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<sup>1</sup> Collectively these comprise the Manager's report.

# Fund Information

## Investment objective and policy

Schroder Global Healthcare Fund (the 'Fund') aims to provide capital growth by investing in equity and equity related securities of healthcare and medical related companies worldwide.

The Fund is actively managed and invests at least 80% of its assets in equity and equity related securities of companies worldwide, which are engaged in healthcare provision, medical services and related products.

The Fund is positioned to benefit from the structural growth in demand for healthcare provision and medical treatments, supported by demographic trends, improving standards of living and technological advancements. The Investment Manager will position the Fund to benefit from these strong themes by investing in areas such as biotechnology, generic drug manufacture and supply, pharmaceuticals, health insurance and hospital supplies.

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

The Fund may use derivatives with the aim of reducing risk and managing the Fund more efficiently (for more information please refer to section 6 of Appendix I of the Prospectus).

## Fund characteristics

The Fund does not have a target benchmark. The Fund's performance should be compared against the MSCI AC World Health Care Daily (Gross Total Return) index and the Investment Association Global sector average return. The comparator benchmarks have been selected because the Investment Manager and the Manager believe that each of these benchmarks is a suitable comparison for performance purposes given the Fund's investment objective and policy.

## Total purchases and sales

	For the period to 15.2.23 £000's	For the year to 15.8.22 £000's
Total purchases	157,075	254,198
Total sales	153,653	234,144

# Fund Performance

	Number of units in issue 15.2.23	Net asset value per unit 15.2.23	Net asset value per unit 15.8.22
A Accumulation units	37,308,556	279.32p	282.50p
A Income units	3,710,235	275.01p	278.13p
S Accumulation units	88,101	51.26p	50.00p <sup>1</sup>
Z Accumulation units	154,869,729	254.22p	256.13p
Z Income units	23,108,710	240.95p	242.77p

<sup>1</sup> S Accumulation units launched on 7 September 2022.

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 15 August 2022 to 15 February 2023, the price of Z Accumulation units on dealing price basis fell 0.47%. In comparison, the MSCI All Country World Health Care Index generated a total return of 0.72%<sup>1</sup> and the Investment Association Global Sector Average Return generated a total return of 0.79%<sup>1</sup> in sterling terms.**

After a rally in July, global equities were weaker at the start of the period. Any hopes of interest rate cuts were dashed as central banks reaffirmed their commitment to fighting inflation. The Federal Reserve, European Central Bank and Bank of England all raised interest rates in the third quarter. Emerging markets underperformed their developed counterparts. Commodities generally declined. Stock markets rounded off a tumultuous year with gains in the final quarter of 2022. Asian shares were boosted by China's relaxation of its zero-Covid policy, while European equities also advanced strongly. Stock markets started 2023 on a strong footing with gains across global equities. However, share prices were weaker in February after the strong advance seen in January.

Our positions in Medtronic, Fate Therapeutics and Catalent were among the biggest individual detractors in the period. Allocations to Wuxi Biologics Cayman, Arrowhead Pharmaceuticals and Edwards Lifesciences also detracted in the period. Conversely, our positions in Merck, Sanofi and Dexcom were among the biggest individual contributors in the period. Allocations to BioArctic, Replimune Group and Lonza Group also added value.

Stock selection was negative during the period. By region, our positions in Continental Europe, emerging markets, North America and the UK detracted during the period, while allocations to Japan and Pacific ex Japan added value. There were no significant material changes to the portfolio during the period under review.

**Fund Manager:**  
**John Bowler**



Joined Schroders in 2003

Investment career commenced in 1994

Currently Global Sector Specialist with responsibility for the health care sector and manager of the Schroder Global Healthcare Fund, as well as having primary research responsibility for Pan-European pharmaceuticals. Based in London

John joined Schroders from AXA Investment Managers, where he had worked since 1998 in a global health care research role. He was voted top buy side analyst for the pharmaceutical and health care sector in the Institutional Investor Pan European Equity survey in 2002

Before this, John worked at State Street Research & Management from 1997 as a fund manager / analyst

Earlier, John joined Hill Samuel Asset Management in 1994 as a graduate trainee, later becoming a junior fund manager for UK equities

Institute of Investment Management and Research (IIMR) qualified. Member of the CFA Society of the UK (CFA UK)

PhD in Biochemistry & Physiology, University of Manchester. Degree in Biology, University of Manchester

<sup>1</sup> Source: Refinitiv Eikon Datastream.

**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](http://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 expense and the net capital losses on the property of the Fund for the period. 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 period ended 15 February 2023 were signed on 31 March 2023 on behalf of the Manager by:

**S. Reedy**  
Directors

**J. Rainbow**

# Portfolio Statement

	Holding at 15.2.23	Market Value £000's	% of net assets
<b>Equities 97.60% (96.07%)</b>			
<b>Australia 2.84% (2.64%)</b>			
CSL	91,680	16,023	2.84
		<b>16,023</b>	<b>2.84</b>
<b>Belgium 0.94% (0.98%)</b>			
Galapagos	39,893	1,313	0.24
Nyxoah	87,351	354	0.06
UCB	52,179	3,619	0.64
		<b>5,286</b>	<b>0.94</b>
<b>British Virgin Islands 0.04% (0.74%)</b>			
Biohaven	17,811	258	0.04
		<b>258</b>	<b>0.04</b>
<b>Cayman Islands 1.36% (2.47%)</b>			
Innovent Biologics	587,500	2,579	0.46
Wuxi Biologics Cayman	791,500	5,075	0.90
		<b>7,654</b>	<b>1.36</b>
<b>China 0.00% (0.52%)</b>			
<b>Denmark 5.36% (0.58%)</b>			
Ascendis Pharma ADR	37,928	3,521	0.62
Genmab	15,338	5,053	0.90
Novo Nordisk B	183,729	21,629	3.84
		<b>30,203</b>	<b>5.36</b>
<b>France 5.94% (4.13%)</b>			
EssilorLuxottica	62,543	9,666	1.71
Euroapi	145,418	2,011	0.36
Sanofi	276,724	21,819	3.87
		<b>33,496</b>	<b>5.94</b>
<b>Germany 3.02% (2.92%)</b>			
Bayer	150,568	8,056	1.43
BioNTech ADR	14,054	1,700	0.30
Merck	43,660	7,272	1.29
		<b>17,028</b>	<b>3.02</b>
<b>Ireland 0.00% (3.22%)</b>			
<b>Italy 0.29% (0.59%)</b>			
Philogen	116,217	1,633	0.29
		<b>1,633</b>	<b>0.29</b>
<b>Japan 0.82% (1.28%)</b>			
Terumo	197,000	4,640	0.82
		<b>4,640</b>	<b>0.82</b>
<b>Netherlands 0.65% (0.60%)</b>			
Argenx ADR	10,662	3,308	0.59
Vivoryon Therapeutics	28,323	373	0.06
		<b>3,681</b>	<b>0.65</b>
<b>Norway 0.42% (0.46%)</b>			
Nykode Therapeutics	964,013	2,349	0.42
		<b>2,349</b>	<b>0.42</b>
<b>Spain 1.02% (0.36%)</b>			
Grifols	477,622	5,772	1.02
		<b>5,772</b>	<b>1.02</b>
<b>Sweden 1.02% (1.10%)</b>			
Ambea	917,492	2,688	0.48
Attendo	960,996	1,879	0.33

	Holding at 15.2.23	Market Value £000's	% of net assets
BioArctic	52,344	1,170	0.21
		<b>5,737</b>	<b>1.02</b>
<b>Switzerland 7.71% (7.20%)</b>			
Alcon	168,125	10,543	1.87
Idorsia	91,588	973	0.17
Lonza Group	27,165	13,504	2.40
Novartis	254,144	18,460	3.27
		<b>43,480</b>	<b>7.71</b>
<b>United Kingdom 5.05% (4.21%)</b>			
AstraZeneca	214,370	24,790	4.40
ConvaTec Group	1,573,198	3,687	0.65
		<b>28,477</b>	<b>5.05</b>
<b>United States of America 61.12% (62.07%)</b>			
Abbott Laboratories	153,404	13,610	2.41
Adaptive Biotechnologies	237,838	1,990	0.35
Arrowhead Pharmaceuticals	106,541	2,971	0.53
BioMarin Pharmaceutical	80,208	7,215	1.28
Boston Scientific	350,737	13,790	2.45
Bristol-Myers Squibb	317,126	18,956	3.36
Dexcom	86,626	8,611	1.53
Edwards Lifesciences	142,456	9,165	1.63
Elevance Health	45,713	18,561	3.29
Eli Lilly	98,741	27,791	4.93
HCA Healthcare	54,940	11,816	2.10
Health Catalyst	133,291	1,586	0.28
Humana	21,594	8,954	1.59
Illumina	38,257	6,801	1.21
Inhibrx	224,746	4,288	0.76
Intellia Therapeutics	102,720	3,494	0.62
IVERIC bio	204,859	3,467	0.62
Kezar Life Sciences	213,139	1,145	0.20
McKesson	31,653	9,580	1.70
Merck	403,091	36,390	6.45
Oak Street Health	170,827	5,037	0.89
Privia Health Group	188,004	4,258	0.76
Quanterix	33,512	381	0.07
R1 RCM	422,690	4,980	0.88
Regeneron Pharmaceuticals	18,864	11,792	2.09
Replimune Group	253,820	5,186	0.92
Stryker	69,062	15,231	2.70
Thermo Fisher Scientific	59,824	28,193	5.00
UnitedHealth Group	49,078	20,020	3.55
Vertex Pharmaceuticals	13,287	3,263	0.58
Viatis	600,405	5,878	1.04
Waters	25,483	7,106	1.26
West Pharmaceutical Services	14,615	3,352	0.59
Zimmer Biomet Holdings	97,615	10,260	1.82

# Portfolio Statement (continued)

	Holding at 15.2.23	Market Value £000's	% of net assets
Zoetis	65,631	9,492	1.68
		<b>344,610</b>	<b>61.12</b>

	Holding at 15.2.23	Market Value £000's	% of net assets
<b>Equities total</b>		<b>550,327</b>	<b>97.60</b>
<b>Portfolio of investments</b>		<b>550,327</b>	<b>97.60</b>
<b>Net other assets</b>		<b>13,519</b>	<b>2.40</b>
<b>Net assets attributable to unitholders</b>		<b>563,846</b>	<b>100.00</b>

The comparative percentage figures in brackets are as at 15 August 2022.  
Unless otherwise stated, all securities are admitted to official stock exchange listings.



## Statement of Total Return (unaudited)

For the six months ended 15 February 2023

	15.2.23		15.2.22	
	£000's	£000's	£000's	£000's
<b>Income</b>				
Net capital losses		(3,921)		(31,684)
Revenue	2,369		1,911	
Expenses	(3,025)		(2,913)	
Net expense before taxation	<b>(656)</b>		<b>(1,002)</b>	
Taxation	(231)		(170)	
Net expense after taxation		<b>(887)</b>		<b>(1,172)</b>
<b>Total return before distributions</b>		<b>(4,808)</b>		<b>(32,856)</b>
Distributions		-		-
<b>Change in net assets attributable to unitholders from investment activities</b>		<b>(4,808)</b>		<b>(32,856)</b>

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

For the six months ended 15 February 2023

	15.2.23		15.2.22	
	£000's	£000's	£000's	£000's
Opening net assets attributable to unitholders		573,385 <sup>^</sup>		526,215
Amounts receivable on issue of units	16,501		30,211	
Amounts payable on cancellation of units	(21,232)		(19,142)	
		<b>(4,731)</b>		<b>11,069</b>
Dilution adjustment		-		(2)
Change in net assets attributable to unitholders from investment activities		(4,808)		(32,856)
<b>Closing net assets attributable to unitholders</b>		<b>563,846</b>		<b>504,426<sup>^</sup></b>

<sup>^</sup> 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 15 February 2023

	15.2.23	15.8.22
	£000's	£000's
<b>Assets</b>		
Investments	550,327	550,867
<b>Current assets</b>		
Debtors	2,248	5,136
Cash and bank balances	12,406	18,509
<b>Total assets</b>	<b>564,981</b>	<b>574,512</b>
<b>Liabilities</b>		
<b>Creditors</b>		
Distributions payable	-	(67)
Other creditors	(1,135)	(1,060)
<b>Total liabilities</b>	<b>(1,135)</b>	<b>(1,127)</b>
<b>Net assets attributable to unitholders</b>	<b>563,846</b>	<b>573,385</b>

# 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 accounts have been prepared on a going concern basis.

The accounting policies applied are consistent with those of the annual accounts for the year ended 15 August 2022 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

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

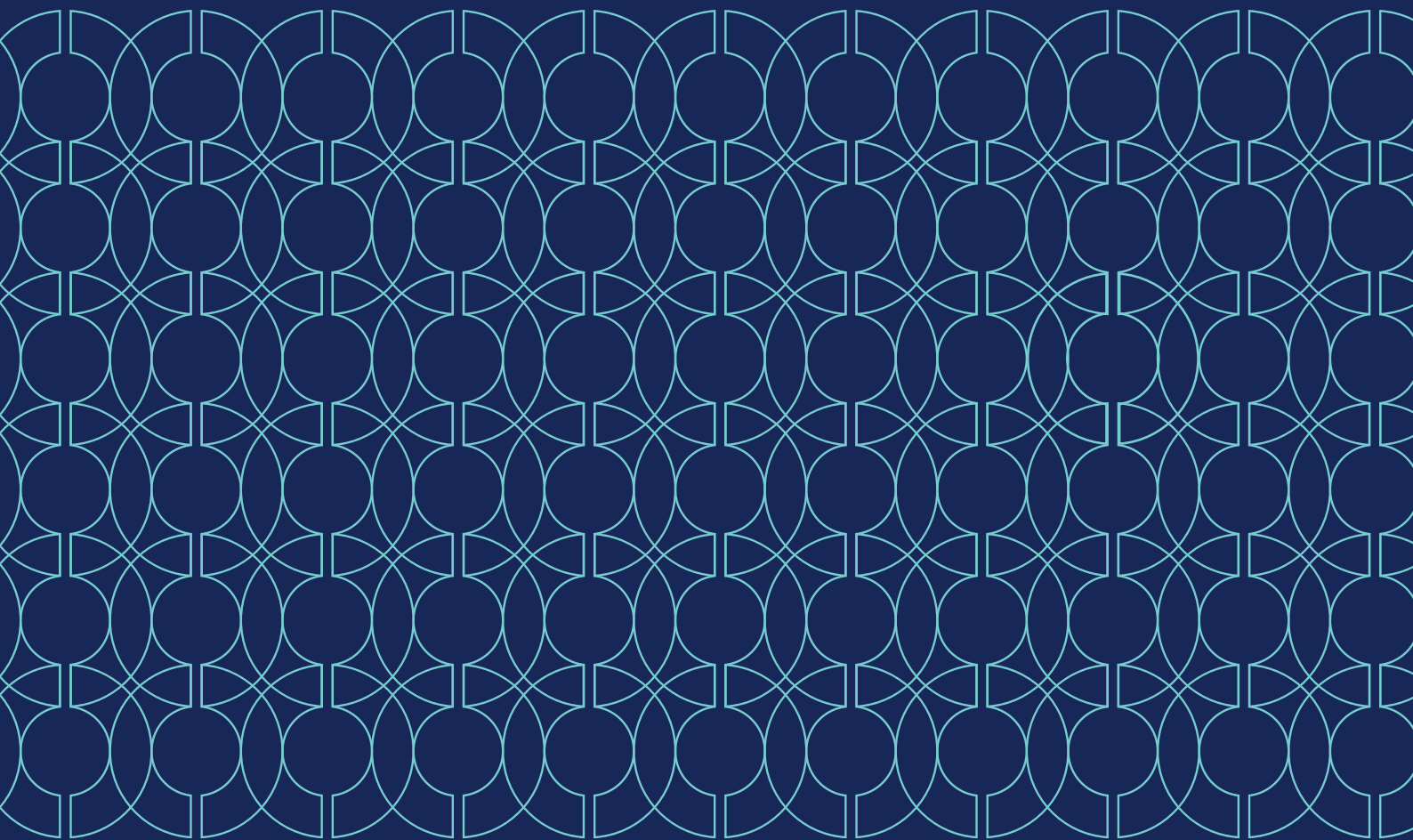
The Fund is an authorised unit trust and is constituted pursuant to the Collective Investment Schemes sourcebook and is structured as a Trust. The Fund is a UCITS scheme for the purpose of the categorisation of the Collective Investment Schemes sourcebook.

## 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](http://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](http://www.schroders.com).



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For further literature please contact Schroder Investor Services on 0800 182 2399 or [schrodersinvestor@HSBC.com](mailto:schrodersinvestor@HSBC.com) for Retail Clients, or 0345 030 7277 or [schrodersinstitutional@HSBC.com](mailto:schrodersinstitutional@HSBC.com) for Institutional Clients, or visit our website at [www.schroders.com](http://www.schroders.com).

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