulated by the Financial Conduct Authority
The Manager is responsible for maintaining the register for each Fund. It has delegated certain registrar functions to HSBC Bank Plc, 8 Canada Square, London, E14 8HQ.

Administration Details

Schroders Investor Services
PO BOX 1402
Sunderland
SR43 4AF

Independent Auditor

KPMG LLP
319 St Vincent Street
Glasgow G2 5AS

Authorisation

The Fund is an authorised unit trust and is constituted pursuant to the Collective Investment Schemes sourcebook and is structured as a Trust. The Fund is a non-UCITS retail scheme for the purpose of the categorisation of the Collective Investment Schemes sourcebook.

Value Assessment

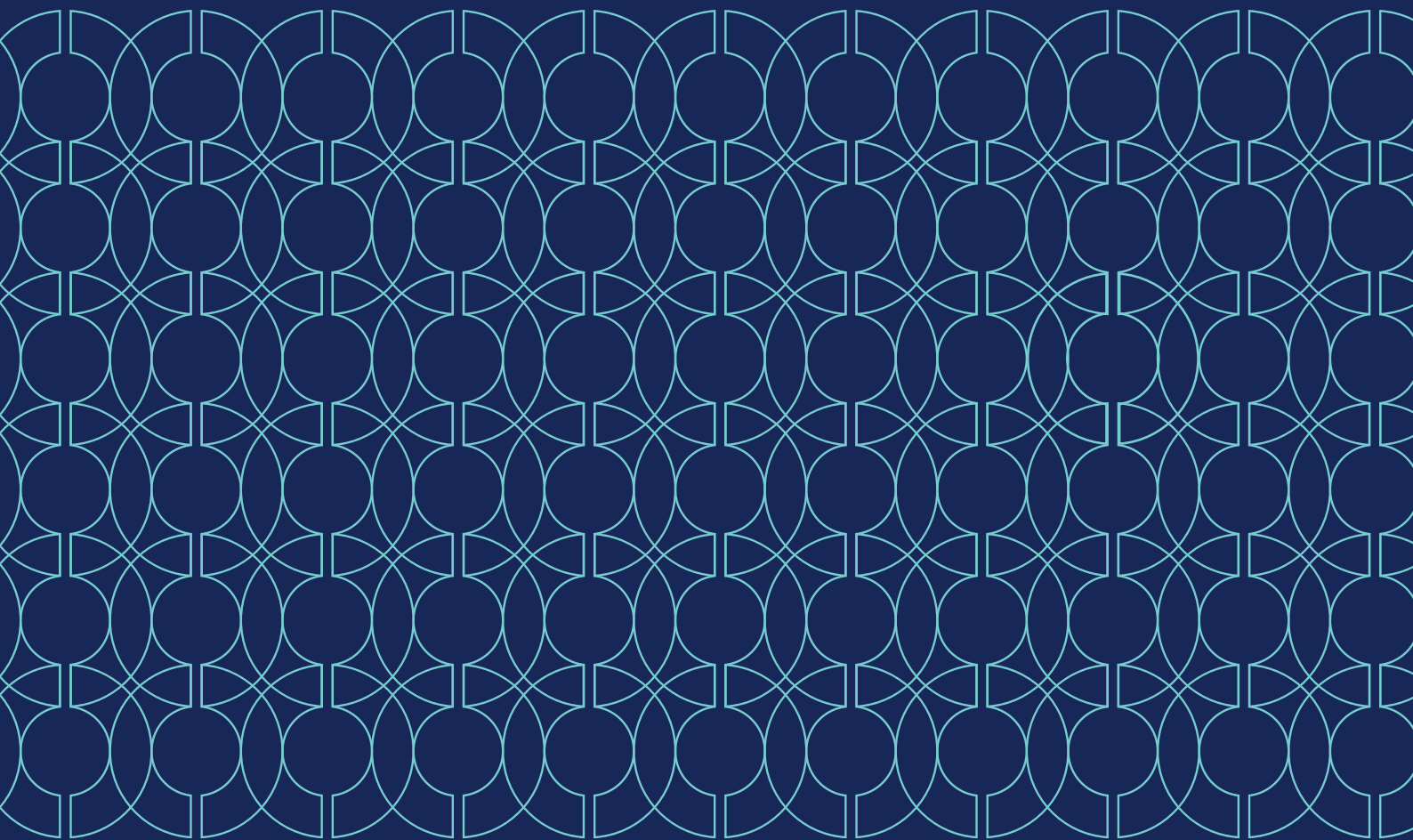
A statement on the Assessment of Value is published on the Global Fund Centre in the Fund Literature section at www.Schroders.com within 4 months of the annual 'reference date' 31 December.

Task Force on Climate-Related Financial Disclosures

A statement on the climate related financial disclosures is published at www.schroders.com/en/global/individual/corporate-transparency/tcf-entity-and-product-reports/.

Other information

The Prospectus, the Key Investor Information Document and details of investment charges and costs are available on request or can be downloaded from our website www.schroders.com.



EST. 1804