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¹ Collectively these comprise the Manager's report.

Fund Information

Investment objective and policy

Schroder UK Multi-Cap Income Fund (the 'Fund') aims to provide income and capital growth in excess of the FTSE All Share (Gross Total Return) Index (after fees have been deducted) over a three to five year period by investing in equity and equity related securities of UK companies. The Fund also aims to deliver an income of 5% per year, although this is not guaranteed and could change depending on market conditions.

The Fund is actively managed and invests at least 80% of its assets in equities of UK companies. These are companies that are incorporated, headquartered or have their principal business activities in the UK.

The Fund focusses on companies with a range of market capitalisations that have certain "Quality" characteristics. Quality is assessed by looking at indicators such as a company's profitability, stability and financial strength. To seek to enhance the yield, the Investment Manager selectively sells short dated call options over individual securities, portfolios of securities or indices held by the Fund, by agreeing strike prices above which potential capital growth is sold.

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 achieving investment gains, reducing risk or managing the Fund more efficiently (for more information please refer to Appendix I Section 10: Derivatives and Forward Transactions of the Prospectus).

The Fund's investment strategy may typically underperform a similar portfolio of equities without a derivative overlay in periods when the underlying equity prices are rising, and has the potential to outperform when the underlying equity prices are falling.

Fund characteristics

The Fund's performance should be assessed against its target benchmarks, being (1) to exceed the FTSE All Share (Gross Total Return) index; and (2) to provide 5% income per year, and compared against the Investment Association UK Equity Income sector average return. The Investment Manager invests on a discretionary basis and is not limited to investing in accordance with the composition of the benchmark. The target benchmarks have been selected either because they are representative of the type of investments in which the Fund is likely to invest, and it is, therefore, an appropriate target in relation to the return that the Fund aims to provide, or 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 Manager and the Investment Manager believe that this benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy.

Alternative Investment Fund Managers Directive

The Alternative Investment Fund Managers Directive, as implemented in the UK by the Alternative Investment Fund Managers Regulations 2013, establishes an EU wide harmonised framework for monitoring and supervising risks posed by Alternative Investment Fund Managers and the alternative investment Funds they manage.

The Fund is an Alternative Investment Fund and Schroder Unit Trusts Limited (the Manager) was authorised by the Financial Conduct Authority to act as an Alternative Investment Fund Manager on 2 July 2014.

The Alternative Investment Fund Managers Directive requires certain information to be disclosed to unitholders. It is intended that any such information will in future be provided in the report and accounts, unless such information is required to be disclosed without delay, in which case it will be made via the Schroders website at:

www.schroders.com/en/uk/private-investor/Fund-centre/changes-to-Funds/

Review of Investment Activities

From 28 February 2022 to 28 February 2023, the price of Z Accumulation units on a dealing price basis fell 1.51%. In the same period, the FTSE¹ All Share Index generated a total return of 7.30%². The Fund's performance should also be assessed against the income target of 5% per year. For the year ending 28 February 2023 the Fund distributed 5.03%³.

The period was dominated by heightened volatility across all asset classes. This was due to a number of factors, including the invasion of Ukraine by Russia, continued Covid-19 lockdowns, input inflation, a cost-of-living crisis and multiple changes in the Tory leadership in the UK.

Despite this, the UK equity market rose in value over the period. However, there was material divergence within the UK equity market, with the larger companies in the FTSE 100 Index producing a much higher return of 9.5% compared to both the mid- and small-sized companies of -2.8% and -2.9% respectively.

The Fund's natural bias towards quality mid-cap companies was impacted materially from the style rotation in the market and was the main driver of underperformance, with negative attribution for the period split quite evenly between stock selection and sector allocation.

From a sector point of view, the main negatives were being underweight in oil & gas and overweight in real estate. However, the portfolio benefited from being underweight telecommunications and consumer staples. Not owning FTSE 100 constituents Shell, BP and AstraZeneca were the biggest detractors, along with overweight positions in Strix Group and Hilton Food Group. Strong performances from Lundin Energy, Games Workshop, Total Energies and 3i Group added value.

We sold our positions in Unilever, Hargreaves Lansdown, Barclays, M&G and Sabre Insurance Group and reduced our holding in QinetiQ Group. We also bought new positions in HSBC and GlaxoSmithKline (GSK) to reduce the Fund's underweight to US Dollar-based earnings and sensitivity to base rates.

Despite the International Monetary Fund's gloomy report on the state of the UK economy, we remain positive on the outlook for UK equities. This is in part due to the high overseas exposure of many UK-listed companies, accounting for more than 75% of aggregate revenues within the FTSE 100 Index and c.50% within the FTSE Mid-250 Index. The UK equity market also continues to trade on a significant discount valuation to its closest peers.

Co-Fund Manager:
Duncan Green



Joined Schroders in October 2020 from Santander Asset Management

Co-manager of Santander Enhanced Income and Santander Equity Income funds since 2017

Previously a senior investment risk manager at Ignis Asset Management and Standard Life Investments

Co-Fund Manager:
Graham Ashby



Joined Schroders in October 2020 from Santander Asset Management

Lead manager of Santander UK Growth

Co-manager of Santander Enhanced Income and Santander Equity Income funds

Fund manager in UK equity market for 30 years for Ignis Asset Management, LV= Asset Management, Credit Suisse Asset Management, Sarasin Chiswell and Deutsche / Morgan Grenfell Asset Management

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² Source: Refinitiv Eikon Datastream.

³ For the Z Income units where distributions are taken out of the Fund and not reinvested.

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.

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 and amended in June 2017;
- 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 28 February 2023 were signed on 16 June 2023 on behalf of the Manager by:

S. Reedy
Directors

A. O'Donoghue

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 UK Multi-Cap Income Fund ('the Fund') for the year ended 28 February 2023.

The Trustee of Schroder UK Multi-Cap Income Fund must ensure that the Fund is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, and the Investment Funds 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 Alternative Investment Fund Manager ('the Manager') 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 consider 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

15 March 2023

Independent auditors' report to the Unitholders of Schroder UK Multi-Cap Income Fund

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Schroder UK Multi-Cap Income Fund (the "Fund"):

- give a true and fair view of the financial position of the Fund as at 28 February 2023 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 28 February 2023; 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.

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.

Independent auditors' report to the Unitholders of Schroder UK Multi-Cap Income Fund (continued)

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

16 June 2023

Comparative Table

Financial year to 28 February	A Accumulation units			A Income units		
	2023 pence per unit	2022 pence per unit	2021 pence per unit	2023 pence per unit	2022 pence per unit	2021 pence per unit
Change in net asset value						
Opening net asset value	133.69	126.94	120.43	104.75	102.21	97.96
Return before operating charges*	(2.71)	8.59	8.62	(2.41)	6.95	6.94
Operating charges	(1.81)	(1.84)	(2.11)	(1.41)	(1.48)	(1.72)
Return after operating charges*	(4.52)	6.75	6.51	(3.82)	5.47	5.22
Distributions**	(6.43)	(3.64)	(1.19)	(4.98)	(2.93)	(0.97)
Retained distributions**	6.43	3.64	1.19	-	-	-
Closing net asset value	129.17	133.69	126.94	95.95	104.75	102.21
*after direct transaction costs of	(0.14)	(0.17)	-	(0.11)	(0.13)	-
Performance						
Return after charges (%)	(3.38)	5.32	5.41	(3.65)	5.35	5.33
Other information						
Closing net asset value (£000's)	532	581	623	66	105	104
Closing number of units	411,734	434,451	490,430	68,625	100,703	101,447
Operating charges (%)	1.45	1.44	1.94	1.45	1.44	1.94
Direct transaction costs (%)***	0.11	0.12	-	0.11	0.12	-
Prices						
Highest dealing price	138.50p	144.10p	128.10p	108.50p	116.00p	103.74p
Lowest dealing price	107.10p	126.50p	87.04p	80.83p	101.90p	70.82p

Comparative Table (continued)

Financial year to 28 February	L Accumulation units ¹		L Income units ¹	
	2023 pence per unit	2022 pence per unit	2023 pence per unit	2022 pence per unit
Change in net asset value				
Opening net asset value	47.50	50.00	46.89	50.00
Return before operating charges*	(0.97)	(2.33)	(1.08)	(2.33)
Operating charges	(0.34)	(0.17)	(0.31)	(0.17)
Return after operating charges*	(1.31)	(2.50)	(1.39)	(2.50)
Distributions**	(2.24)	(0.61)	(2.19)	(0.61)
Retained distributions**	2.24	0.61	–	–
Closing net asset value	46.19	47.50	43.31	46.89
*after direct transaction costs of	(0.05)	(0.06)	(0.05)	(0.06)
Performance				
Return after charges (%)	(2.76)	(5.00)	(2.96)	(5.00)
Other information				
Closing net asset value (£000's)	1	1	1	1
Closing number of units	2,000	2,000	2,000	2,000
Operating charges (%)	0.66	0.65	0.66	0.65
Direct transaction costs (%)***	0.11	0.12	0.11	0.12
Prices				
Highest dealing price	49.25p	51.06p	48.61p	51.06p
Lowest dealing price	38.22p	46.20p	36.36p	46.20p

Comparative Table (continued)

Financial year to 28 February	Q1 Accumulation units ¹		Q1 Income units ¹	
	2023 pence per unit	2022 pence per unit	2023 pence per unit	2022 pence per unit
Change in net asset value				
Opening net asset value	47.58	50.00	46.97	50.00
Return before operating charges*	(0.97)	(2.34)	(1.07)	(2.34)
Operating charges	(0.19)	(0.08)	(0.19)	(0.08)
Return after operating charges*	(1.16)	(2.42)	(1.26)	(2.42)
Distributions**	(2.25)	(0.61)	(2.20)	(0.61)
Retained distributions**	2.25	0.61	-	-
Closing net asset value	46.42	47.58	43.51	46.97
*after direct transaction costs of	(0.05)	(0.06)	(0.05)	(0.06)
Performance				
Return after charges (%)	(2.44)	(4.84)	(2.68)	(4.84)
Other information				
Closing net asset value (£000's)	1	1	1	1
Closing number of units	2,000	2,000	2,000	2,000
Operating charges (%)	0.39	0.38	0.39	0.38
Direct transaction costs (%)***	0.11	0.12	0.11	0.12
Prices				
Highest dealing price	49.36p	51.12p	48.71p	51.12p
Lowest dealing price	38.36p	46.28p	36.50p	46.28p

Comparative Table

(continued)

Financial year to 28 February	S Accumulation units			S Income units		
	2023 pence per unit	2022 pence per unit	2021 pence per unit	2023 pence per unit	2022 pence per unit	2021 pence per unit
Change in net asset value						
Opening net asset value	137.81	129.82	122.31	55.12	53.54	51.31
Return before operating charges*	(2.75)	8.75	8.85	(1.27)	3.64	3.63
Operating charges	(0.72)	(0.76)	(1.34)	(0.28)	(0.31)	(0.57)
Return after operating charges*	(3.47)	7.99	7.51	(1.55)	3.33	3.06
Distributions**	(6.65)	(4.26)	(1.99)	(2.63)	(1.75)	(0.83)
Retained distributions**	6.65	4.26	1.99	-	-	-
Closing net asset value	134.34	137.81	129.82	50.94	55.12	53.54
*after direct transaction costs of	(0.14)	(0.17)	-	(0.06)	(0.07)	-
Performance						
Return after charges (%)	(2.52)	6.15	6.14	(2.81)	6.22	5.96
Other information						
Closing net asset value (£000's)	391	399	470	2,012	2,311	2,913
Closing number of units	290,810	289,411	362,050	3,949,100	4,193,646	5,441,060
Operating charges (%)	0.56	0.55	1.24	0.56	0.55	1.24
Direct transaction costs (%)***	0.11	0.12	-	0.11	0.12	-
Prices						
Highest dealing price	142.90p	148.10p	131.00p	57.15p	60.91p	54.51p
Lowest dealing price	111.00p	129.40p	88.44p	42.77p	53.36p	37.12p

Comparative Table (continued)

Financial year to 28 February	X Accumulation units ¹		X Income units ¹	
	2023 pence per unit	2022 pence per unit	2023 pence per unit	2022 pence per unit
Change in net asset value				
Opening net asset value	47.67	50.00	47.06	50.00
Return before operating charges*	(0.95)	(2.33)	(0.99)	(2.32)
Operating charges	(0.01)	–	(0.01)	–
Return after operating charges*	(0.96)	(2.33)	(1.00)	(2.32)
Distributions**	(2.30)	(0.63)	(2.23)	(0.62)
Retained distributions**	2.30	0.63	–	–
Closing net asset value	46.71	47.67	43.83	47.06
*after direct transaction costs of	(0.05)	(0.06)	(0.05)	(0.06)
Performance				
Return after charges (%)	(2.01)	(4.66)	(2.12)	(4.64)
Other information				
Closing net asset value (£000's)	57,447	207,323	3,212	15,257
Closing number of units	122,974,687	434,922,744	7,329,808	32,417,858
Operating charges (%)	0.03	0.02	0.03	0.02
Direct transaction costs (%)***	0.11	0.12	0.11	0.12
Prices				
Highest dealing price	49.46p	51.18p	48.73p	50.64p
Lowest dealing price	38.53p	46.36p	36.65p	45.83p

Comparative Table

(continued)

Financial year to 28 February	Z Accumulation units			Z Income units		
	2023 pence per unit	2022 pence per unit	2021 pence per unit	2023 pence per unit	2022 pence per unit	2021 pence per unit
Change in net asset value						
Opening net asset value	140.63	132.74	125.31	104.67	101.77	97.59
Return before operating charges*	(2.82)	8.96	9.06	(2.40)	6.92	6.93
Operating charges	(1.00)	(1.07)	(1.63)	(0.73)	(0.82)	(1.28)
Return after operating charges*	(3.82)	7.89	7.43	(3.13)	6.10	5.65
Distributions**	(6.78)	(4.21)	(1.83)	(4.99)	(3.20)	(1.47)
Retained distributions**	6.78	4.21	1.83	–	–	–
Closing net asset value	136.81	140.63	132.74	96.55	104.67	101.77
*after direct transaction costs of	(0.15)	(0.18)	–	(0.11)	(0.13)	–
Performance						
Return after charges (%)	(2.72)	5.94	5.93	(2.99)	5.99	5.79
Other information						
Closing net asset value (£000's)	4,115	5,383	6,028	511	534	808
Closing number of units	3,008,045	3,827,548	4,541,315	529,799	510,281	794,408
Operating charges (%)	0.76	0.75	1.44	0.76	0.75	1.44
Direct transaction costs (%)***	0.11	0.12	–	0.11	0.12	–
Prices						
Highest dealing price	145.80p	151.10p	133.95p	108.50p	115.70p	103.59p
Lowest dealing price	113.20p	132.30p	90.60p	81.11p	101.40p	70.57p

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

*** Direct transaction costs have been stated after deducting the proportion of the amounts collected from dilution adjustments.

1 L Accumulation, L Income, Q1 Accumulation, Q1 Income, X Accumulation and X Income classes launched on 14 September 2021.

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 28.2.23	Market Value £000's	% of net assets
Equities 98.06% (99.82%)			
Austria 0.00% (1.44%)			
France 3.41% (0.97%)			
TotalEnergies	45,381	2,328	3.41
		2,328	3.41
Germany 0.00% (1.46%)			
Guernsey 1.44% (0.00%)			
Sirius Real Estate	1,179,744	984	1.44
		984	1.44
Isle of Man 0.52% (1.91%)			
Strix Group*	352,404	354	0.52
		354	0.52
Norway 5.49% (2.70%)			
Aker BP	75,482	1,689	2.47
DNB Bank	124,321	2,059	3.02
		3,748	5.49
Singapore 0.71% (1.28%)			
XP Power	20,670	484	0.71
		484	0.71
Sweden 0.00% (4.52%)			
Switzerland 2.38% (3.11%)			
Roche Holding	6,793	1,627	2.38
		1,627	2.38
United Kingdom 82.84% (79.08%)			
3i Group	143,022	2,327	3.41
4imprint Group	8,578	383	0.56
Admiral Group	30,469	671	0.98
Anglo American	61,457	1,772	2.59
Ashtead Group	23,921	1,318	1.93
Associated British Foods	45,774	919	1.35
Berkeley Group Holdings	38,175	1,602	2.35
Bioventix*	13,528	514	0.75
Bloomsbury Publishing	113,218	474	0.69
Bunzl	52,841	1,566	2.29
Close Brothers Group	106,737	1,080	1.58
Cranswick	20,853	653	0.96
Diageo	20,964	740	1.08
Diversified Energy	1,062,836	1,108	1.62
Domino's Pizza Group	132,486	379	0.55
Drax Group	288,946	1,838	2.69
Dunelm Group	135,443	1,701	2.49
Eurocell	417,379	605	0.89
FDM Group Holdings	69,509	571	0.84
Games Workshop Group	29,947	2,767	4.05
Gamma Communications*	34,897	407	0.60
GSK	120,672	1,720	2.52
Headlam Group	161,568	530	0.78
Hilton Food Group	131,551	942	1.38
Hollywood Bowl Group	394,159	950	1.39

	Holding at 28.2.23	Market Value £000's	% of net assets
Howden Joinery Group	70,581	506	0.74
HSBC Holdings	374,474	2,380	3.48
IMI	48,931	761	1.11
Kainos Group	25,842	359	0.53
Legal & General Group	1,042,665	2,668	3.91
LondonMetric Property REIT	212,083	399	0.58
National Grid	135,658	1,421	2.08
Next	23,988	1,641	2.40
OSB Group	368,943	2,053	3.01
Polar Capital Holdings*	109,531	579	0.85
QinetiQ Group	199,891	674	0.99
Redrow	202,298	1,030	1.51
RELX	114,671	2,869	4.20
Rightmove	75,538	424	0.62
Rio Tinto	48,285	2,758	4.04
RS Group	83,157	812	1.19
Secure Trust Bank	76,905	569	0.83
Severfield	600,215	361	0.53
Softcat	150,512	1,818	2.66
SSE	80,577	1,407	2.06
SThree	205,108	936	1.37
Tritax Big Box REIT	481,877	721	1.06
Tyman	138,521	352	0.52
United Utilities Group	64,289	654	0.96
Vertu Motors*	1,453,906	881	1.29
		56,570	82.84
United States of America 1.27% (3.35%)			
Somero Enterprises*	222,406	867	1.27
		867	1.27
Equities total			
		66,962	98.06
Collective Investment Schemes 0.74% (0.00%)			
Infrastructure and Renewable Energy Funds 0.74% (0.00%)			
Greencoat UK Wind ⁵	326,457	506	0.74
		506	0.74
Collective Investment Schemes total			
		506	0.74
Options (0.10)% ((0.01)%)			
Written Options (0.10)% ((0.01)%)			
3i Group Call 17.357 24/04/2023	(71,511)	(8)	(0.01)
Anglo American Call 40.811 20/03/2023	(15,364)	0	0.00
Anglo American Call 35.388 06/04/2023	(15,364)	0	0.00
Ashtead Group Call 58.517 27/03/2023	(11,960)	(6)	(0.01)
Ashtead Group Call 59.193 06/04/2023	(5,980)	(3)	0.00
Associated British Foods Call 20.182 24/04/2023	(32,619)	(18)	(0.03)

Portfolio Statement (continued)

	Holding at 28.2.23	Market Value £000's	% of net assets
Bunzl Call 31.797 06/04/2023	(13,210)	(4)	(0.01)
Bunzl Call 32.314 24/04/2023	(13,210)	(5)	(0.01)
RELX Call 25.118 20/03/2023	(22,934)	(10)	(0.02)
RELX Call 26.031 06/04/2023	(34,401)	(9)	(0.01)
Rio Tinto Call 66.362 20/03/2023	(12,071)	0	0.00
Rio Tinto Call 64.826 06/04/2023	(12,071)	(1)	0.00

	Holding at 28.2.23	Market Value £000's	% of net assets
TotalEnergies Call 64.44 20/03/2023	(14,975)	0	0.00
TotalEnergies Call 63.585 27/03/2023	(9,076)	(1)	0.00
Written Options total		(65)	(0.10)
Options total		(65)	(0.10)
Portfolio of investments		67,403	98.70
Net other assets		887	1.30
Net assets attributable to unitholders		68,290	100.00

The comparative percentage figures in brackets are as at 28 February 2022.

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

Security traded on another regulated market.

§ Closed ended Fund.

Statement of Total Return

For the year ended 28 February 2023

		2023	2022
	Notes	£000's	£000's
Income			
Net capital losses	2	(26,849)	(11,201)
Revenue	3	8,959	3,313
Expenses	4	(89)	(99)
Net revenue before taxation		8,870	3,214
Taxation	5	(472)	(108)
Net revenue after taxation		8,398	3,106
Total return before distributions		(18,451)	(8,095)
Distributions	6	(8,389)	(2,986)
Change in net assets attributable to unitholders from investment activities		(26,840)	(11,081)

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 28 February 2023

	2023	2022
	£000's	£000's
Opening net assets attributable to unitholders	231,897	10,946
Amounts receivable on in-specie transfers	-	214,566
Amounts receivable on issue of units	549	25,210
Amounts payable on cancellation of units	(144,433)	(10,758)
	(143,884)	14,452
Dilution adjustment	333	98
Change in net assets attributable to unitholders from investment activities	(26,840)	(11,081)
Retained distribution on Accumulation units	6,784	2,916
Closing net assets attributable to unitholders	68,290	231,897

Balance Sheet

As at 28 February 2023

		2023	2022
	Notes	£000's	£000's
Assets			
Investments		67,468	231,477
Current assets			
Debtors	8	243	409
Cash and bank balances		1,234	2,168
Total assets		68,945	234,054
Liabilities			
Investment liabilities		(65)	(19)
Creditors			
Distributions payable		(55)	(102)
Other creditors	9	(535)	(2,036)
Total liabilities		(655)	(2,157)
Net assets attributable to unitholders		68,290	231,897

Notes to the Accounts

For the year ended 28 February 2023

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

Dividends and real estate income distributions receivable from equity investments and 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.

The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Fund. Any enhancement above the cash dividend is treated as capital.

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

Option premium received by the Fund is amortised to revenue over the period to maturity where the option is out of the money at the time the contract is written. Option premium is taken to capital for options that are in the money at the time of writing.

The rebates received from other investment managers are also receipted to the Fund.

All rebates are treated as revenue or capital based on the underlying Fund's treatment.

Special dividends

Special dividends are treated as revenue or capital depending on the facts of each particular case.

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.

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 are accounted for on an accruals basis.

Taxation

Corporation tax is provided for on the revenue liable to corporation tax less deductible expenses. The tax effect of different items of revenue or expenses is allocated between revenue and capital using the marginal basis.

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.

The ordinary element of scrip dividends is treated as revenue and does not form part of the distribution.

For the purpose of calculating the distribution, the Fund allocates 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

All 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.

Single priced authorised unit trusts have been valued at the dealing price.

Notes to the Accounts

For the year ended 28 February 2023 (continued)

2 Net capital losses

The net capital losses during the year comprise:

	2023	2022
	£000's	£000's
Non-derivative securities	(26,473)	(11,197)
Derivative contracts	(364)	(1)
Forward foreign currency contracts	27	7
Foreign currency losses	(39)	(11)
Annual management charge rebates	-	1
Net capital losses	(26,849)	(11,201)

	2023	2022
	£000's	£000's
Realised (losses)/gains	(33,932)	3,722
Unrealised gains/(losses)	7,083	(14,924)
Total losses	(26,849)	(11,202)

Included in realised losses for the year were unrealised losses recognised in previous years.

3 Revenue

	2023	2022
	£000's	£000's
UK dividends	6,954	2,213
Overseas dividends	1,519	601
Franked distributions	(13)	133
Real estate income distributions	226	96
Scrip dividends	94	177
Bank interest	17	-
Net revenue return from derivative contracts	162	89
Annual management charge rebates	-	4
Total revenue	8,959	3,313

4 Expenses

	2023	2022
	£000's	£000's
Payable to the Manager, associates of the Manager and agents of either of them:		
Schroders Annual Charge ¹	88	99
	88	99
Other expenses:		
Interest payable	1	-
Total expenses	89	99

1 Audit fees including VAT for the financial year ending 2023 were £15,162 (2022 – £10,741).

Notes to the Accounts

For the year ended 28 February 2023 (continued)

5 Taxation

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

(a) Analysis of the tax charge for the year

	2023	2022
	£000's	£000's
Overseas withholding tax	472	108
Total current tax (Note 5(b))	472	108

(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% (2022 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2023	2022
	£000's	£000's
Net revenue before taxation	8,870	3,214
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	1,774	643
Effects of:		
Revenue not subject to corporation tax	(1,711)	(625)
Movement in excess management expenses	(63)	(18)
Overseas withholding tax	472	108
Current tax charge for the year (Note 5(a))	472	108

(c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £959,571 (2022 – £1,022,842) 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 take account of revenue received on the issue of units and revenue deducted on the cancellation of units, and comprise:

	2023	2022
	£000's	£000's
Monthly Dividend distribution	103	–
Monthly Dividend distribution	81	–
Monthly Dividend distribution	52	–
Monthly Dividend distribution	53	–
Monthly Dividend distribution	24	–
Interim Dividend distribution	5,969	87
Monthly Dividend distribution	8	62
Monthly Dividend distribution	7	65
Monthly Dividend distribution	11	44
Monthly Dividend distribution	10	37
Monthly Dividend distribution	6	17
Final Dividend distribution	1,015	2,945
	7,339	3,257
Add: Revenue deducted on cancellation of units	1,056	42
Deduct: Revenue received on issue of units	(6)	(313)
Distributions	8,389	2,986
Net revenue after taxation	8,398	3,106
Scrip dividends not distributed	(94)	(177)
Expenses taken to capital	88	57
Tax on capital items	(3)	–
Distributions	8,389	2,986

Notes to the Accounts

For the year ended 28 February 2023 (continued)

Details of the distributions per unit are set out in the Distribution Tables on pages 27 to 31.

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	2023		2022	
	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	67,468	–	231,477	–
Level 2: Observable market data	–	(65)	–	(19)
Level 3: Unobservable data	–	–	–	–
Total	67,468	(65)	231,477	(19)

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

	2023 £000's	2022 £000's
Amounts receivable for issue of units	19	1
Sales awaiting settlement	53	80
Accrued revenue	68	287
Overseas withholding tax recoverable	90	31
Corporation tax recoverable	10	–
Income tax recoverable	3	10
Total debtors	243	409

9 Other creditors

	2023 £000's	2022 £000's
Amounts payable for cancellation of units	–	2,016
Purchases awaiting settlement	529	–
Accrued expenses	6	20
Total other creditors	535	2,036

10 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2022 – Nil).

11 Related party transactions

The Manager provides key management personnel services for the Fund and is therefore considered a related party.

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 paid 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 the Manager in respect of unit transactions at the balance sheet date are included under Debtors 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 92.42% (2022 – 97.41%).

Notes to the Accounts

For the year ended 28 February 2023 (continued)

12 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 prospect

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 15.

The distributions per unit class are given in the Distribution Tables on pages 27 to 31.

All classes have the same rights on winding up.

13 Derivative and other financial instruments

The main risks arising from the Fund's financial instruments are market price, derivative, foreign currency, liquidity 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 £6,740,300 (2022 - £23,145,800).

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.

Currency risk profile

The currency risk profile of the Fund's net assets and liabilities at the balance sheet date was as follows:

Currency	2023 £000's	2022 £000's
Euro	2,383	2,260
Norwegian krone	3,810	6,295
Sterling	60,456	205,556
Swedish krona	–	10,524
Swiss franc	1,640	7,230
US dollar	1	32

At the year end date, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the unitholders will increase or decrease by approximately £783,400 (2022 - £2,634,100).

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.

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.

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

At the year end date 1.81% (2022 - 0.93%) of the net assets of the Fund were interest bearing and as such the interest rate risk is not considered significant.

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. Foreign currency bank balances bear interest at rates based on the Sterling Overnight Index Average Rate or its international equivalent.

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. Although the Fund may enter into derivative contracts for specific investment purposes in addition to being used for efficient management it is not the current intention to use derivatives for specific investment purposes.

Notes to the Accounts

For the year ended 28 February 2023 (continued)

Global risk exposure

Leverage

Information on the limit usage and level of leverage

The Fund uses a risk management process that allows the Manager to monitor the risks to ensure they are being managed in line with their investment policy and risk profile.

Leverage ratios are important risk metrics to represent the current risk profile of the Fund and are monitored on a daily basis. Leverage is a way for the Fund to increase its exposure through the use of financial derivative instruments and/or borrowing of cash or securities where applicable. It is expressed as a ratio between the exposure of the Fund and its Net Asset Value. The leverage ratio is calculated in accordance with two methodologies for calculating the exposure of the Fund, the Gross method and the Commitment method.

In accordance with Alternative Investment Fund Managers rules, the leverage details as at the balance sheet date where as follows:

Leverage

As at 28 February	2023			2022		
	Commitment ratio limit	Commitment ratio level	Commitment utilised	Commitment ratio limit	Commitment ratio level	Commitment utilised
	1.20	1.02	84.91%	1.20	1.02	85.24%
As at 28 February	2023			2022		
	Gross ratio limit	Gross ratio level	Gross utilised	Gross ratio limit	Gross ratio level	Gross utilised
	1.20	0.99	82.74%	1.20	1.00	83.30%

14 Direct transaction costs

2023	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	32,244	14	130	32,388	0.04	0.40
Sales						
Equities	169,961	(60)	(1)	169,900	(0.04)	-
Total cost of the Fund's average net asset value (%)		0.05	0.09			

2022	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Purchases ¹ :						
Equities	60,572	27	236	60,835	0.04	0.39
Funds	2,773	-	-	2,773	-	-
In-specie purchases:						
Equities	211,798	-	-	211,798	-	-
	275,143	27	236	275,406		
Sales						
Equities	28,588	(16)	-	28,572	(0.06)	-
Funds	14,998	-	-	14,998	-	-
	43,586	(16)	-	43,570		
Total cost of the Fund's average net asset value (%)		-	0.12			

1 Excluding in-specie transfers.

Notes to the Accounts

For the year ended 28 February 2023 (continued)

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.23% (2022 – 0.26%).

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.

15 Units in issue reconciliation

	Number of units in issue 28.2.22	Number of units issued	Number of units cancelled	Number of units converted	Number of units in issue 28.2.23
A Accumulation units	434,451	21,565	(44,282)	–	411,734
A Income units	100,703	80	(32,158)	–	68,625
L Accumulation units	2,000	–	–	–	2,000
L Income units	2,000	–	–	–	2,000
Q1 Accumulation units	2,000	–	–	–	2,000
Q1 Income units	2,000	–	–	–	2,000
S Accumulation units	289,411	–	(2,055)	3,454	290,810
S Income units	4,193,646	–	(244,740)	194	3,949,100
X Accumulation units	434,922,744	–	(311,948,057)	–	122,974,687
X Income units	32,417,858	–	(25,088,050)	–	7,329,808
Z Accumulation units	3,827,548	372,475	(1,188,588)	(3,390)	3,008,045
Z Income units	510,281	41,568	(21,948)	(102)	529,799

16 Counterparty exposure

The types of non-exchange traded derivatives held at the balance sheet date were options 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
Citigroup										
2023	–	–	–	–	–	–	–	(13)	–	(13)
2022	–	–	–	–	–	–	–	–	–	–
J.P. Morgan										
2023	–	–	–	–	–	–	–	(18)	–	(18)
2022	–	–	–	–	–	–	–	–	–	–
Merrill Lynch										
2023	–	–	–	–	–	–	–	(5)	–	(5)
2022	–	–	–	–	–	–	–	–	–	–
Morgan Stanley										
2023	–	–	–	–	–	–	–	(13)	–	(13)
2022	–	–	–	–	–	–	–	(19)	–	(19)
UBS										
2023	–	–	–	–	–	–	–	(16)	–	(16)
2022	–	–	–	–	–	–	–	–	–	–

At the balance sheet date no collateral was held or pledged by the Fund or on behalf of the counterparties in respect of the above.

Notes to the Accounts

For the year ended 28 February 2023 (continued)

17 Non-adjusting post balance sheet events

As a result of market movements and foreign exchange rates, since the balance sheet date on 28 February 2023, the price of each unit class has changed as follows:

	Number of units in issue 13.6.23	Number of units in issue 28.2.23	% change	Dealing price 13.6.23	Dealing price 28.2.23	% change
A Accumulation units	358,269	411,734	(12.99)	127.30p	129.50p	(1.70)
A Income units	68,538	68,625	(0.13)	94.61p	97.72p	(3.18)
L Accumulation units	2,000	2,000	–	45.60p	46.31p	(1.53)
L Income units	2,000	2,000	–	42.77p	44.08p	(2.97)
Q1 Accumulation units	2,000	2,000	–	45.88p	46.55p	(1.44)
Q1 Income units	2,000	2,000	–	43.00p	44.28p	(2.89)
S Accumulation units	258,254	290,810	(11.19)	132.70p	134.70p	(1.48)
S Income units	3,626,040	3,949,100	(8.18)	50.34p	51.88p	(2.97)
X Accumulation units	52,942,875	122,974,687	(56.95)	46.22p	46.84p	(1.32)
X Income units	2,000	7,329,808	(99.97)	42.98p	44.06p	(2.45)
Z Accumulation units	2,900,467	3,008,045	(3.58)	135.10p	137.20p	(1.53)
Z Income units	530,978	529,799	0.22	95.34p	98.32p	(3.03)

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 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
X Income units			
Group 1	0.3933p	–	0.3933p
Group 2	0.3933p	–	0.3933p

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
X Income units			
Group 1	0.3087p	–	0.3087p
Group 2	0.3087p	–	0.3087p

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
X Income units			
Group 1	0.1980p	–	0.1980p
Group 2	0.1980p	–	0.1980p

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
X Income units			
Group 1	0.2035p	–	0.2035p
Group 2	0.2035p	–	0.2035p

Distribution Tables

(continued)

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
X Income units			
Group 1	0.0917p	–	0.0917p
Group 2	0.0917p	–	0.0917p

Interim 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
X Income units			
Group 1	0.3458p	–	0.3458p
Group 2	0.3458p	–	0.3458p

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 units				
Group 1	0.1098p	–	0.1098p	0.1522p
Group 2	0.1098p	–	0.1098p	0.1522p

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 units				
Group 1	0.0920p	–	0.0920p	0.1609p
Group 2	0.0920p	–	0.0920p	0.1609p

Distribution Tables

(continued)

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 units				
Group 1	0.1536p	–	0.1536p	0.1118p
Group 2	0.1536p	–	0.1536p	0.1118p

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 paid 28.2.23 per unit	Distribution paid 28.2.22 per unit
X Income units				
Group 1	0.1409p	–	0.1409p	0.0934p
Group 2	0.1409p	–	0.1409p	0.0934p

Distribution for the month ended 31 January 2023

Group 1 Units purchased prior to 1 January 2023

Group 2 Units purchased on or after 1 January 2023

	Net revenue 2023 per unit	Equalisation 2023 per unit	Distribution paid 31.3.23 per unit	Distribution paid 31.3.22 per unit
X Income units				
Group 1	0.0746p	–	0.0746p	0.0425p
Group 2	0.0746p	–	0.0746p	0.0425p

Final distribution for the month ended 28 February 2023

Group 1 Units purchased prior to 1 February 2023

Group 2 Units purchased on or after 1 February 2023

	Net revenue 2023 per unit	Equalisation 2023 per unit	Distribution payable 30.4.23 per unit	Distribution paid 30.4.22 per unit
X Income units				
Group 1	0.1146p	–	0.1146p	0.0618p
Group 2	0.1146p	–	0.1146p	0.0618p

Distribution Tables

(continued)

Interim distribution for the six months ended 31 August 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 31.10.22 per unit	Distribution paid 31.10.21 per unit
A Accumulation units				
Group 1	4.4209p	–	4.4209p	0.7368p
Group 2	2.1383p	2.2826p	4.4209p	0.7368p
A Income units				
Group 1	3.4639p	–	3.4639p	0.6006p
Group 2	1.5996p	1.8643p	3.4639p	0.6006p
L Accumulation units				
Group 1	1.5545p	–	1.5545p	–
Group 2	1.5545p	–	1.5545p	–
L Income units				
Group 1	1.5360p	–	1.5360p	–
Group 2	1.5360p	–	1.5360p	–
Q1 Accumulation units				
Group 1	1.5570p	–	1.5570p	–
Group 2	1.5570p	–	1.5570p	–
Q1 Income units				
Group 1	1.5400p	–	1.5400p	–
Group 2	1.5400p	–	1.5400p	–
S Accumulation units				
Group 1	4.5660p	–	4.5660p	1.2731p
Group 2	4.5660p	–	4.5660p	1.2731p
S Income units				
Group 1	1.8257p	–	1.8257p	0.5243p
Group 2	1.8257p	–	1.8257p	0.5243p
X Accumulation units				
Group 1	1.5813p	–	1.5813p	–
Group 2	1.5813p	–	1.5813p	–
Z Accumulation units				
Group 1	4.6573p	–	4.6573p	1.1544p
Group 2	2.2950p	2.3623p	4.6573p	1.1544p
Z Income units				
Group 1	3.4654p	–	3.4654p	0.8784p
Group 2	2.4222p	1.0432p	3.4654p	0.8784p

Distribution Tables

(continued)

Final distribution for the six months ended 28 February 2023

Group 1 Units purchased prior to 1 September 2022

Group 2 Units purchased on or after 1 September 2022

	Net revenue 2023 per unit	Equalisation 2023 per unit	Distribution payable 30.4.23 per unit	Distribution paid 30.4.22 per unit
A Accumulation units				
Group 1	2.0069p	–	2.0069p	2.9020p
Group 2	0.9621p	1.0448p	2.0069p	2.9020p
A Income units				
Group 1	1.5193p	–	1.5193p	2.3244p
Group 2	0.1577p	1.3616p	1.5193p	2.3244p
L Accumulation units				
Group 1	0.6870p	–	0.6870p	0.6120p
Group 2	0.6870p	–	0.6870p	0.6120p
L Income units				
Group 1	0.6565p	–	0.6565p	0.6120p
Group 2	0.6565p	–	0.6565p	0.6120p
Q1 Accumulation units				
Group 1	0.6890p	–	0.6890p	0.6120p
Group 2	0.6890p	–	0.6890p	0.6120p
Q1 Income units				
Group 1	0.6595p	–	0.6595p	0.6120p
Group 2	0.6595p	–	0.6595p	0.6120p
S Accumulation units				
Group 1	2.0826p	–	2.0826p	2.9901p
Group 2	2.0826p	–	2.0826p	2.9901p
S Income units				
Group 1	0.8039p	–	0.8039p	1.2224p
Group 2	0.8039p	–	0.8039p	1.2224p
X Accumulation units				
Group 1	0.7217p	–	0.7217p	0.6257p
Group 2	0.7217p	–	0.7217p	0.6257p
Z Accumulation units				
Group 1	2.1220p	–	2.1220p	3.0509p
Group 2	1.1179p	1.0041p	2.1220p	3.0509p
Z Income units				
Group 1	1.5243p	–	1.5243p	2.3212p
Group 2	0.4174p	1.1069p	1.5243p	2.3212p

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.

Remuneration

AIFMD 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 AIF Material Risk Takers ('AIF MRTs') of SUTL are individuals whose roles within the Schroders Group can materially affect the risk of SUTL or any AIF fund that it manages. These roles are identified in line with the requirements of the AIFM 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 AIFM Directive are met for all AIF 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 AIF MRTs of SUTL. Most of those AIF 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 AIF MRT. The aggregate total remuneration paid to the 153 AIF MRTs of SUTL in respect of the financial year ended 31 December 2022 is £86.04 million, of which £40.21 million was paid to senior management, £41.35 million was paid to MRTs deemed to be taking risk on behalf of SUTL or the AIF funds that it manages and £4.48 million was paid to 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

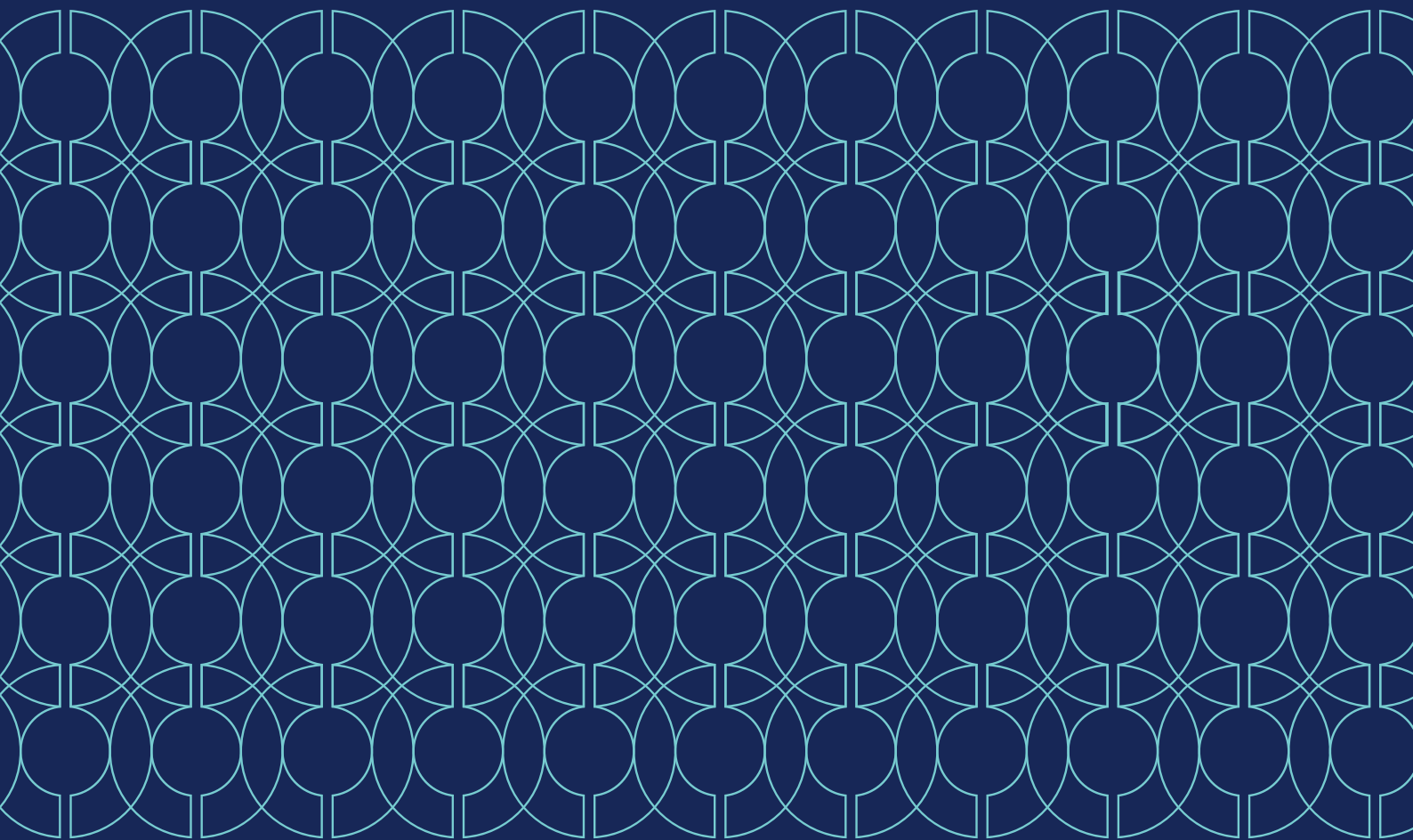
The Fund is an authorised unit trust and is constituted pursuant to the Collective Investment Schemes sourcebook and is structured as a Trust. The Fund is a non-UCITS retail scheme for the purpose of the categorisation of the Collective Investment Schemes sourcebook.

Value Assessment

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

Other information

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



EST. 1804

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

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