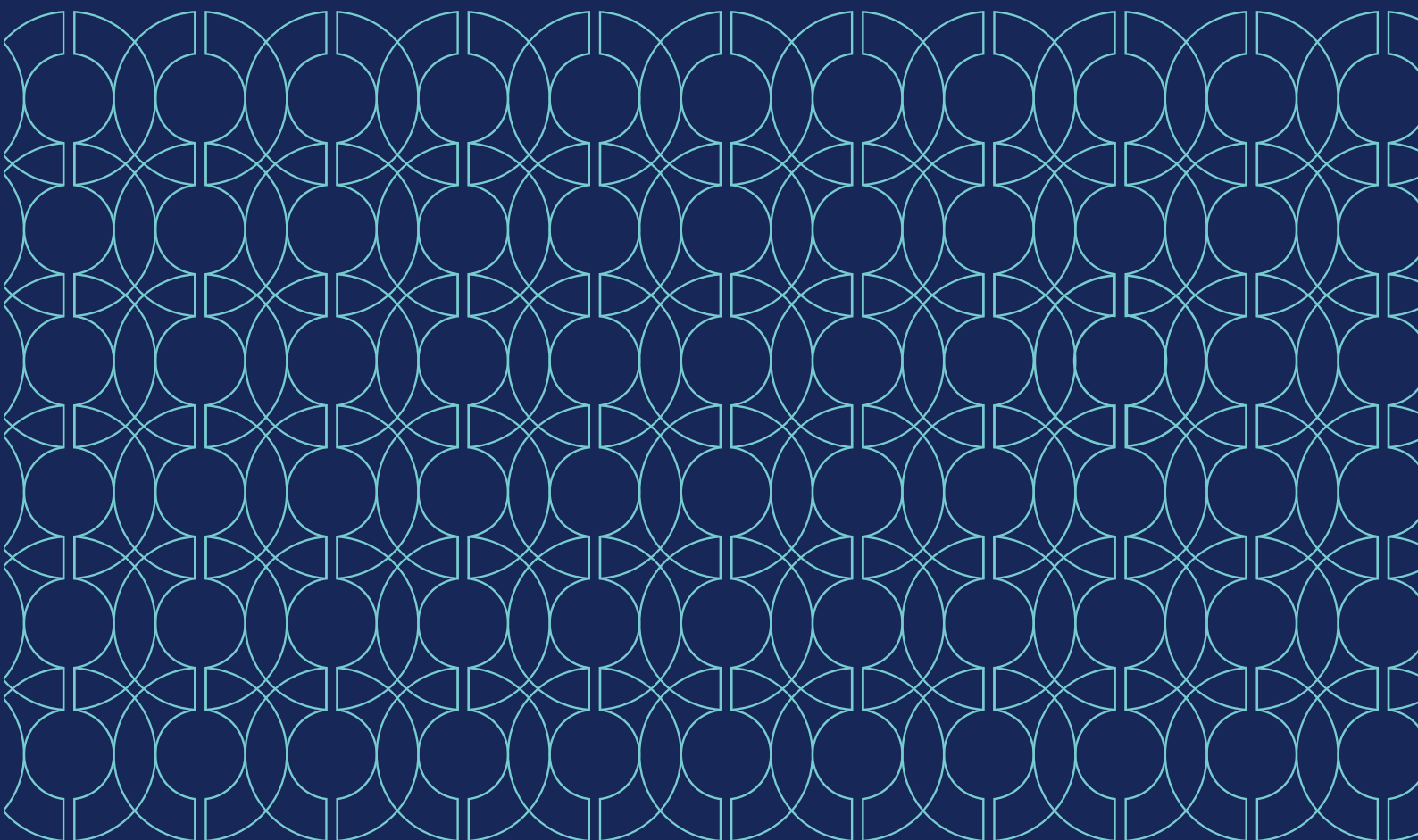


Schroders

**Schroder Sustainable Bond Fund (formerly
Schroder Absolute Return Bond Fund)**

Annual Report and Accounts

31 December 2022



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¹ Collectively these comprise the Manager's report.

Fund Information

Investment objective and policy

Schroder Sustainable Bond Fund (formerly Schroder Absolute Return Bond Fund) (the 'Fund') aims to provide income and capital growth in excess of the ICE BofA Sterling 3-Month Government Bill index plus 2.5% (after fees have been deducted) over any three to five year period, by investing directly in fixed and floating rate securities issued by governments, government agencies and companies worldwide which meet the Investment Manager's sustainability criteria.

The Fund is actively managed and invests at least 80% of its assets directly, in fixed and floating rate securities denominated in sterling (or in other currencies and hedged back into sterling) issued by governments, government agencies, supra-national and corporate issuers worldwide, (including emerging markets and less developed markets), which meet the Investment Manager's sustainability criteria (please see the Fund Characteristics section of the prospectus for more detail).

The Fund maintains a positive absolute sustainability score based on the Investment Manager's rating system. More details on the investment process used to achieve this can be found in the Fund Characteristics section of the prospectus.

The Fund does not directly invest in certain activities, industries or groups of issuers above certain limits listed under "Sustainability Information" on the Fund's webpage, accessed via <https://www.schroders.com/en/uk/privateinvestor/strategic-capabilities/sustainability/>.

The Fund invests in companies that have good governance practices, as determined by the Investment Manager's rating criteria (please see the Fund Characteristics section of the prospectus for more details).

The Investment Manager may also engage with companies held by the Fund to challenge identified areas of weakness on sustainability issues. More details on the Investment Manager's approach to sustainability and its engagement with companies are available on the website www.schroders.com/en/uk/private-investor/strategic-capabilities/sustainability/disclosures.

The Fund may invest up to 50% of its assets in below investment grade securities as measured by Standard & Poor's or an equivalent credit rating agency, or in unrated securities.

The Fund may invest up to 40% of its assets in asset-backed securities, specifically whole business corporate loans, and covered bonds.

The Fund may also invest directly or indirectly in securities (including in other asset classes), countries, regions, industries or currencies, collective investment schemes (including Schroder funds) and money market instruments and hold cash.

The Fund may use derivatives with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently (for more information please refer to section 6 of Appendix I of the Prospectus). The Fund may use leverage and take short positions.

With effect from 21 February 2022 the Fund's Investment objective and policy changed, previously it was:

The Fund aims to provide an absolute return of the ICE BofA Sterling 3-Month Government Bill Index plus 1% (after fees have been deducted) over rolling 12-month periods by investing directly or indirectly in fixed and floating rate securities issued by governments, government agencies and companies worldwide. Absolute returns means the Fund seeks a positive return over rolling 12-month periods in all market conditions, but this cannot be guaranteed and your capital is at risk.

The Fund is actively managed and invests at least 80% of its assets directly, or indirectly through derivatives, in fixed and floating rate securities denominated in sterling (or in other currencies and hedged back into sterling) issued by governments, government agencies, supra-national and corporate issuers worldwide. As the Fund is index-unconstrained it is managed without reference to an index.

The Fund may invest up to 50% of its assets in below investment grade securities as measured by Standard & Poor's or an equivalent credit rating agency, or in unrated securities.

The Fund may invest up to 100% of its assets in asset-backed securities and mortgage-backed securities.

The Fund may also invest directly or indirectly in securities (including in other asset classes), countries, regions, industries or currencies, collective investment schemes (including Schroder funds) and money market instruments, and hold cash.

The Fund may use derivatives with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently (for more information please refer to section 6 of Appendix I of the Prospectus). The Fund may use leverage and take short positions.

Fund characteristics

The Fund's performance should be assessed against its target benchmark of the ICE BofA Sterling 3-Month Government Bill Index plus 2.5% and compared against the Investment Association Sterling Strategic Bond 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.

Significant events

Effective from 21 February 2022, Schroder Absolute Return Bond Fund changed its name to Schroder Sustainable Bond Fund and changed its investment objective, policy, benchmark and fees.

Review of Investment Activities

From 31 December 2021 to 30 December 2022, the price of Z Accumulation units on a dealing price basis fell 4.48%. In the same period, the benchmark¹ generated a total return of 3.60%².

At the beginning of the year, 21 February 2022, the Fund was repurposed and its name was changed from "Absolute Return Bond" to "Sustainable Bond Fund". The Fund's benchmark and investment objective were also subsequently changed to have a more sustainable focus. The new strategy remains global, utilising sustainable capabilities across government bonds, credit and foreign exchange (FX), using the United Nations' Sustainable Development Goals (UN SDGs) as the anchor point for the Fund's investment universe. In addition, the Fund uses a variety of different social and environmental criteria in its investment analysis to ensure countries and corporates included in its investment universe have an appropriate sustainability profile.

During the period the Fund's performance suffered from the rise in government bond yields given its bias for long duration, which leaves the Fund sensitive to interest rate changes. We concentrated duration in UK and increasingly in the US. However, both positions detracted as yields rose with the efforts of central banks to constrain inflation expectations by raising interest rates. We moderated our long duration stance, particularly in the UK around September's politically driven market turmoil. While this did go some way to protect performance, our exposure to rising gilt yields was by far the main drag on performance over the year. Increasingly, we looked for relative value opportunities to capture divergences between government bond markets.

In contrast, the Fund's currency strategy was successful over the period and its increasingly counter-cyclical stance worked well. Notable contributors in this respect came from holding short sterling and Swedish krona versus the US dollar, capturing the strength of the US dollar. We later switched to a short dollar bias, which benefited performance – particularly against a long euro position.

Lastly, the Fund's credit allocation was a drag on performance overall. While we reduced credit exposure (particularly across high yield) it was still exposed to some of the sharp moves wider in spreads. Within our cash bond allocation, we added selectively to issuers, concentrating in senior financial services based on fundamental conviction, valuations and their sustainability profiles.

We maintained a preference for government related issuers. From a financial perspective supranationals and agencies can offer additional yield relative to similar rated bonds, while from a sustainability standpoint, their activities are aligned to the UN's Sustainable Development Goals or SDGs (in line with the Fund's philosophy). We continue to hold sizeable allocations to multilateral development banks (including the Asian Development Bank and African Development Bank), who are committed to the implementation of SDGs through their funding of numerous targeted projects.

Going forward, we remain alert to investment opportunities in the green, sustainable part of the investment universe, including sovereign issuers.

Fund Manager:
Paul Grainger



2015: Schroders
2014: Co-founded financial technology firm yoyoDATA
2006: Wellington Management
2003: F&C Asset Management, Senior Portfolio Manager
1999: Gartmore, Senior Portfolio Manager
1995: Joined the BZW graduate training programme where he rotated through Fixed Income Sales & Trading into Asset Management at Barclays Global Investors
BA (Hons), University of Exeter
Member of the United Kingdom Society of investment professionals and a CFA Charterholder

Global Fixed Income & Currency Team

The Fund is managed by the Global Fixed Income & Currency Team according to a robust team based investment process. Paul Grainger is the Head of Global Fixed Income & Currency Team. The team consists of 17 investment professionals with an average experience of 13 years responsible for a suite of benchmarked and absolute return products. The Global Fixed Income & Currency Team draws on the full resources of Schroders fixed income platform, benefiting from a worldwide research network consisting of over 100 researchers, analysts and economists across asset classes.

¹ The Fund's benchmark changed on 21 February 2022 from ICE BofA Sterling 3 Month Government Bill index plus 1% to ICE BofA Sterling 3 Month Government Bill index plus 2.5%. The full track record of the previous benchmark has been kept and chainlinked to the new one.

² Source: B-One.

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 is based upon the Fund’s risk target and there is no guarantee that the Fund will achieve it. 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.

The risk and reward indicator changed from 3 to 4 with effect from 25 May 2022.

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.

Statement of the Manager's Responsibilities

The Financial Conduct Authority's Collective Investment Schemes sourcebook requires the Manager to prepare accounts for each annual and half yearly accounting period, in accordance with United Kingdom Generally Accepted Accounting Practice, which give a true and fair view of the financial position of the Fund and of its net revenue and the net capital losses on the property of the Fund for the year. In preparing the accounts the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association (now the Investment Association) in May 2014;
- follow generally accepted accounting principles and applicable accounting standards;
- prepare the accounts on the basis that the Fund will continue in operation unless it is inappropriate to do so;
- keep proper accounting records which enable it to demonstrate that the accounts as prepared comply with the above requirements;
- make judgements and estimates that are prudent and reasonable.

The Manager is responsible for the management of the Fund in accordance with its Trust Deed, the Prospectus and the Collective Investment Schemes sourcebook, and for taking reasonable steps for the prevention and detection of fraud, error and non-compliance with law or regulations.

The Manager's report and accounts for the year ended 31 December 2022 were signed on 26 April 2023 on behalf of the Manager by:

S. Reedy
Directors

P. Truscott

Report of the Trustee

Statement of the Trustee's responsibilities in respect of the Scheme and report of the Trustee to the unitholders of the Schroder Sustainable Bond Fund (formerly Schroder Absolute Return Bond Fund) ('the Fund') for the year ended 31 December 2022.

The Trustee of the Schroder Sustainable Bond Fund (formerly Schroder Absolute Return Bond Fund) must ensure that the Fund 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 Trustee must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Fund and its investors.

The Trustee is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Fund in accordance with the regulations.

The Trustee must ensure that:

- the Fund's cash flows are properly monitored and that cash of the Fund 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 Fund are calculated in accordance with the regulations;
- any consideration relating to transactions in the Fund's assets is remitted to the Fund within the usual time limits;
- the Fund's income is applied in accordance with the regulations; and
- the instructions of the Authorised Fund Manager ('the Manager'), which is the UCITS Management Company, are carried out (unless they conflict with the regulations).

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

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

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

J.P. Morgan Europe Limited

Trustee
Bournemouth
17 January 2023

Independent auditors' report to the Unitholders of Schroder Sustainable Bond Fund (formerly Schroder Absolute Return Bond Fund)

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Schroder Sustainable Bond Fund (formerly Schroder Absolute Return Fund) (the "Fund"):

- give a true and fair view of the financial position of the Fund as at 31 December 2022 and of the net revenue and the net capital losses on its scheme property for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2022; the Statement of Total Return and the Statement of Change in Net Assets Attributable to Unitholders for the year then ended; the Distribution Tables; and the Notes to the Accounts, 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 Fund 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 Fund'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 Fund'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 the Manager's Responsibilities, 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 Schroder Sustainable Bond Fund (formerly Schroder Absolute Return Bond Fund)

(continued)

In preparing the financial statements, the Manager is responsible for assessing the Fund'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 Fund, 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 Fund and its 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 Fund. Audit procedures performed included:

- Discussions with the Manager, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Manager's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Fund'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
Edinburgh
26 April 2023

Comparative Table

Financial year to 31 December	A Accumulation units			A Income units		
	2022 pence per unit	2021 pence per unit	2020 pence per unit	2022 pence per unit	2021 pence per unit	2020 pence per unit
Change in net asset value						
Opening net asset value	101.08	101.72	102.84	39.18	39.84	41.06
Return before operating charges*	(3.84)	0.44	(0.05)	(1.49)	0.17	(0.04)
Operating charges	(0.67)	(1.08)	(1.07)	(0.25)	(0.42)	(0.42)
Return after operating charges*	(4.51)	(0.64)	(1.12)	(1.74)	(0.25)	(0.46)
Distributions**	(1.95)	(1.06)	(1.92)	(0.75)	(0.41)	(0.76)
Retained distributions**	1.95	1.06	1.92	–	–	–
Closing net asset value	96.57	101.08	101.72	36.69	39.18	39.84
*after direct transaction costs of	–	–	–	–	–	–
Performance						
Return after charges (%)	(4.46)	(0.63)	(1.09)	(4.44)	(0.63)	(1.12)
Other information						
Closing net asset value (£000's)	6,213	10,300	10,718	367	494	658
Closing number of units	6,433,828	10,190,595	10,536,997	1,000,779	1,259,713	1,650,409
Operating charges (%)	0.60	1.05	1.06	0.60	1.05	1.06
Prices						
Highest dealing price	101.40p	103.20p	103.18p	39.31p	40.43p	41.20p
Lowest dealing price	95.29p	101.20p	92.30p	36.62p	39.46p	36.85p

Comparative Table (continued)

Financial year to 31 December	L Accumulation units			L Income units		
	2022 pence per unit	2021 pence per unit	2020 pence per unit	2022 pence per unit	2021 pence per unit	2020 pence per unit
Change in net asset value						
Opening net asset value	53.70	53.78	54.10	47.74	48.30	49.53
Return before operating charges*	(2.05)	0.22	(0.02)	(1.83)	0.21	(0.04)
Operating charges	(0.22)	(0.30)	(0.30)	(0.18)	(0.27)	(0.27)
Return after operating charges*	(2.27)	(0.08)	(0.32)	(2.01)	(0.06)	(0.31)
Distributions**	(1.04)	(0.56)	(1.01)	(0.92)	(0.50)	(0.92)
Retained distributions**	1.04	0.56	1.01	–	–	–
Closing net asset value	51.43	53.70	53.78	44.81	47.74	48.30
*after direct transaction costs of	–	–	–	–	–	–
Performance						
Return after charges (%)	(4.23)	(0.15)	(0.59)	(4.21)	(0.12)	(0.63)
Other information						
Closing net asset value (£000's)	10,979	5,554	6,022	977	129	191
Closing number of units	21,344,928	10,342,092	11,197,745	2,180,406	270,984	396,244
Operating charges (%)	0.40	0.55	0.56	0.40	0.55	0.56
Prices						
Highest dealing price	53.89p	54.63p	54.30p	47.91p	49.08p	49.72p
Lowest dealing price	50.73p	53.79p	48.61p	44.70p	48.08p	44.51p

Comparative Table (continued)

	Q1 Accumulation units ¹	Q1 Income units ²	S Accumulation units ³	X Accumulation units ⁴
Financial year to 31 December	2022 pence per unit	2022 pence per unit	2022 pence per unit	2022 pence per unit
Change in net asset value				
Opening net asset value	100.00	100.00	50.00	50.00
Return before operating charges*	(3.58)	(3.56)	(0.08)	(1.25)
Operating charges	(0.20)	(0.20)	(0.04)	(0.02)
Return after operating charges*	(3.78)	(3.76)	(0.12)	(1.27)
Distributions**	(1.75)	(1.75)	(0.39)	(0.76)
Retained distributions**	1.75	–	0.39	0.76
Closing net asset value	96.22	94.49	49.88	48.73
*after direct transaction costs of	–	–	–	–
Performance				
Return after charges (%)	(3.78)	(3.76)	(0.24)	(2.54)
Other information				
Closing net asset value (£000's)	1	1,743	2	55,703
Closing number of units	1,500	1,844,492	4,600	114,302,958
Operating charges (%)	0.25	0.25	0.30	0.05
Prices				
Highest dealing price	100.40p	100.40p	50.04p	50.23p
Lowest dealing price	94.86p	94.22p	49.18p	48.02p

Comparative Table (continued)

Financial year to 31 December	X Income (Monthly) units			X Income units		
	2022 pence per unit	2021 pence per unit	2020 pence per unit	2022 pence per unit	2021 pence per unit	2020 pence per unit
Change in net asset value						
Opening net asset value	48.49	48.82	49.87	47.29	47.62	48.63
Return before operating charges*	(1.85)	0.22	(0.05)	(1.80)	0.21	(0.03)
Operating charges	(0.02)	(0.03)	(0.03)	(0.02)	(0.03)	(0.03)
Return after operating charges*	(1.87)	0.19	(0.08)	(1.82)	0.18	(0.06)
Distributions**	(0.93)	(0.52)	(0.97)	(0.91)	(0.51)	(0.95)
Closing net asset value	45.69	48.49	48.82	44.56	47.29	47.62
*after direct transaction costs of	-	-	-	-	-	-
Performance						
Return after charges (%)	(3.86)	0.39	(0.16)	(3.85)	0.38	(0.12)
Other information						
Closing net asset value (£000's)	7,804	8,281	8,686	9,692	10,287	10,358
Closing number of units	17,077,778	17,077,778	17,791,140	21,753,583	21,753,583	21,753,583
Operating charges (%)	0.05	0.05	0.06	0.05	0.05	0.06
Prices						
Highest dealing price	48.67p	49.58p	50.06p	47.47p	48.44p	48.84p
Lowest dealing price	45.35p	48.61p	44.66p	44.41p	47.62p	43.75p

Comparative Table (continued)

Financial year to 31 December	Z Accumulation units			Z Income units		
	2022 pence per unit	2021 pence per unit	2020 pence per unit	2022 pence per unit	2021 pence per unit	2020 pence per unit
Change in net asset value						
Opening net asset value	55.41	55.54	55.93	46.37	46.97	48.21
Return before operating charges*	(2.11)	0.24	(0.03)	(1.76)	0.20	(0.03)
Operating charges	(0.29)	(0.37)	(0.36)	(0.23)	(0.31)	(0.31)
Return after operating charges*	(2.40)	(0.13)	(0.39)	(1.99)	(0.11)	(0.34)
Distributions**	(1.07)	(0.58)	(1.05)	(0.89)	(0.49)	(0.90)
Retained distributions**	1.07	0.58	1.05	–	–	–
Closing net asset value	53.01	55.41	55.54	43.49	46.37	46.97
*after direct transaction costs of	–	–	–	–	–	–
Performance						
Return after charges (%)	(4.33)	(0.23)	(0.70)	(4.29)	(0.23)	(0.71)
Other information						
Closing net asset value (£000's)	10,388	24,872	27,253	1,899	2,099	2,374
Closing number of units	19,594,701	44,887,626	49,070,643	4,365,589	4,526,180	5,055,237
Operating charges (%)	0.50	0.65	0.66	0.50	0.65	0.66
Prices						
Highest dealing price	55.60p	56.41p	56.13p	46.53p	47.71p	48.38p
Lowest dealing price	52.30p	55.50p	50.24p	43.39p	46.71p	43.31p

** These figures have been rounded to 2 decimal places.

1 Q1 Accumulation units launched on 1 March 2022.

2 Q1 Income units launched on 1 March 2022.

3 S Accumulation units launched on 7 September 2022.

4 X Accumulation units launched on 19 April 2022.

The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a unit class of a Fund based on the financial year's expenses and may vary from year to year. It includes charges such as the Fund's Annual Management Charge, Registrar fees, Safe custody fees, Trustee's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are units of another Fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit www.schroders.com.

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.

Portfolio Statement

	Holding at 31.12.22	Market Value £000's	% of net assets
Corporate Bonds 40.88% (82.43%)			
Australia 0.00% (1.08%)			
Austria 0.08% (0.42%)			
ams-OSRAM 6% 31/07/2025	100,000	83	0.08
		83	0.08
Belgium 0.38% (0.14%)			
KBC Group FRN 0.125% 10/09/2026	500,000	398	0.38
		398	0.38
Bermuda 0.00% (0.35%)			
British Virgin Islands 0.00% (0.30%)			
Canada 6.87% (5.53%)			
Bank of Montreal FRN 4.446% 18/01/2023	2,000,000	2,000	1.89
Ontario Teachers' Finance Trust 1.125% 15/05/2026	5,885,000	5,262	4.98
		7,262	6.87
Cayman Islands 0.00% (0.26%)			
Sharps SP I, Series 2006-HE3N 6.4% 25/06/2036^	1,337,560	0	0.00
		0	0.00
Denmark 0.45% (0.00%)			
Orsted 4.875% 12/01/2032	490,000	479	0.45
		479	0.45
France 2.95% (2.84%)			
BNP Paribas 1% 27/06/2024	200,000	171	0.16
Capgemini 1% 18/10/2024	200,000	170	0.16
Loxam 2.875% 15/04/2026	161,000	127	0.12
Aeroports de Paris 2.125% 02/10/2026	200,000	167	0.16
Iliad Holding 5.125% 15/10/2026	100,000	82	0.08
Societe Generale 0.75% 25/01/2027	200,000	153	0.14
Faurecia 2.75% 15/02/2027	171,000	128	0.12
BPCE 0.5% 24/02/2027	700,000	537	0.51
Holding d'Infrastruc- tures de Transport 1.625% 27/11/2027	200,000	154	0.14
CAB SELAS 3.375% 01/02/2028	100,000	71	0.07
Credit Agricole 0.375% 20/04/2028	300,000	218	0.21
BNP Paribas FRN 0.5% 01/09/2028	200,000	148	0.14
Carrefour 4.125% 12/10/2028	200,000	178	0.17

	Holding at 31.12.22	Market Value £000's	% of net assets
APRR 1.875% 03/01/2029	100,000	81	0.08
Bouygues 5.375% 30/06/2042	200,000	181	0.17
AXA FRN 3.875% Perpetual	215,000	184	0.17
Orange FRN 1.75% Perpetual	300,000	217	0.20
Orange FRN 5% Perpetual	176,000	156	0.15
		3,123	2.95
Germany 11.58% (4.96%)			
E.ON 0.875% 08/01/2025	47,000	40	0.04
Kreditanstalt fuer Wiederaufbau 1.125% 04/07/2025	5,902,000	5,468	5.17
E.ON 1% 07/10/2025	100,000	83	0.08
Deutsche Bank FRN 1% 19/11/2025	200,000	166	0.16
Deutsche Bank 4.5% 19/05/2026	100,000	87	0.08
Nidda Healthcare Holding 7.5% 21/08/2026	100,000	84	0.08
Kreditanstalt fuer Wiederaufbau 0.875% 15/09/2026	5,511,000	4,873	4.61
Fresenius 0.375% 28/09/2026	352,000	270	0.26
Cheplapharm Arzneimittel 3.5% 11/02/2027	100,000	77	0.07
Commerzbank 0.375% 01/09/2027	352,000	269	0.25
Gruenthal 4.125% 15/05/2028	129,000	103	0.10
Fresenius 2.875% 24/05/2030	116,000	88	0.08
Vonovia 2.375% 25/03/2032	200,000	140	0.13
Deutsche Boerse 1.5% 04/04/2032	100,000	74	0.07
Fresenius 1.125% 28/01/2033	7,000	4	0.00
Merck FRN 1.625% 25/06/2079	200,000	167	0.16
Allianz FRN 3.375% Perpetual	300,000	257	0.24
		12,250	11.58
Ireland 0.52% (0.85%)			
AIB Group FRN 3.625% 04/07/2026	111,000	95	0.09
Abbott Ireland Financing 1.5% 27/09/2026	245,000	203	0.19
AIB Group FRN 5.75% 16/02/2029	196,000	178	0.17

Portfolio Statement (continued)

	Holding at 31.12.22	Market Value £000's	% of net assets
AIB Group FRN 2.875% 30/05/2031	100,000	80	0.07
		556	0.52

Italy 1.45% (1.12%)

Intesa Sanpaolo 5.017% 26/06/2024	200,000	161	0.15
Telecom Italia 2.75% 15/04/2025	100,000	82	0.08
Terna - Rete Elettrica Nazionale 1% 10/04/2026	260,000	213	0.20
Telecom Italia 3.625% 25/05/2026	100,000	83	0.08
UniCredit FRN 1.25% 16/06/2026	200,000	164	0.16
Atlantia 1.875% 12/02/2028	100,000	73	0.07
Paganini Bidco FRN 5.891% 30/10/2028	129,000	110	0.10
Nexi 2.125% 30/04/2029	123,000	88	0.08
Assicurazioni Generali FRN 5.5% 27/10/2047	200,000	179	0.17
Enel FRN 1.375% Perpetual	377,000	264	0.25
Enel FRN 3.5% Perpetual	135,000	113	0.11
		1,530	1.45

Japan 0.18% (0.26%)

Takeda Pharmaceutical 0.75% 09/07/2027	245,000	191	0.18
		191	0.18

Liberia 0.00% (0.03%)

Luxembourg 1.44% (1.19%)

Garfunkelux Holdco 3 6.75% 01/11/2025	100,000	71	0.07
Albion Financing 1 5.25% 15/10/2026	130,000	100	0.09
Medtronic Global Holdings 1.125% 07/03/2027	412,000	331	0.31
Altice Financing 3% 15/01/2028	100,000	70	0.07
Cidron Aida Finco 5% 01/04/2028	100,000	76	0.07
Richemont International Holding 0.75% 26/05/2028	412,000	321	0.30
Becton Dickinson Euro Finance 0.334% 13/08/2028	357,000	261	0.25
Logicor Financing 0.875% 14/01/2031	273,000	156	0.15
Traton Finance Luxembourg 1.25% 24/03/2033	100,000	62	0.06

	Holding at 31.12.22	Market Value £000's	% of net assets
Eurofins Scientific FRN 3.25% Perpetual	100,000	79	0.07
		1,527	1.44

Netherlands 3.97% (5.46%)

Telefonica Europe FRN 2.88%	100,000	72	0.07
Stellantis 5.25% 15/04/2023	495,000	411	0.39
BMW Finance 2.625% 17/01/2024	199,000	177	0.17
ING Groep 1.125% 14/02/2025	600,000	508	0.48
E.ON International Finance 1% 13/04/2025	258,000	217	0.20
Mercedes-Benz International Finance 1% 11/11/2025	270,000	225	0.21
Deutsche Telekom International Finance 1.375% 01/12/2025	350,000	295	0.28
IPD 3 5.5% 01/12/2025	100,000	84	0.08
LeasePlan 0.25% 23/02/2026	229,000	176	0.17
ZF Europe Finance 2% 23/02/2026	100,000	76	0.07
Siemens Financier- ingsmaatschappij 0.375% 05/06/2026	100,000	80	0.08
Vonovia Finance 0.625% 09/07/2026	200,000	153	0.14
LeasePlan 0.25% 07/09/2026	131,000	99	0.09
ING Groep FRN 1.25% 16/02/2027	300,000	242	0.23
United Group 4% 15/11/2027	100,000	66	0.06
Heimstaden Bostad Treasury 1% 13/04/2028	233,000	154	0.14
Enel Finance International 3.875% 09/03/2029	105,000	92	0.09
UPC Holding 3.875% 15/06/2029	100,000	73	0.07
EDP Finance 1.875% 21/09/2029	100,000	78	0.07
ING Groep FRN 0.875% 29/11/2030	100,000	70	0.07
Prosus 2.031% 03/08/2032	200,000	125	0.12
ING Groep FRN 5.25% 14/11/2033	200,000	186	0.18
ELM BV for Firmenich International FRN 3.75% Perpetual	100,000	84	0.08

Portfolio Statement (continued)

	Holding at 31.12.22	Market Value £000's	% of net assets
Iberdrola International FRN 1.874% Perpetual	300,000	236	0.22
Iberdrola International FRN 2.25% Perpetual	200,000	142	0.13
Telefonica Europe FRN 3.875% Perpetual	100,000	80	0.08
		4,201	3.97
Panama 0.00% (0.02%)			
Portugal 0.23% (0.00%)			
EDP - Energias de Portugal 1.625% 15/04/2027	300,000	243	0.23
		243	0.23
Spain 1.51% (0.84%)			
Banco Santander 1.375% 05/01/2026	200,000	164	0.16
Banco de Sabadell 5.625% 06/05/2026	100,000	89	0.08
Santander Consumer Finance 0.5% 14/01/2027	300,000	232	0.22
Banco de Sabadell FRN 1.125% 11/03/2027	100,000	79	0.08
CaixaBank FRN 0.625% 21/01/2028	300,000	231	0.22
Banco de Credito Social Cooperativo FRN 1.75% 09/03/2028	100,000	68	0.06
Grifols Escrow Issuer 3.875% 15/10/2028	100,000	74	0.07
Telefonica Emisiones 1.788% 12/03/2029	300,000	237	0.22
Ibercaja Banco FRN 2.75% 23/07/2030	100,000	77	0.07
CaixaBank FRN 5.375% 14/11/2030	300,000	272	0.26
Unicaja Banco FRN 3.125% 19/07/2032	100,000	71	0.07
		1,594	1.51
Supranational 0.00% (0.45%)			
Sweden 0.07% (0.72%)			
Intrum 3% 15/09/2027	100,000	70	0.07
		70	0.07
Switzerland 0.30% (0.61%)			
UBS Group FRN 0.25% 03/11/2026	400,000	315	0.30
		315	0.30
United Arab Emirates 0.00% (1.08%)			
United Kingdom 3.41% (33.54%)			
Scottish Widows 5.5% 16/06/2023	425,000	426	0.40

	Holding at 31.12.22	Market Value £000's	% of net assets
British Telecom- munications 1% 21/11/2024	124,000	104	0.10
TalkTalk Telecom Group 3.875% 20/02/2025	123,000	96	0.09
Nationwide Building Society 1.25% 03/03/2025	610,000	515	0.49
WPP Finance 2016 1.375% 20/03/2025	305,000	256	0.24
NatWest Markets 0.125% 12/11/2025	296,000	235	0.22
INEOS Quattro Finance 2 2.5% 15/01/2026	162,000	122	0.12
Lloyds Banking Group FRN 3.5% 01/04/2026	248,000	216	0.20
Sherwood Financing 4.5% 15/11/2026	140,000	100	0.10
Barclays FRN 2.885% 31/01/2027	100,000	84	0.08
HSBC Holdings FRN 3.019% 15/06/2027	100,000	84	0.08
BCP V Modular Services Finance II 4.75% 30/11/2028	100,000	74	0.07
Coca-Cola Europacific Partners 0.2% 02/12/2028	311,000	225	0.21
SSE 2.875% 01/08/2029	100,000	83	0.08
Barclays FRN 0.577% 09/08/2029	249,000	174	0.16
Nationwide Building Society 3.25% 05/09/2029	100,000	83	0.08
British Telecommu- nications 1.125% 12/09/2029	183,000	135	0.13
British Telecommu- nications 3.375% 30/08/2032	100,000	83	0.08
Barclays FRN 5.262% 29/01/2034	178,000	156	0.15
Vodafone Group FRN 2.625% 27/08/2080	100,000	78	0.07
SSE FRN 3.125% Perpetual	222,000	178	0.17
SSE FRN 4% Perpetual	119,000	96	0.09
		3,603	3.41
United States of America 5.49% (20.38%)			
Discover Bank 3.35% 06/02/2023	615,000	510	0.48
Time Warner Cable Enterprises 8.375% 15/03/2023	145,000	121	0.11
RELX Capital 3.5% 16/03/2023	100,000	83	0.08

Portfolio Statement (continued)

	Holding at 31.12.22	Market Value £000's	% of net assets		Holding at 31.12.22	Market Value £000's	% of net assets
American International Group 5% 26/04/2023	300,000	301	0.29	Thermo Fisher Scientific 3.65% 21/11/2034	100,000	86	0.08
JPMorgan Chase 0.625% 25/01/2024	200,000	173	0.16			5,811	5.49
US Bancorp 0.85% 07/06/2024	610,000	523	0.49	Corporate Bonds total		43,236	40.88
Booking Holdings 2.375% 23/09/2024	440,000	383	0.36	Government Bonds 39.62% (3.14%)			
Goldman Sachs Group 3.375% 27/03/2025	100,000	88	0.08	Brazil 0.00% (0.33%)			
Baxter International 1.3% 30/05/2025	500,000	419	0.40	Canada 2.87% (0.54%)			
Morgan Stanley FRN 2.103% 08/05/2026	163,000	138	0.13	Export Development Canada FRN 3.636% 24/05/2023	2,000,000	2,000	1.89
AT&T 1.8% 05/09/2026	221,000	183	0.17	Canada Government Bond 2.25% 01/12/2029	1,789,000	1,032	0.98
Bank of America FRN 1.949% 27/10/2026	111,000	92	0.09			3,032	2.87
American Tower REIT 0.45% 15/01/2027	212,000	161	0.15	Finland 5.03% (0.00%)			
American Tower REIT 0.4% 15/02/2027	213,000	161	0.15	Kuntarahoitus 1.125% 19/06/2025	5,748,000	5,319	5.03
Fidelity National Information Services 1.5% 21/05/2027	223,000	177	0.17			5,319	5.03
Metropolitan Life Global Funding I 0.55% 16/06/2027	230,000	179	0.17	France 5.01% (0.00%)			
Morgan Stanley FRN 0.406% 29/10/2027	275,000	210	0.20	Caisse d'Amortissement de la Dette Sociale 0.125% 15/12/2025	6,000,000	5,294	5.01
AbbVie 0.75% 18/11/2027	300,000	233	0.22			5,294	5.01
JPMorgan Chase FRN 0.389% 24/02/2028	200,000	152	0.14	Germany 7.21% (0.00%)			
Organon 2.875% 30/04/2028	190,000	147	0.14	State of North Rhine-Westphalia Germany 0.625% 16/12/2024	5,900,000	5,507	5.21
PepsiCo 0.5% 06/05/2028	200,000	153	0.15	Bundesrepublik Deutschland 0.5% 15/02/2025	1,900,000	1,614	1.52
Bank of America FRN 0.583% 24/08/2028	263,000	196	0.19	Bundesrepublik Deutschland 0% 15/05/2036	812,582	508	0.48
Goldman Sachs Group 1.25% 07/02/2029	167,000	123	0.12			7,629	7.21
Goldman Sachs Group 4% 21/09/2029	76,000	66	0.06	Mexico 0.00% (1.44%)			
Netflix 3.625% 15/06/2030	211,000	171	0.16	South Korea 1.63% (0.00%)			
Bank of America FRN 2.824% 27/04/2033	111,000	86	0.08	Korea Treasury 1.125% 10/09/2025	2,808,930,000	1,723	1.63
Verizon Communications 4.75% 31/10/2034	371,000	340	0.32			1,723	1.63
Booking Holdings 4.75% 15/11/2034	173,000	156	0.15	United Kingdom 17.87% (0.00%)			
				UK Treasury Bill 0% 05/06/2023	9,000,000	8,856	8.37
				UK Treasury Bill 0% 12/06/2023	8,117,000	7,982	7.55
				UK Treasury 0.875% 31/07/2033	2,769,000	2,068	1.95
						18,906	17.87
				United States of America 0.00% (0.83%)			
				Government Bonds total		41,903	39.62
				Supranationals 14.25% (7.53%)			
				Asian Development Bank 1.13% 10/06/2025	5,886,000	5,468	5.17

Portfolio Statement (continued)

	Holding at 31.12.22	Market Value £000's	% of net assets		Holding at 31.12.22	Market Value £000's	% of net assets
Council of Europe Development Bank 3% 16/06/2025	939,000	755	0.72	Interest Rate Swap Citigroup Pay fixed 5% Receive floating SOFR 1 day Put 5 15/12/2025	(8,688,500)	(19)	(0.02)
African Development Bank 1.13% 18/06/2025	5,886,000	5,454	5.16	Interest Rate Swap Morgan Stanley Pay fixed 5% Receive floating SOFR 1 day Put 5 15/12/2025	(8,688,500)	(19)	(0.02)
Inter-American Development Bank 2.5% 22/07/2027	1,032,000	954	0.90	Interest Rate Swap J.P. Morgan Pay floating 0 6 month Receive fixed 1.7% Call 1.7 10/01/2033	1,614,000	0	0.00
European Investment Bank 1% 14/04/2032	1,421,000	1,049	0.99	Interest Rate Swap Barclays Pay floating 0 6 month Receive fixed 1.7% Call 1.7 13/01/2033	3,245,000	0	0.00
European Union 1% 06/07/2032	1,600,000	1,167	1.10				
European Union 1.25% 04/02/2043	359,000	222	0.21				
		15,069	14.25				
Supranationals total		15,069	14.25	Swaptions total		76	0.07
Futures 1.15% (0.02%)				Swaps 0.03% ((1.66)%)			
Euro-Bobl March 2023	(21)	66	0.06	Credit Default Swap Morgan Stanley Buy ITRAXX. EUROPE.MAIN.38-V1 20/12/2027	17,083,000	(69)	(0.06)
Euro-BTP March 2023	(12)	57	0.05	Credit Default Swap Morgan Stanley Buy ITRAXX.EUROPE. CROSSOVER.38-V1 20/12/2027	4,573,250	(45)	(0.04)
Euro-Bund March 2023	(59)	447	0.42	Inflation Rate Swap Morgan Stanley Pay fixed 2.465% Receive floating HICPXT 1 month 15/12/2032	585,000	4	0.00
Euro-Buxl 30 Year Bond March 2023	1	(24)	(0.02)	Inflation Rate Swap Morgan Stanley Pay floating HICPXT 1 month Receive fixed 2.503% 15/12/2042	585,000	(9)	(0.01)
Euro-OAT March 2023	(19)	146	0.14	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 4.488% 01/11/2024	8,050,000	0	0.00
Euro-Schatz March 2023	(43)	42	0.04	Interest Rate Swap Morgan Stanley Pay fixed 2.88% Receive floating EURIBOR 6 month 03/11/2024	10,094,000	75	0.07
Long Gilt March 2023	(76)	521	0.49	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 3.91% 17/11/2027	2,837,000	(24)	(0.02)
US 5 Year Note March 2023	29	(2)	0.00	Interest Rate Swap Morgan Stanley Pay floating STIBOR 3 month Receive fixed 3.01% 22/12/2027	14,292,000	(14)	(0.01)
US 10 Year Note March 2023	44	(45)	(0.04)	Interest Rate Swap Morgan Stanley Pay fixed 1.221% Receive floating EURIBOR 6 month 07/04/2042	355,000	78	0.07
US Ultra Bond March 2023	(7)	8	0.01				
Futures total		1,216	1.15				
Swaptions 0.07% (0.00%)							
Credit Default Swap Citigroup Null ITRAXX.EUROPE. CROSSOVER.38-V1 Put 0.105 15/02/2023	2,882,340	24	0.02				
Interest Rate Swap Morgan Stanley Pay fixed 6% Receive floating SONIA 1 day Put 12 04/08/2024	(13,475,000)	(16)	(0.01)				
Interest Rate Swap Citigroup Pay fixed 4% Receive floating SOFR 1 day Put 4 15/12/2025	8,688,500	53	0.05				
Interest Rate Swap Morgan Stanley Pay fixed 4% Receive floating SOFR 1 day Put 4 15/12/2025	8,688,500	53	0.05				

Portfolio Statement (continued)

	Holding at 31.12.22	Market Value £000's	% of net assets
Interest Rate Swap Morgan Stanley Pay fixed 3.16% Receive floating SONIA 1 day 17/11/2052	629,000	34	0.03
Swaps total		30	0.03
Options 0.01% (0.04%)			
Purchased Options 0.24% (0.12%)			
Foreign Exchange EUR/USD Call 1.015 20/03/2023	3,489,000	175	0.17
Foreign Exchange USD/GBP Put 1.13 03/02/2023	4,097,000	4	0.00
Foreign Exchange USD/GBP Put 1.22 16/03/2023	2,629,000	66	0.06
US Treasury 10 Year Note Call 113.5 27/01/2023	16	9	0.01
Purchased Options total		254	0.24
Written Options (0.23)% ((0.08)%)			
Foreign Exchange EUR/USD Call 1.015 20/03/2023	(3,489,000)	(175)	(0.17)
Foreign Exchange USD/GBP Put 1.22 16/03/2023	(2,629,000)	(66)	(0.06)
Written Options total		(241)	(0.23)
Options total		13	0.01
Collective Investment Scheme 0.00% (3.87%)			
Chinese Fixed Interest Funds 0.00% (3.87%)			
Convertible Bond 0.00% (0.13%)			
Spain 0.00% (0.13%)			
Forward Foreign Currency Contracts (0.02)% (0.35%)			
Buy CAD 339,000 Sell GBP 217,380 31/01/2023		(9)	(0.01)

	Holding at 31.12.22	Market Value £000's	% of net assets
Buy EUR 4,509,263 Sell GBP 3,962,049 31/01/2023		42	0.04
Buy EUR 12,979,463 Sell USD 13,516,346 31/01/2023		306	0.29
Buy EUR 3,665,100 Sell USD 3,934,823 31/01/2023		(12)	(0.01)
Buy JPY 258,824,021 Sell SEK 20,050,195 31/01/2023		30	0.03
Buy JPY 337,008,000 Sell USD 2,441,698 31/01/2023		105	0.10
Buy KRW 1,689,426,500 Sell USD 1,289,333 31/01/2023		48	0.04
Buy USD 6,199,054 Sell EUR 5,917,180 31/01/2023		(109)	(0.10)
Buy USD 1,929,345 Sell GBP 1,574,500 31/01/2023		27	0.02
Buy USD 4,579,148 Sell GBP 3,883,083 31/01/2023		(82)	(0.08)
Buy USD 2,467,210 Sell JPY 336,891,800 31/01/2023		(83)	(0.08)
Buy USD 1,951,474 Sell KRW 2,684,798,620 31/01/2023		(157)	(0.15)
Buy USD 1,278,500 Sell NZD 2,033,464 31/01/2023		(11)	(0.01)
Sell CAD 1,593,162 Buy GBP 1,021,598 31/01/2023		44	0.04
Sell EUR 39,268,105 Buy GBP 34,640,288 31/01/2023		(226)	(0.21)
Sell USD 5,669,005 Buy GBP 4,791,470 31/01/2023		86	0.08
Sell USD 1,369,604 Buy GBP 1,123,161 31/01/2023		(14)	(0.01)
Forward Foreign Currency Contracts total		(15)	(0.02)
Portfolio of investments		101,528	95.99
Net other assets		4,240	4.01
Net assets attributable to unitholders		105,768	100.00

The comparative percentage figures in brackets are as at 31 December 2021.

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

^ Unlisted, suspended or delisted security.

Statement of Total Return

For the year ended 31 December 2022

		2022	2021
	Notes	£000's	£000's
Income			
Net capital losses	2	(5,673)	(401)
Revenue	3	1,928	699
Expenses	4	(212)	(354)
Net revenue before taxation		1,716	345
Taxation	5	(3)	-
Net revenue after taxation		1,713	345
Total return before distributions		(3,960)	(56)
Distributions	6	(1,739)	(682)
Change in net assets attributable to unitholders from investment activities		(5,699)	(738)

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 31 December 2022

	2022	2021
	£000's	£000's
Opening net assets attributable to unitholders	62,016	66,260
Amounts receivable on issue of units	74,033	8,045
Amounts payable on cancellation of units	(26,017)	(11,987)
	48,016	(3,942)
Dilution adjustment	64	3
Change in net assets attributable to unitholders from investment activities	(5,699)	(738)
Retained distribution on Accumulation units	1,371	433
Closing net assets attributable to unitholders	105,768	62,016

Balance Sheet

As at 31 December 2022

		2022	2021
	Notes	£000's	£000's
Assets			
Investments		102,758	60,979
Current assets			
Debtors	8	613	336
Cash and bank balances	9	5,716	3,309
Total assets		109,087	64,624
Liabilities			
Investment liabilities		(1,230)	(1,534)
Creditors			
Bank overdrafts	10	(1,817)	(908)
Distributions payable		(199)	(88)
Other creditors	11	(73)	(78)
Total liabilities		(3,319)	(2,608)
Net assets attributable to unitholders		105,768	62,016

Notes to the Accounts

For the year ended 31 December 2022

1 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 accounts have been prepared on a going concern basis.

Revenue

Distributions receivable from authorised unit trusts and other collective investment schemes are recognised net of attributable tax credits and are credited to revenue when they are first quoted ex-dividend.

Interest receivable from bank balances is accounted for on an accruals basis.

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

Equalisation

Equalisation on distributions received by the Fund is deducted from the cost of investments. As such the equalisation on distributions received by the Fund does not form part of the Fund's distribution.

Interest on debt securities bought or sold

Interest on debt securities bought or sold is excluded from the capital cost of securities, and is dealt with as part of the revenue of the Fund.

Expenses

Expenses of the Fund are initially charged against revenue except for costs associated with the purchase and sale of investments which are allocated to the capital of the Fund. All expenses except for professional fees are accounted for on an accruals basis.

Taxation

The Fund satisfied the qualifying investments test of Statutory Instrument 2006/964 Authorised Investment Funds (Tax) Regulations 2006 Regulation 19 throughout the year. All distributions made are therefore made as interest distributions.

Deferred taxation is provided for on all timing differences that have originated but not reversed by the balance sheet date, other than those differences regarded as permanent. Any liability to deferred taxation is provided for at the average rate of taxation expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Distributions

The revenue available for distribution is the total revenue earned by the Fund, less deductible expenses and taxation charged to revenue.

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

For the purpose of calculating the distribution, the Fund allocates certain expenses to capital, thereby increasing the amount available for distribution.

Dilution adjustment

In certain circumstances the Manager may apply a dilution adjustment on subscriptions and redemptions of units. If applied, the dilution adjustment is paid to the Fund. See Prospectus for further details.

Valuation

With the exception of forward foreign currency contracts which have been valued at the Fund's valuation point (12:00) on the last working day of the accounting period, all other investments held by the Fund have been valued at market value at 18:00 on the last working day of the accounting period. Market value is defined by the Statement of Recommended Practice as fair value which generally is the bid value of each security and the offer value for short positions. Non-exchange traded derivatives, including options, are priced at fair value using valuation models and data sourced from market data providers and/or information provided by the relevant third party brokers.

All investments are valued net of any accrued interest which is included in the balance sheet as a revenue related item.

Foreign currencies

Transactions in foreign currencies are translated into sterling at the exchange rate prevailing on the date of the transaction. Assets and liabilities valued in foreign currencies have been translated into sterling at the exchange rates prevailing at the balance sheet date.

Credit Default Swap

The upfront fees received on a mark to market basis are split between capital and revenue as appropriate. For sell protections, periodic premiums are accounted for on an accruals basis and are included under Net revenue return from derivative contracts.

Notes to the Accounts

For the year ended 31 December 2022 (continued)

2 Net capital losses

The net capital losses during the year comprise:

	2022	2021
	£000's	£000's
Non-derivative securities	(7,706)	(1,060)
Derivative contracts	2,895	107
Forward foreign currency contracts	(774)	565
Foreign currency losses	(88)	(14)
Transaction costs	-	1
Net capital losses	(5,673)	(401)

3 Revenue

	2022	2021
	£000's	£000's
Interest distributions	33	-
Interest on debt securities	1,791	890
Bank interest	16	1
Net revenue return from derivative contracts	88	(192)
Total revenue	1,928	699

4 Expenses

	2022	2021
	£000's	£000's
Payable to the Manager, associates of the Manager and agents of either of them:		
Annual management charge	-	44
Administration charge	-	8
Schroders Annual Charge ^{1,2}	200	293
	200	345
Payable to the Trustee, associates of the Trustee and agents of either of them:		
Trustee's fees	-	1
Other expenses:		
Audit fee ²	-	1
Professional fee	-	2
Interest payable	12	5
	12	8
Total expenses	212	354

1 Fees such as the Annual Management Charge, Administration fee, Trustee fee and Audit fee were paid separately to 28 February 2021. From 1 March 2021 these fees were replaced with the Schroders Annual Charge.

2 Audit fees including VAT for the financial year ending 2022 were £12,572 (2021 – £12,572).

Notes to the Accounts

For the year ended 31 December 2022 (continued)

5 Taxation

Corporation tax has not been provided for as expenses and interest distributions payable by the Fund exceed the revenue liable to corporation tax.

(a) Analysis of the tax charge for the year

	2022 £000's	2021 £000's
Overseas withholding tax	3	-
Total current tax (Note 5(b))	3	-

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

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for authorised unit trusts of 20% (2021 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2022 £000's	2021 £000's
Net revenue before taxation	1,716	345
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	343	69
Effects of:		
Movement in excess management expenses	1	-
Interest distributions deductible for tax purposes	(344)	(69)
Overseas withholding tax	3	-
Current tax charge for the year (Note 5(a))	3	-

(c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £2,296 (2021 – £971) in respect of unutilised management expenses. It is unlikely the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year or prior year.

6 Distributions

The distributions, which are on an effective yield basis, take account of revenue received on the issue of units and revenue deducted on the cancellation of units, and comprise:

	2022 £000's	2021 £000's
Monthly Interest distribution	7	8
Monthly Interest distribution	7	7
Monthly Interest distribution	14	8
Monthly Interest distribution	14	6
Monthly Interest distribution	14	5
Interim Interest distribution	564	285
Monthly Interest distribution	11	6
Monthly Interest distribution	14	8
Monthly Interest distribution	14	8
Monthly Interest distribution	19	8
Monthly Interest distribution	16	8
Final Interest distribution	1,127	306
	1,821	663
Add: Revenue deducted on cancellation of units	98	37
Deduct: Revenue received on issue of units	(180)	(18)
Distributions	1,739	682
Net revenue after taxation	1,713	345
Expenses taken to capital	200	337
Equalisation on conversions	(174)	-
Distributions	1,739	682

Details of the distributions per unit are set out in the Distribution Tables on pages 31 to 36.

Notes to the Accounts

For the year ended 31 December 2022 (continued)

7 Fair value hierarchy

Instruments held at the year end are presented in line with amendments to FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland Fair value hierarchy disclosures.

Basis of valuation	2022		2021	
	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	20,193	(71)	158	(143)
Level 2: Observable market data	82,565	(1,159)	60,821	(1,391)
Level 3: Unobservable data	–	–	–	–
Total	102,758	(1,230)	60,979	(1,534)

Level 1: Unadjusted quoted price in an active market for an identical instrument.

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1.

Level 3: Valuation techniques using unobservable inputs.

Unobservable data

Unobservable data has been used only where relevant observable market data is not available. Where there was no reputable price source for an investment, the Manager has assessed information available from internal and external sources in order to arrive at an estimated fair value. The fair value is established by using measures of value such as the price of recent transactions, earnings multiple and net assets. The Manager of the Fund also makes judgements and estimates based on their knowledge of recent investment performance, historical experience and other assumptions that are considered reasonable under the circumstances. The estimates and the assumptions used are under continuous review by the Manager with particular attention paid to the carrying value of the investments.

8 Debtors

	2022 £000's	2021 £000's
Amounts receivable for issue of units	59	80
Sales awaiting settlement	–	8
Amounts receivable on derivative contracts	21	5
Accrued revenue	533	243
Total debtors	613	336

9 Cash and bank balances

	2022 £000's	2021 £000's
Cash and bank balances	3,220	421
Amounts held at futures clearing houses and brokers	2,496	2,888
Total cash and bank balances	5,716	3,309

10 Bank overdrafts

	2022 £000's	2021 £000's
Amounts overdrawn at futures clearing houses and brokers	1,817	908
Total bank overdrafts	1,817	908

11 Other creditors

	2022 £000's	2021 £000's
Amounts payable for cancellation of units	35	47
Amounts payable on derivative contracts	11	2
Accrued expenses	27	29
Total other creditors	73	78

Notes to the Accounts

For the year ended 31 December 2022 (continued)

12 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2021 – Nil).

13 Related party transactions

The Manager exercises control over the Fund and is therefore a related party by virtue of its controlling influence.

Amounts paid during the year or due to the Manager at the balance sheet date are disclosed under Expenses and Other creditors in the Notes to the Accounts.

The Manager acts as principal on all transactions of units in the Fund. The aggregate monies received through the issue and cancellation of units are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and Distributions in the Notes to the Accounts. Amounts due from or to the Manager in respect of unit transactions at the balance sheet date are included under Debtors and Other creditors in the Notes to the Accounts.

Units held or managed by the Manager or associates of the Manager as a percentage of the Fund's net asset value at the balance sheet date were 53.02% (2021 – 30.14%).

Related party holdings are disclosed in the Portfolio Statement. The revenue earned from these investments of £33,463 (2021 – Nil) is included under Revenue in the Notes to the Accounts.

14 Unit classes

At the reporting date the Fund had twelve unit classes. The costs and expenses due to the Manager are referred to as the Schroders Annual Charge. Details of the charges applied to each unit class can be found in the prospectus.

The closing net asset value of each unit class, the closing net asset value per unit and the closing number of units in issue are given in the Comparative Table on pages 10 to 14.

The distributions per unit class are given in the Distribution Tables on pages 31 to 36.

All classes have the same rights on winding up.

15 Derivative and other financial instruments

The main risks arising from the Fund's financial instruments are market price, derivative, foreign currency, liquidity, credit and interest rate risks. The Manager's policies for managing these risks are summarised below and have been applied throughout the year and the prior year.

Market price risk

The Fund's investment portfolio is exposed to market price fluctuations which are monitored by the Manager in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Trust Deed, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the unitholders would increase or decrease by approximately £10,152,800 (2021 – £5,944,500).

Derivative risk

Where a Fund trades in derivatives to achieve its investment objective, this involves a higher degree of risk and may lead to a higher volatility in the unit prices of the Fund. The Manager employs a risk management process to allow the Manager to measure derivative and forward positions and their contribution to the overall risk profile of the Fund. As part of this risk management process the Manager conducts daily value at risk analysis of the Fund and performs both stress and back testing of the Fund.

Foreign currency risk

Where a portion of the net assets of the Fund are denominated in currencies other than sterling the balance sheet and total return can be affected by currency movements. Therefore the Manager may decide that a proportion of the investments that are not priced in sterling, may be covered by forward currency contracts, so that the Fund's exposure to currency risk is reduced.

Revenue received in other currencies is translated to sterling on or near the date of receipt. The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Liquidity risk

The primary source of this risk to the Fund is the liability to unitholders for any cancellation of units. This risk is minimised by holding cash, readily realisable securities and access to overdraft facilities up to the amount prescribed by the Collective Investment Schemes sourcebook.

Credit risk

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Manager as an acceptable counterparty. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' financial ratings are reviewed.

Interest rate risk

Interest rate risk is the risk that the value of the Fund's investment holdings will fluctuate as a result of changes in interest rates.

The Fund may invest in fixed and floating rate securities. The revenue of the Fund may be affected by changes to interest rates relevant to particular securities or as a result of the Manager being unable to secure similar returns on the expiry of contracts or sale of securities.

Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates.

Floating rate financial assets and financial liabilities

Sterling denominated bank balances and bank overdrafts bear interest at rates based on the Sterling Overnight Index Average Rate. Sterling denominated floating rate bonds and foreign currency bank balances and amounts held or overdrawn at futures clearing houses and brokers bear interest at rates based on the Sterling Overnight Index Average Rate or its international equivalent.

Euro denominated floating rate notes bear interest at rates based on Euro Interbank Offer Rate.

US dollar denominated floating rate notes/bonds bear interest at rates based on the US London Interbank Offer Rate.

Notes to the Accounts

For the year ended 31 December 2022 (continued)

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Derivatives

During the year the Fund entered into derivative contracts for specific investment purposes in addition to being used for efficient management.

Global risk exposure

Absolute VaR approach

The approach used for the Funds managed with an absolute return target, an absolute volatility limit or a target of outperforming an interest rate benchmark.

Regulatory VaR limit utilisation

	2022			2021		
	Lowest	Highest	Average	Lowest	Highest	Average
	2.98%	9.88%	5.81%	3.14%	7.66%	4.56%

Information on VaR Model

Model type	Length of data history	2022		Length of data history	2021	
		Confidence level	Holding period		Confidence level	Holding period
Parametric VaR	All available history	99.00%	20 days	All available history	99.00%	20 days

Leverage

Information on the limit usage and level of leverage

The level of leverage is an indication of the derivative usage and of any leverage generated by the reinvestment of cash received as collateral when using efficient portfolio management techniques. It does not take into account other physical assets directly held in the portfolio of the Fund. The figure is not representative of the maximum amount that a Fund could lose, as it includes the derivatives used to protect the Net Asset Value of a Fund as well as the derivatives backed by risk free assets and derivatives which do not generate any incremental exposure, leverage or market risk from an economic perspective. The reported leverage figure is therefore not a true representation of the economic leverage¹ in the Fund.

The level of leverage disclosed is based on the total notional value² of all derivative instruments held by a Fund and is expressed as a percentage of the Fund's Net Asset Value. For the purpose of this calculation the holdings and offset derivative positions (long and short positions) do not cancel each other out and the figure is a sum of the total holdings.

Leverage

	2022				2021			
	Lowest	Highest	Average	Leverage 31 December	Lowest	Highest	Average	Leverage 31 December
	179.33%	601.65%	306.58%	236.85%	174.13%	556.14%	317.63%	276.48%

- Where economic leverage is the sum of derivative commitments (calculated in line with European Securities and Markets Authority 10/788) and excludes derivatives used within hedging arrangements, derivatives whose commitments is covered by risk free assets and derivatives which are not considered to generate any incremental exposure and leverage or market risk.
- Delta adjusted in line with European Securities and Markets Authority 10/788 when appropriate.

16 Debt security credit analysis

	2022 £000's	2021 £000's
Investment grade securities	96,692	48,982
Below investment grade securities	3,516	8,679
Unrated securities	–	158
Total debt securities	100,208	57,819

The Fund invests in credit default swaps to adjust the credit risk profile of the Fund. Notional amounts for credit default swap positions are shown in the portfolio statement. All counterparties for credit default swap positions at the reporting date are investment grade.

Notes to the Accounts

For the year ended 31 December 2022 (continued)

17 Direct transaction costs

No transaction costs on the purchase or sale of investments were incurred by the Fund during the year or prior year. The total purchases for the year amounted to £187,805,965 (2021 – £57,289,447) and the total sales amounted to £140,681,670 (2021 – £59,937,054).

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.26% (2021 – 0.25%).

This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

18 Units in issue reconciliation

	Number of units in issue 31.12.21	Number of units issued	Number of units cancelled	Number of units converted	Number of units in issue 31.12.22
A Accumulation units	10,190,595	251,449	(3,967,178)	(41,038)	6,433,828
A Income units	1,259,713	4,493	(219,763)	(43,664)	1,000,779
L Accumulation units	10,342,092	20,609,020	(9,666,781)	60,597	21,344,928
L Income units	270,984	3,455,068	(1,545,646)	–	2,180,406
Q1 Accumulation units	–	1,500	–	–	1,500
Q1 Income units	–	1,844,492	–	–	1,844,492
S Accumulation units	–	3,000	–	1,600	4,600
X Accumulation units	–	35,189,625	–	79,113,333	114,302,958
X Income (Monthly) units	17,077,778	–	–	–	17,077,778
X Income units	21,753,583	84,817,642	–	(84,817,642)	21,753,583
Z Accumulation units	44,887,626	3,888,828	(29,196,331)	14,578	19,594,701
Z Income units	4,526,180	661,379	(858,829)	36,859	4,365,589

19 Counterparty exposure

The types of non-exchange traded derivatives held at the balance sheet date were forward foreign currency contracts, credit default swaps, interest rate swaps, inflation linked swaps, options contracts and swaption contracts. Details of individual contracts are disclosed in the Portfolio Statement and the total position by counterparty at the balance sheet date was as follows:

Counterparty	Forward foreign currency contracts £000's	Credit default swaps £000's	Commodity index swaps £000's	Contract for difference £000's	Interest rate swaps £000's	Total return swaps £000's	Inflation linked swaps £000's	Options contracts £000's	Swaption contracts £000's	Total £000's
Bank of America										
2022	(4)	–	–	–	–	–	–	175	–	171
2021	(2)	–	–	–	–	–	–	–	–	(2)
Barclays										
2022	(65)	–	–	–	–	–	–	–	–	(65)
2021	5	–	–	–	–	–	–	–	–	5
BNP Paribas										
2022	–	–	–	–	–	–	–	–	–	–
2021	100	–	–	–	–	–	–	–	–	100
Canadian Imperial Bank of Commerce										
2022	3	–	–	–	–	–	–	–	–	3
2021	(30)	–	–	–	–	–	–	–	–	(30)
Citigroup										
2022	32	–	–	–	–	–	–	4	58	94
2021	(17)	–	–	–	–	–	–	–	–	(17)
Deutsche Bank										
2022	(3)	–	–	–	–	–	–	–	–	(3)
2021	1	–	–	–	–	–	–	–	–	1

Notes to the Accounts

For the year ended 31 December 2022 (continued)

Counterparty	Forward foreign currency contracts £000's	Credit default swaps £000's	Commodity index swaps £000's	Contract for difference £000's	Interest rate swaps £000's	Total return swaps £000's	Inflation linked swaps £000's	Options contracts £000's	Swaption contracts £000's	Total £000's
Goldman Sachs										
2022	4	-	-	-	-	-	-	-	-	4
2021	15	-	-	-	-	-	-	22	-	37
HSBC										
2022	(89)	-	-	-	-	-	-	-	-	(89)
2021	(30)	-	-	-	-	-	-	-	-	(30)
J.P. Morgan										
2022	133	-	-	-	-	-	-	-	-	133
2021	195	-	-	-	-	-	-	-	-	195
Morgan Stanley										
2022	86	(114)	-	-	149	-	(5)	(175)	18	(41)
2021	(9)	(945)	-	-	(84)	-	-	-	-	(1,038)
Royal Bank of Canada										
2022	(1)	-	-	-	-	-	-	-	-	(1)
2021	2	-	-	-	-	-	-	-	-	2
State Street										
2022	(7)	-	-	-	-	-	-	-	-	(7)
2021	(19)	-	-	-	-	-	-	-	-	(19)
UBS										
2022	(104)	-	-	-	-	-	-	-	-	(104)
2021	6	-	-	-	-	-	-	-	-	6

The collateral pledged by the Fund on behalf of the counterparties at the balance sheet date was as follows:

Counterparty	2022 £000's	2021 £000's
Morgan Stanley	(645)	(1,628)
Total	(645)	(1,628)

The nature of collateral pledged by the Fund on behalf of the counterparties at the balance sheet date was as follows:

	2022 £000's	2021 £000's
Cash	(645)	(1,628)
Total	(645)	(1,628)

Notes to the Accounts

For the year ended 31 December 2022 (continued)

20 Non-adjusting post balance sheet events

As a result of market movements and foreign exchange rates, since the balance sheet date on 31 December 2022, the price of each unit class has changed as follows:

	Number of units in issue 21.4.23	Number of units in issue 30.12.22	% change	Dealing price 21.4.23	Dealing price 30.12.22	% change
A Accumulation units	6,228,823	6,433,828	(3.19)	96.82p	96.62p	0.21
A Income units	842,325	1,000,779	(15.83)	36.78p	37.13p	(0.94)
L Accumulation units	23,504,342	21,344,928	10.12	51.60p	51.46p	0.27
L Income units	2,294,015	2,180,406	5.21	44.95p	45.35p	(0.88)
Q1 Accumulation units	1,500	1,500	–	96.57p	96.27p	0.31
Q1 Income units	1,746,671	1,844,492	(5.30)	94.83p	95.62p	(0.83)
S Accumulation units	3,000	4,600	(34.78)	50.06p	49.91p	0.30
X Accumulation units	109,087,237	114,302,958	(4.56)	48.94p	48.76p	0.37
X Income (Monthly) units	17,621,847	17,077,778	3.19	45.55p	45.81p	(0.57)
X Income units	2,000	21,753,583	(99.99)	44.74p	45.09p	(0.78)
Z Accumulation units	18,963,016	19,594,701	(3.22)	53.16p	53.04p	0.23
Z Income units	4,720,028	4,365,589	8.12	43.61p	44.01p	(0.91)

The Fund experienced higher than average cancellation of units post year end. The liquidity measures within the Fund remain within normal range and there is no immediate or material uncertainty about the viability of the Fund as a going concern.

Distribution Tables

Distribution for the month ended 31 January 2022

Group 1 Units purchased prior to 1 January 2022

Group 2 Units purchased on or after 1 January 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution paid 31.3.22 per unit	Distribution paid 31.3.21 per unit
X Income (Monthly) units				
Group 1	0.0387p	–	0.0387p	0.0434p
Group 2	0.0387p	–	0.0387p	0.0434p

Distribution for the month ended 28 February 2022

Group 1 Units purchased prior to 1 February 2022

Group 2 Units purchased on or after 1 February 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution paid 30.4.22 per unit	Distribution paid 30.4.21 per unit
X Income (Monthly) units				
Group 1	0.0428p	–	0.0428p	0.0381p
Group 2	0.0428p	–	0.0428p	0.0381p

Distribution for the month ended 31 March 2022

Group 1 Units purchased prior to 1 March 2022

Group 2 Units purchased on or after 1 March 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution paid 31.5.22 per unit	Distribution paid 31.5.21 per unit
X Income (Monthly) units				
Group 1	0.0798p	–	0.0798p	0.0447p
Group 2	0.0798p	–	0.0798p	0.0447p

Distribution for the month ended 30 April 2022

Group 1 Units purchased prior to 1 April 2022

Group 2 Units purchased on or after 1 April 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution paid 30.6.22 per unit	Distribution paid 30.6.21 per unit
X Income (Monthly) units				
Group 1	0.0802p	–	0.0802p	0.0352p
Group 2	0.0802p	–	0.0802p	0.0352p

Distribution Tables

(continued)

Distribution for the month ended 31 May 2022

Group 1 Units purchased prior to 1 May 2022

Group 2 Units purchased on or after 1 May 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution paid 31.7.22 per unit	Distribution paid 31.7.21 per unit
X Income (Monthly) units				
Group 1	0.0840p	–	0.0840p	0.0287p
Group 2	0.0840p	–	0.0840p	0.0287p

Interim distribution for the month ended 30 June 2022

Group 1 Units purchased prior to 1 June 2022

Group 2 Units purchased on or after 1 June 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution paid 31.8.22 per unit	Distribution paid 31.8.21 per unit
X Income (Monthly) units				
Group 1	0.0820p	–	0.0820p	0.0577p
Group 2	0.0820p	–	0.0820p	0.0577p

Distribution for the month ended 31 July 2022

Group 1 Units purchased prior to 1 July 2022

Group 2 Units purchased on or after 1 July 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution paid 30.9.22 per unit	Distribution paid 30.9.21 per unit
X Income (Monthly) units				
Group 1	0.0671p	–	0.0671p	0.0363p
Group 2	0.0671p	–	0.0671p	0.0363p

Distribution for the month ended 31 August 2022

Group 1 Units purchased prior to 1 August 2022

Group 2 Units purchased on or after 1 August 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution paid 31.10.22 per unit	Distribution paid 31.10.21 per unit
X Income (Monthly) units				
Group 1	0.0815p	–	0.0815p	0.0483p
Group 2	0.0815p	–	0.0815p	0.0483p

Distribution Tables

(continued)

Distribution for the month ended 30 September 2022

Group 1 Units purchased prior to 1 September 2022

Group 2 Units purchased on or after 1 September 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution paid 30.11.22 per unit	Distribution paid 30.11.21 per unit
X Income (Monthly) units				
Group 1	0.0795p	–	0.0795p	0.0464p
Group 2	0.0795p	–	0.0795p	0.0464p

Distribution for the month ended 31 October 2022

Group 1 Units purchased prior to 1 October 2022

Group 2 Units purchased on or after 1 October 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution paid 31.12.22 per unit	Distribution paid 31.12.21 per unit
X Income (Monthly) units				
Group 1	0.1133p	–	0.1133p	0.0465p
Group 2	0.1133p	–	0.1133p	0.0465p

Distribution for the month ended 30 November 2022

Group 1 Units purchased prior to 1 November 2022

Group 2 Units purchased on or after 1 November 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution paid 31.1.23 per unit	Distribution paid 31.1.22 per unit
X Income (Monthly) units				
Group 1	0.0933p	–	0.0933p	0.0446p
Group 2	0.0933p	–	0.0933p	0.0446p

Final distribution for the month ended 31 December 2022

Group 1 Units purchased prior to 1 December 2022

Group 2 Units purchased on or after 1 December 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution payable 28.2.23 per unit	Distribution paid 28.2.22 per unit
X Income (Monthly) units				
Group 1	0.0866p	–	0.0866p	0.0473p
Group 2	0.0866p	–	0.0866p	0.0473p

Distribution Tables

(continued)

Interim distribution for the six months ended 30 June 2022

Group 1 Units purchased prior to 1 January 2022

Group 2 Units purchased on or after 1 January 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution paid 31.8.22 per unit	Distribution paid 31.8.21 per unit
A Accumulation units				
Group 1	0.8504p	–	0.8504p	0.4995p
Group 2	0.4285p	0.4219p	0.8504p	0.4995p
A Income units				
Group 1	0.3297p	–	0.3297p	0.1957p
Group 2	0.1984p	0.1313p	0.3297p	0.1957p
L Accumulation units				
Group 1	0.4523p	–	0.4523p	0.2644p
Group 2	0.1838p	0.2685p	0.4523p	0.2644p
L Income units				
Group 1	0.4020p	–	0.4020p	0.2375p
Group 2	0.1397p	0.2623p	0.4020p	0.2375p
X Income units				
Group 1	0.3988p	–	0.3988p	0.2422p
Group 2	0.3988p	–	0.3988p	0.2422p
Z Accumulation units				
Group 1	0.4664p	–	0.4664p	0.2730p
Group 2	0.3203p	0.1461p	0.4664p	0.2730p
Z Income units				
Group 1	0.3904p	–	0.3904p	0.2310p
Group 2	0.1316p	0.2588p	0.3904p	0.2310p

Final distribution for the six months ended 31 December 2022

Group 1 Units purchased prior to 1 July 2022

Group 2 Units purchased on or after 1 July 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution payable 28.2.23 per unit	Distribution paid 28.2.22 per unit
A Accumulation units				
Group 1	1.0957p	–	1.0957p	0.5610p
Group 2	0.5150p	0.5807p	1.0957p	0.5610p
A Income units				
Group 1	0.4211p	–	0.4211p	0.2186p
Group 2	0.1545p	0.2666p	0.4211p	0.2186p
L Accumulation units				
Group 1	0.5833p	–	0.5833p	0.2977p
Group 2	0.3843p	0.1990p	0.5833p	0.2977p
L Income units				
Group 1	0.5141p	–	0.5141p	0.2661p
Group 2	0.3930p	0.1211p	0.5141p	0.2661p

Distribution Tables

(continued)

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution payable 28.2.23 per unit	Distribution paid 28.2.22 per unit
X Income units				
Group 1	0.5107p	–	0.5107p	0.2633p
Group 2	0.5107p	–	0.5107p	0.2633p
Z Accumulation units				
Group 1	0.6014p	–	0.6014p	0.3073p
Group 2	0.0879p	0.5135p	0.6014p	0.3073p
Z Income units				
Group 1	0.4990p	–	0.4990p	0.2586p
Group 2	0.2237p	0.2753p	0.4990p	0.2586p

Interim distribution for the period ended 30 June 2022

Group 1 Units purchased on 1 March 2022

Group 2 Units purchased on or after 1 March 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution paid 31.8.22 per unit
Q1 Accumulation units			
Group 1	0.6653p	–	0.6653p
Group 2	0.6653p	–	0.6653p
Q1 Income units			
Group 1	0.6653p	–	0.6653p
Group 2	0.6653p	–	0.6653p

Interim distribution for the period ended 30 June 2022

Group 1 Units purchased on 19 April 2022

Group 2 Units purchased on or after 19 April 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution paid 31.8.22 per unit
X Accumulation units			
Group 1	0.2075p	–	0.2075p
Group 2	0.1892p	0.0183p	0.2075p

Final distribution for the six months ended 31 December 2022

Group 1 Units purchased prior to 1 July 2022

Group 2 Units purchased on or after 1 July 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution payable 28.2.23 per unit
Q1 Accumulation units			
Group 1	1.0866p	–	1.0866p
Group 2	1.0866p	–	1.0866p

Distribution Tables

(continued)

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution payable 28.2.23 per unit
Q1 Income units			
Group 1	1.0797p	–	1.0797p
Group 2	0.1355p	0.9442p	1.0797p
X Accumulation units			
Group 1	0.5522p	–	0.5522p
Group 2	0.5159p	0.0363p	0.5522p

Final distribution for the period ended 31 December 2022

Group 1 Units purchased on 7 September 2022

Group 2 Units purchased after 7 September 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution payable 28.2.23 per unit
S Accumulation units			
Group 1	0.3876p	–	0.3876p
Group 2	0.3876p	–	0.3876p

Equalisation

Equalisation applies to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of Group 2 units and is refunded to the holders of these units as a return of capital.

Being capital it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

Securities Financing Transactions (unaudited)

The Fund has not engaged in Securities Financing Transactions (as defined in Article 3 of Regulation (EU) 2015/2365, these include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions, margin lending transactions and Total Return Swaps). Accordingly, disclosures required by Article 13 of the Regulation are not applicable for the accounting year ended 31 December 2022.

Remuneration

UCITS remuneration disclosures for Schroder Unit Trusts Limited ('SUTL') for the year to 31 December 2022

These disclosures form part of the non-audited section of this annual report and accounts and should be read in conjunction with the Schroders plc Remuneration Report on pages 76 to 107 of the 2022 Annual Report & Accounts (available on the Group's website <https://www.schroders.com/en/investor-relations/results-and-reports/annual-report-and-accounts-2022/>), which provides more information on the activities of our Remuneration Committee and our remuneration principles and policies.

The UCITS Material Risk Takers ('UCITS MRTs') of SUTL are individuals whose roles within the Schroders Group can materially affect the risk of SUTL or any UCITS fund that it manages. These roles are identified in line with the requirements of the UCITS Directive and guidance issued by the European Securities and Markets Authority.

The Remuneration Committee of Schroders plc has established a remuneration policy to ensure the requirements of the UCITS Directive are met for all UCITS MRTs. The Remuneration Committee and the Board of Schroders plc review remuneration strategy at least annually. The directors of SUTL are responsible for the adoption of the remuneration policy and periodically reviewing its implementation in relation to SUTL. During 2022 the Remuneration Policy was reviewed to ensure compliance with the UCITS/AIFMD remuneration requirements and no significant changes were made.

The implementation of the remuneration policy is, at least annually, subject to independent internal review for compliance with the policies and procedures for remuneration adopted by the Board of SUTL and the Remuneration Committee. The most recent review found no fundamental issues but resulted in minor recommendations relating to process documentation.

The ratio of total costs to net income through the market cycle guides the total spend on remuneration each year. This is recommended by the Remuneration Committee to the Board of Schroders plc. This approach aligns remuneration with Schroders financial performance. In determining the remuneration spend each year, the underlying strength and sustainability of the business is taken into account, along with reports on risk, legal, compliance and internal audit matters from the heads of those areas.

The remuneration data that follows reflects amounts paid in respect of performance during 2022.

- The total amount of remuneration paid by SUTL to its staff was nil as SUTL has no employees. SUTL has two independent Non Executive Directors who receive fees in respect of their role on the Board of SUTL¹. Employees of other Schroders Group entities who serve as Directors of SUTL receive no additional fees in respect of their role on the Board of SUTL.
- The following disclosures relate to UCITS MRTs of SUTL. Most of those UCITS MRTs were employed by and provided services to other Schroders group companies and clients. In the interests of transparency, the aggregate remuneration figures that follow reflect the full remuneration for each SUTL UCITS MRT. The aggregate total remuneration paid to the 158 UCITS MRTs of SUTL in respect of the financial year ended 31 December 2022 is £113.41 million, of which £38.94 million was paid to senior management, and £74.47 million was paid to MRTs deemed to be taking risk on behalf of SUTL or the UCITS funds that it manages and Control Function MRTs.

For additional qualitative information on remuneration policies and practices see www.schroders.com/rem-disclosures.

¹ The fees are not disclosed due to confidentiality and data protection considerations. The amount is not material to SUTL.

General Information

Manager

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

Investment Adviser

Schroder 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 Auditors

PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX

Authorisation

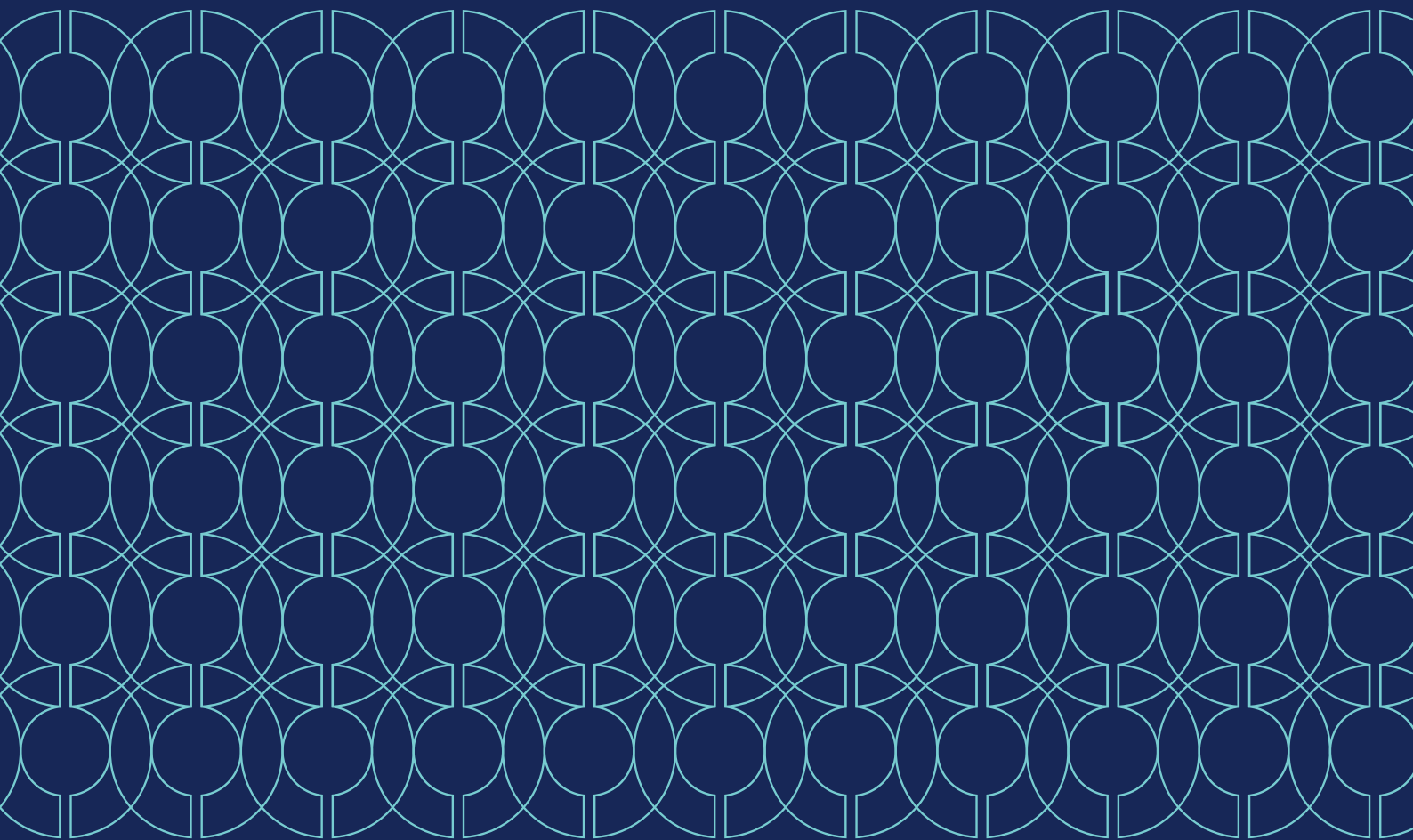
The Fund is an authorised unit trust and is constituted pursuant to the Collective Investment Schemes sourcebook and is structured as a Trust. The Fund is a UCITS scheme for the purpose of the categorisation of the Collective Investment Schemes sourcebook.

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.

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.



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