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¹ Collectively these comprise the Manager's report.

Fund Information

Investment objective and policy

Schroder 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 is actively managed and invests at least 80% of its assets in a concentrated range of equity and equity related securities of UK companies. These are companies that are incorporated, headquartered or have their principal business activities in the UK. The Fund typically holds 30 to 50 companies.

The Fund focuses on companies that have certain "Value" characteristics. Value is assessed by looking at indicators such as cash flows, dividends and earnings to identify securities which the Investment Manager believes have been undervalued by the market.

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 or managing the Fund more efficiently (for more information please refer to section 6 of Appendix I of the Prospectus).

Fund characteristics

The Fund's performance should be assessed against its target benchmark, being to exceed the FTSE All Share (Gross Total Return) Index, and compared against the MSCI UK Value (Gross Total Return) Index and 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 benchmark has been selected because it is 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. 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.

Review of Investment Activities

From 25 February 2022 to 24 February 2023, the price of Z Accumulation units on a dealing price basis rose 8.27%. In the same period, the FTSE¹ All Share Index generated a total return of 6.93%².

The Fund returns were broadly in line with the market over the period under review.

Key individual positive contributors to returns included education publisher Pearson, which continues to transition from an analogue to digital business model; Centrica, which has a much improved balance sheet following a series of disposals; and Standard Chartered, which unveiled a \$1 billion share buyback programme in February and increased its dividend. More broadly, our positions in banks have benefited from rising interest rates while they remain supported by attractive valuations.

On the negative side of the ledger, International Distributions Services (Royal Mail) continued to underperform. Although parcel delivery is a growth area long-term, the deteriorating economic environment means the market is again worried about structural pressures. The corollary of this is Royal Mail is outstandingly cheap today, but investors will need to be patient. US technology company Intel performed poorly. Its 2022 results were poor and the near-term outlook for revenues and gross margins is much weaker than expected.

We established new positions in electrical retailer Currys, broadcaster ITV, home improvement retailer Kingfisher, global energy company Woodside Energy Group and housebuilders Taylor Wimpey and Bellway.

The Fund increased its total dividend by 38% from an all-time high, an annual increase we wouldn't want to extrapolate going forwards. However, the ongoing recovery in the Fund's dividend distribution helps underline how attractive the UK stock market is for equity income investors.

Uncertainty tends to be good for our investment style. We promise to simply be guided by valuation, and to build diversified portfolios not beholden to one sector, to one theme or to one macroeconomic outcome. Over time, that simple promise and that simple process, has compounded to deliver strong returns for our clients.

We constantly review portfolio management responsibilities to ensure the team's investment resources are focused on achieving the best outcomes for our clients. Over the last five years the Global Value Team has matured and developed its depth; the team has increased from seven to 13 people and has successfully launched several new products and strategies. This success has only intensified our focus on our number one priority: investment performance. With this firmly in mind, it is important to align the resources of the team in a way to ensure the team is in the best shape to continue to deliver for clients in the future.

Andy Evans, one of the most experienced members of the team, has become co-portfolio manager of Schroder Income Fund, working alongside the long-serving existing co-manager Kevin Murphy. Nick Kirrage stepped down as co-manager of Schroder Income Fund to focus his analytical work on the global fund range, and managing the non-investment aspects of the Value franchise. Nick remains as co-head of the Value team alongside Kevin Murphy and retains line management responsibilities for several senior value investors. Andy Evans has 20 years of investment experience and has always invested both in the UK and European equity markets. We are delighted that Andy Evans is able to continue his long working relationship with Kevin Murphy by bringing his experience to the Schroder Income Fund. This change was effective from 1 November 2022.

Co-Fund Manager:
Andrew Evans



Co-manager of UK Income, European Income and European Recovery strategies

Managed value portfolios at Schroders since 2016

Joined Schroders in Global Value Team in June 2015

Investment career commenced in 2001

Worked at Threadneedle in UK research and Dresdner

Kleinwort as a Pan-European Transport analyst

Chartered Financial Analyst

Degree in Economics, Exeter University

Co-Fund Manager:
Kevin Murphy



Co-manager of UK Income and UK Recovery strategies

Managed value portfolios at Schroders since 2006

Founding member of the Global Value Team in 2013

Investment career commenced in 2000 in Schroders' UK Equity fund management team

Previously sector analyst for Pan European Construction and Building Materials

Chartered Financial Analyst

Degree in Economics, Manchester University

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² 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.

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 25 February 2023 were signed on 19 May 2023 on behalf of the Manager by:

S. Reedy
Directors

J. Rainbow

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 Income Fund ('the Fund') for the year ended 25 February 2023.

The Trustee of the Schroder Income 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
15 March 2023

Independent auditors' report to the Unitholders of Schroder Income Fund

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Schroder Income Fund (the "Fund"):

- give a true and fair view of the financial position of the Fund as at 25 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 25 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 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

19 May 2023

Comparative Table

A Accumulation units

A Income units

Financial year to 25 February	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	11,076.60	8,880.25	8,826.35	1,173.51	978.14	1,002.80
Return before operating charges*	735.27	2,359.03	175.72	75.37	258.19	18.34
Operating charges	(175.18)	(162.68)	(121.82)	(18.43)	(17.91)	(13.79)
Return after operating charges*	560.09	2,196.35	53.90	56.94	240.28	4.55
Distributions**	(561.19)	(409.35)	(257.90)	(59.11)	(44.91)	(29.21)
Retained distributions**	561.19	409.35	257.90	-	-	-
Closing net asset value	11,636.69	11,076.60	8,880.25	1,171.34	1,173.51	978.14
*after direct transaction costs of	(10.71)	(5.96)	(11.78)	(1.13)	(0.66)	(1.33)
Performance						
Return after charges (%)	5.06	24.73	0.61	4.85	24.56	0.45
Other information						
Closing net asset value (£000's)	172,926	184,177	205,647	53,770	82,601	81,677
Closing number of units	1,486,039	1,662,757	2,315,777	4,590,463	7,038,769	8,350,274
Operating charges (%)	1.64	1.64	1.66	1.64	1.64	1.66
Direct transaction costs (%)***	0.10	0.06	0.16	0.10	0.06	0.16
Prices						
Highest dealing price	11,810.00p	11,440.00p	8,912.68p	1,233.00p	1,248.00p	1,006.01p
Lowest dealing price	9,473.00p	8,737.00p	6,016.01p	988.60p	962.00p	683.31p

Comparative Table (continued)

Financial year to 25 February	L Accumulation units			L 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	88.50	70.36	69.36	63.01	52.08	52.95
Return before operating charges*	5.93	18.79	1.48	4.10	13.80	1.05
Operating charges	(0.69)	(0.65)	(0.48)	(0.49)	(0.47)	(0.37)
Return after operating charges*	5.24	18.14	1.00	3.61	13.33	0.68
Distributions**	(4.50)	(3.26)	(2.03)	(3.19)	(2.40)	(1.55)
Retained distributions**	4.50	3.26	2.03	-	-	-
Closing net asset value	93.74	88.50	70.36	63.43	63.01	52.08
*after direct transaction costs of	(0.09)	(0.05)	(0.09)	(0.06)	(0.04)	(0.07)
Performance						
Return after charges (%)	5.92	25.78	1.44	5.73	25.60	1.28
Other information						
Closing net asset value (£000's)	214,788	314,534	177,582	48,966	52,163	43,361
Closing number of units	229,124,290	355,422,186	252,382,398	77,199,540	82,786,479	83,261,765
Operating charges (%)	0.81	0.81	0.83	0.81	0.81	0.83
Direct transaction costs (%)***	0.10	0.06	0.16	0.10	0.06	0.16
Prices						
Highest dealing price	95.16p	91.38p	70.62p	66.74p	66.99p	53.55p
Lowest dealing price	76.06p	69.23p	47.31p	53.35p	51.22p	36.10p

Comparative Table (continued)

Financial year to 25 February	Q Income units			S Accumulation 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	63.12	52.10	52.94	78.91	62.56	61.49
Return before operating charges*	4.13	13.81	1.07	5.32	16.72	1.36
Operating charges	(0.40)	(0.40)	(0.31)	(0.41)	(0.37)	(0.29)
Return after operating charges*	3.73	13.41	0.76	4.91	16.35	1.07
Distributions**	(3.16)	(2.39)	(1.60)	(3.98)	(2.88)	(1.81)
Retained distributions**	-	-	-	3.98	2.88	1.81
Closing net asset value	63.69	63.12	52.10	83.82	78.91	62.56
*after direct transaction costs of	(0.06)	(0.04)	(0.07)	(0.08)	(0.04)	(0.09)
Performance						
Return after charges (%)	5.91	25.74	1.44	6.22	26.13	1.74
Other information						
Closing net asset value (£000's)	22,481	412,550	360,400	88,424	81,371	58,216
Closing number of units	35,295,355	653,603,216	691,792,078	105,495,859	103,123,917	93,052,259
Operating charges (%)	0.59	0.69	0.69	0.53	0.53	0.53
Direct transaction costs (%)***	0.10	0.06	0.16	0.10	0.06	0.16
Prices						
Highest dealing price	66.99p	67.09p	53.62p	85.08p	81.47p	62.79p
Lowest dealing price	53.50p	51.24p	36.10p	67.93p	61.56p	41.95p

Comparative Table (continued)

Financial year to 25 February	S Income units			Z Accumulation 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	61.90	51.02	51.71	119.23	94.87	93.59
Return before operating charges*	4.04	13.53	1.05	8.00	25.31	1.99
Operating charges	(0.32)	(0.30)	(0.23)	(1.03)	(0.95)	(0.71)
Return after operating charges*	3.72	13.23	0.82	6.97	24.36	1.28
Distributions**	(3.13)	(2.35)	(1.51)	(6.06)	(4.39)	(2.74)
Retained distributions**	-	-	-	6.06	4.39	2.74
Closing net asset value	62.49	61.90	51.02	126.20	119.23	94.87
*after direct transaction costs of	(0.06)	(0.03)	(0.07)	(0.12)	(0.06)	(0.13)
Performance						
Return after charges (%)	6.01	25.93	1.59	5.85	25.68	1.37
Other information						
Closing net asset value (£000's)	55,601	43,171	47,746	499,652	525,030	327,000
Closing number of units	88,972,131	69,739,469	93,584,625	395,927,210	440,356,177	344,669,714
Operating charges (%)	0.53	0.53	0.53	0.89	0.89	0.90
Direct transaction costs (%)***	0.10	0.06	0.16	0.10	0.06	0.16
Prices						
Highest dealing price	65.75p	65.80p	52.46p	128.10p	123.10p	95.22p
Lowest dealing price	52.50p	50.18p	35.27p	102.40p	93.35p	63.83p

Comparative Table (continued)

Financial year to 25 February	Z Income units		
	2023 pence per unit	2022 pence per unit	2021 pence per unit
Change in net asset value			
Opening net asset value	77.70	64.27	65.39
Return before operating charges*	5.04	17.03	1.28
Operating charges	(0.66)	(0.64)	(0.49)
Return after operating charges*	4.38	16.39	0.79
Distributions**	(3.93)	(2.96)	(1.91)
Closing net asset value	78.15	77.70	64.27
*after direct transaction costs of	(0.07)	(0.04)	(0.09)
Performance			
Return after charges (%)	5.64	25.50	1.21
Other information			
Closing net asset value (£000's)	224,946	205,151	239,816
Closing number of units	287,845,334	264,040,744	373,138,370
Operating charges (%)	0.89	0.89	0.90
Direct transaction costs (%)***	0.10	0.06	0.16
Prices			
Highest dealing price	82.24p	82.61p	66.09p
Lowest dealing price	65.75p	63.21p	44.58p

** 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.

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 25.2.23	Market Value £000's	% of net assets
Equities 98.13% (97.03%)			
Basic Materials 6.38% (10.25%)			
Anglo American	1,272,604	36,218	2.62
Rio Tinto	455,121	25,787	1.87
South32	10,769,570	26,170	1.89
		88,175	6.38
Consumer Discretionary 17.13% (7.89%)			
Bellway	693,587	14,940	1.08
Currys	23,802,093	18,685	1.35
ITV	47,590,187	41,803	3.03
Kingfisher	10,787,987	29,020	2.10
Marks & Spencer Group	26,987,077	41,250	2.99
Pearson	3,375,795	30,983	2.24
Taylor Wimpey	19,835,998	23,763	1.72
WPP	3,512,545	36,232	2.62
		236,676	17.13
Consumer Staples 11.03% (12.61%)			
British American Tobacco	985,474	31,693	2.29
Imperial Brands	2,016,679	41,745	3.02
J Sainsbury	17,712,626	46,566	3.37
Tesco	13,116,617	32,385	2.35
		152,389	11.03
Energy 10.00% (12.43%)			
BP	7,831,509	43,081	3.12
Eni	3,960,497	46,267	3.35
Shell	1,838,878	45,954	3.33
Woodside Energy Group	145,537	2,828	0.20
		138,130	10.00
Financials 26.63% (27.01%)			
Aviva	9,291,359	40,882	2.96
Barclays	24,755,947	42,224	3.06
HSBC Holdings	8,350,683	53,077	3.84
Legal & General Group	13,752,457	34,807	2.52
Lloyds Banking Group	66,353,038	34,278	2.48
M&G	17,735,861	37,476	2.71
NatWest Group	12,211,064	34,362	2.49
Provident Financial	6,750,920	14,460	1.05
Standard Chartered	7,005,662	54,028	3.91
TP ICAP Group	12,313,150	22,238	1.61
		367,832	26.63

	Holding at 25.2.23	Market Value £000's	% of net assets
Health Care 7.32% (9.42%)			
GSK	2,183,254	31,539	2.29
Pfizer	765,359	26,666	1.93
Sanofi	209,049	16,594	1.20
Viartis	2,741,195	26,287	1.90
		101,086	7.32
Industrials 6.36% (3.44%)			
International Distributions Services	13,334,348	30,536	2.21
Rolls-Royce Holdings	19,680,242	26,773	1.94
Travis Perkins	2,992,016	30,503	2.21
		87,812	6.36
Real Estate 4.18% (3.19%)			
British Land REIT	5,039,615	22,018	1.59
Land Securities Group REIT	5,318,444	35,783	2.59
		57,801	4.18
Technology 1.92% (2.51%)			
Intel	1,262,217	26,449	1.92
		26,449	1.92
Telecommunications 3.58% (4.98%)			
BT Group	19,349,399	26,576	1.92
Vodafone Group	23,122,558	22,933	1.66
		49,509	3.58
Utilities 3.60% (3.30%)			
Centrica	47,967,778	49,791	3.60
		49,791	3.60
Equities total		1,355,650	98.13
Forward Foreign Currency Contracts (0.19%) (0.15%)			
Buy EUR 81,354,000 Sell GBP 71,705,224 08/03/2023		120	0.01
Buy USD 115,517,000 Sell GBP 95,157,395 08/03/2023		1,201	0.08
Sell EUR 81,354,000 Buy GBP 70,310,195 08/03/2023		(1,515)	(0.11)
Sell USD 115,517,000 Buy GBP 93,968,324 08/03/2023		(2,390)	(0.17)
Forward Foreign Currency Contracts total		(2,584)	(0.19)
Portfolio of investments		1,353,066	97.94
Net other assets		28,488	2.06
Net assets attributable to unitholders		1,381,554	100.00

The comparative percentage figures in brackets are as at 25 February 2022.
Unless otherwise stated, all securities are admitted to official stock exchange listings.

Statement of Total Return

For the year ended 25 February 2023

	Notes	2023		2022	
		£000's	£000's	£000's	£000's
Income					
Net capital (losses)/gains	2		(24,170)		341,419
Revenue	3	83,503		73,112	
Expenses	4	(14,303)		(16,263)	
Net revenue before taxation		69,200		56,849	
Taxation	5	(1,170)		(1,290)	
Net revenue after taxation			68,030		55,559
Total return before distributions			43,860		396,978
Distributions	6		(82,216)		(71,703)
Change in net assets attributable to unitholders from investment activities			(38,356)		325,275

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 25 February 2023

	2023		2022	
	£000's	£000's	£000's	£000's
Opening net assets attributable to unitholders		1,900,748		1,541,445
Amounts receivable on in-specie transfers		28,247		-
Amounts receivable on issue of units	193,395		411,029	
Amounts payable on cancellation of units	(751,133)		(418,775)	
		(557,738)		(7,746)
Dilution adjustment		629		1,092
Change in net assets attributable to unitholders from investment activities		(38,356)		325,275
Retained distribution on Accumulation units		48,024		40,682
Closing net assets attributable to unitholders		1,381,554		1,900,748

Balance Sheet

As at 25 February 2023

	Notes	2023		2022	
		£000's	£000's	£000's	£000's
Assets					
Investments			1,356,971		1,847,458
Current assets					
Debtors	8		6,570		12,270
Cash and bank balances			39,987		73,459
Total assets			1,403,528		1,933,187
Liabilities					
Investment liabilities			(3,905)		(270)
Creditors					
Distributions payable			(14,868)		(23,512)
Other creditors	9		(3,201)		(8,657)
Total liabilities			(21,974)		(32,439)
Net assets attributable to unitholders			1,381,554		1,900,748

Notes to the Accounts

For the year ended 25 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 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.

Special dividends

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

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 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.

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.

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.

2 Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	2023	2022
	£000's	£000's
Non-derivative securities	(5,796)	344,079
Forward foreign currency contracts	(20,713)	(3,591)
Foreign currency gains	2,339	929
Transaction costs	-	2
Net capital (losses)/gains	(24,170)	341,419

Notes to the Accounts

For the year ended 25 February 2023 (continued)

3 Revenue

	2023	2022
	£000's	£000's
UK dividends	62,793	56,754
Overseas dividends	16,967	14,484
Real estate income distributions	3,409	1,131
Interest on debt securities	-	743
Bank interest	334	-
Total revenue	83,503	73,112

4 Expenses

	2023	2022
	£000's	£000's
Payable to the Manager, associates of the Manager and agents of either of them:		
Annual management charge	-	105
Administration charge	-	15
Schroders Annual Charge ^{1,2}	14,303	16,142
	14,303	16,262
Payable to the Trustee, associates of the Trustee and agents of either of them:		
Trustee's fees	-	1
Total expenses	14,303	16,263

- 1 Fees such as the Annual Management Charge, Administration fee, Trustee 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 2023 were £12,768 (2022 - £10,741).

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	1,170	1,290
Total current tax (Note 5(b))	1,170	1,290

(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	69,200	56,849
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	13,840	11,370
Effects of:		
Revenue not subject to corporation tax	(15,952)	(14,248)
Movement in excess management expenses	2,112	2,878
Overseas withholding tax	1,170	1,290
Current tax charge for the year (Note 5(a))	1,170	1,290

(c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £72,153,723 (2022 - £70,041,777) 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.

Notes to the Accounts

For the year ended 25 February 2023 (continued)

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
Interim Dividend distribution	19,493	16,139
Final Dividend distribution	49,103	55,178
	68,596	71,317
Add: Revenue deducted on cancellation of units	18,335	6,997
Deduct: Revenue received on issue of units	(4,715)	(6,611)
Distributions	82,216	71,703
Net revenue after taxation	68,030	55,559
Expenses taken to capital	14,303	16,247
Tax on capital items	(117)	(101)
Movement in undistributed revenue	-	1
Equalisation on conversions	-	(3)
Distributions	82,216	71,703

Details of the distributions per unit are set out in the Distribution Tables on pages 24 to 25.

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	1,355,650	-	1,844,382	-
Level 2: Observable market data	1,321	(3,905)	3,076	(270)
Level 3: Unobservable data	-	-	-	-
Total	1,356,971	(3,905)	1,847,458	(270)

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	2022
	£000's	£000's
Amounts receivable for issue of units	683	4,134
Accrued revenue	5,240	7,686
Overseas withholding tax recoverable	382	185
Income tax recoverable	265	265
Total debtors	6,570	12,270

Notes to the Accounts

For the year ended 25 February 2023 (continued)

9 Other creditors

	2023	2022
	£000's	£000's
Amounts payable for cancellation of units	2,318	7,441
Accrued expenses	883	1,216
Total other creditors	3,201	8,657

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 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 10.84% (2022 – 6.73%).

12 Unit classes

At the reporting date the Fund had nine 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 24 to 25.

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, foreign currency, derivative, 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 £135,306,600 (2022 - £184,718,800).

Foreign currency risk

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.

At the year end date, the majority of the Fund's financial assets and liabilities were denominated in sterling. As a result, the Fund has no material exposure to currency movements.

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 2.89% (2022 – 3.86%) 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 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.

Notes to the Accounts

For the year ended 25 February 2023 (continued)

Global risk exposure

Commitment approach

When using derivatives, the Manager uses a risk management process that enables it to monitor the risk of a Fund's derivative positions. The global risk exposure of a Fund is calculated daily either by means of the commitment approach or the Value-at-Risk (VaR) approach.

Under the commitment approach, the global risk exposure is defined as the underlying market value of derivatives, after netting and hedging as permitted by the regulation, not exceeding the Net Asset Value of a Fund. This is typically used on Funds where derivative usage is low or Funds which limit their derivatives commitment to 100% or less of their Net Asset Value.

The global risk exposure of the Fund is calculated using the commitment approach. During the year ended 25 February 2023 the global risk exposure of the Fund did not exceed 100% of its Net Asset Value. The lowest, highest, average and actual level of leverage for the Fund as at the balance sheet date was as follows:

Leverage

	2023			Leverage 25 February	2022			Leverage 25 February
	Lowest	Highest	Average		Lowest	Highest	Average	
	0.00%	1.26%	0.12%	0.00%	0.00%	0.70%	0.12%	0.36%

14 Direct transaction costs

In the case of shares, broker commissions and transfer taxes/stamp duty are paid by the Fund on each transaction. In addition, there is a dealing spread between buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

2023	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Purchases ¹ :						
Equities	325,781	110	1,500	327,391	0.03	0.46
In-specie purchases:						
Equities	27,946	-	-	27,946	-	-
	353,727	110	1,500	355,337		
Sales						
Equities	838,632	(358)	(2)	838,272	(0.04)	-
Total cost of the Fund's average net asset value (%)		0.03	0.10			

1 Excluding in-specie transfers.

2022	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	449,374	156	1,709	451,239	0.03	0.38
Sales						
Bonds	24,585	-	-	24,585	-	-
Equities	424,589	(158)	(1)	424,430	(0.04)	-
	449,174	(158)	(1)	449,015		
Total cost of the Fund's average net asset value (%)		0.02	0.10			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.06% (2022 – 0.05%).

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.

Notes to the Accounts

For the year ended 25 February 2023 (continued)

15 Units in issue reconciliation

	Number of units in issue 25.2.22	Number of units issued	Number of units cancelled	Number of units converted	Number of units in issue 25.2.23
A Accumulation units	1,662,757	12,788	(155,760)	(33,746)	1,486,039
A Income units	7,038,769	22,526	(2,368,121)	(102,711)	4,590,463
L Accumulation units	355,422,186	78,563,512	(204,768,031)	(93,377)	229,124,290
L Income units	82,786,479	11,459,934	(17,044,344)	(2,529)	77,199,540
Q Income units	653,603,216	29,685,634	(647,938,873)	(54,622)	35,295,355
S Accumulation units	103,123,917	2,652,793	(520,522)	239,671	105,495,859
S Income units	69,739,469	47,741,270	(28,508,608)	-	88,972,131
Z Accumulation units	440,356,177	59,435,483	(106,465,659)	2,601,209	395,927,210
Z Income units	264,040,744	39,722,621	(18,180,315)	2,262,284	287,845,334

16 Counterparty exposure

The types of non-exchange traded derivatives held at the balance sheet date were forward foreign currency 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										
2023	136	-	-	-	-	-	-	-	-	136
2022	(26)	-	-	-	-	-	-	-	-	(26)
Barclays										
2023	-	-	-	-	-	-	-	-	-	-
2022	1,027	-	-	-	-	-	-	-	-	1,027
BNP Paribas										
2023	-	-	-	-	-	-	-	-	-	-
2022	4	-	-	-	-	-	-	-	-	4
Citigroup										
2023	275	-	-	-	-	-	-	-	-	275
2022	(244)	-	-	-	-	-	-	-	-	(244)
Goldman Sachs										
2023	161	-	-	-	-	-	-	-	-	161
2022	-	-	-	-	-	-	-	-	-	-
HSBC										
2023	(2,245)	-	-	-	-	-	-	-	-	(2,245)
2022	-	-	-	-	-	-	-	-	-	-
J.P. Morgan										
2023	250	-	-	-	-	-	-	-	-	250
2022	-	-	-	-	-	-	-	-	-	-
State Street										
2023	(1,161)	-	-	-	-	-	-	-	-	(1,161)
2022	2,045	-	-	-	-	-	-	-	-	2,045

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 25 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 25 February 2023, the price of each unit class has changed as follows:

	Dealing price 16.5.23	Dealing price 24.2.23	% change
A Accumulation units	11,170.00p	11,710.00p	(4.61)
A Income units	1,124.00p	1,222.00p	(8.02)
L Accumulation units	90.12p	94.36p	(4.49)
L Income units	61.00p	66.19p	(7.84)
Q Income units	61.28p	66.44p	(7.77)
S Accumulation units	80.63p	84.37p	(4.43)
S Income units	60.13p	65.21p	(7.79)
Z Accumulation units	121.30p	127.00p	(4.49)
Z Income units	75.14p	81.55p	(7.86)

Distribution Tables

Interim distribution for the six months ended 25 August 2022

Group 1 Units purchased prior to 26 February 2022

Group 2 Units purchased on or after 26 February 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution paid 25.10.22 per unit	Distribution paid 25.10.21 per unit
A Accumulation units				
Group 1	151.1145p	-	151.1145p	90.8225p
Group 2	-	151.1145p	151.1145p	90.8225p
A Income units				
Group 1	16.0000p	-	16.0000p	10.0000p
Group 2	-	16.0000p	16.0000p	10.0000p
L Accumulation units				
Group 1	1.2097p	-	1.2097p	0.7212p
Group 2	-	1.2097p	1.2097p	0.7212p
L Income units				
Group 1	0.8608p	-	0.8608p	0.5336p
Group 2	0.1403p	0.7205p	0.8608p	0.5336p
Q Income units				
Group 1	0.8579p	-	0.8579p	0.5315p
Group 2	-	0.8579p	0.8579p	0.5315p
S Accumulation units				
Group 1	1.0735p	-	1.0735p	0.6386p
Group 2	-	1.0735p	1.0735p	0.6386p
S Income units				
Group 1	0.8462p	-	0.8462p	0.5231p
Group 2	-	0.8462p	0.8462p	0.5231p
Z Accumulation units				
Group 1	1.6295p	-	1.6295p	0.9722p
Group 2	-	1.6295p	1.6295p	0.9722p
Z Income units				
Group 1	1.0612p	-	1.0612p	0.6583p
Group 2	-	1.0612p	1.0612p	0.6583p

Final distribution for the six months ended 25 February 2023

Group 1 Units purchased prior to 26 August 2022

Group 2 Units purchased on or after 26 August 2022

	Net revenue 2023 per unit	Equalisation 2023 per unit	Distribution payable 25.4.23 per unit	Distribution paid 25.4.22 per unit
A Accumulation units				
Group 1	410.0797p	-	410.0797p	318.5280p
Group 2	79.6118p	330.4679p	410.0797p	318.5280p
A Income units				
Group 1	43.1135p	-	43.1135p	34.9101p
Group 2	7.5140p	35.5995p	43.1135p	34.9101p

Distribution Tables

(continued)

	Net revenue 2023 per unit	Equalisation 2023 per unit	Distribution payable 25.4.23 per unit	Distribution paid 25.4.22 per unit
L Accumulation units				
Group 1	3.2895p	–	3.2895p	2.5348p
Group 2	0.8472p	2.4423p	3.2895p	2.5348p
L Income units				
Group 1	2.3243p	–	2.3243p	1.8667p
Group 2	0.5576p	1.7667p	2.3243p	1.8667p
Q Income units				
Group 1	2.3048p	–	2.3048p	1.8592p
Group 2	0.3180p	1.9868p	2.3048p	1.8592p
S Accumulation units				
Group 1	2.9047p	–	2.9047p	2.2454p
Group 2	2.9047p	–	2.9047p	2.2454p
S Income units				
Group 1	2.2866p	–	2.2866p	1.8314p
Group 2	0.3220p	1.9646p	2.2866p	1.8314p
Z Accumulation units				
Group 1	4.4301p	–	4.4301p	3.4164p
Group 2	1.0408p	3.3893p	4.4301p	3.4164p
Z Income units				
Group 1	2.8649p	–	2.8649p	2.3029p
Group 2	0.5496p	2.3153p	2.8649p	2.3029p

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

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

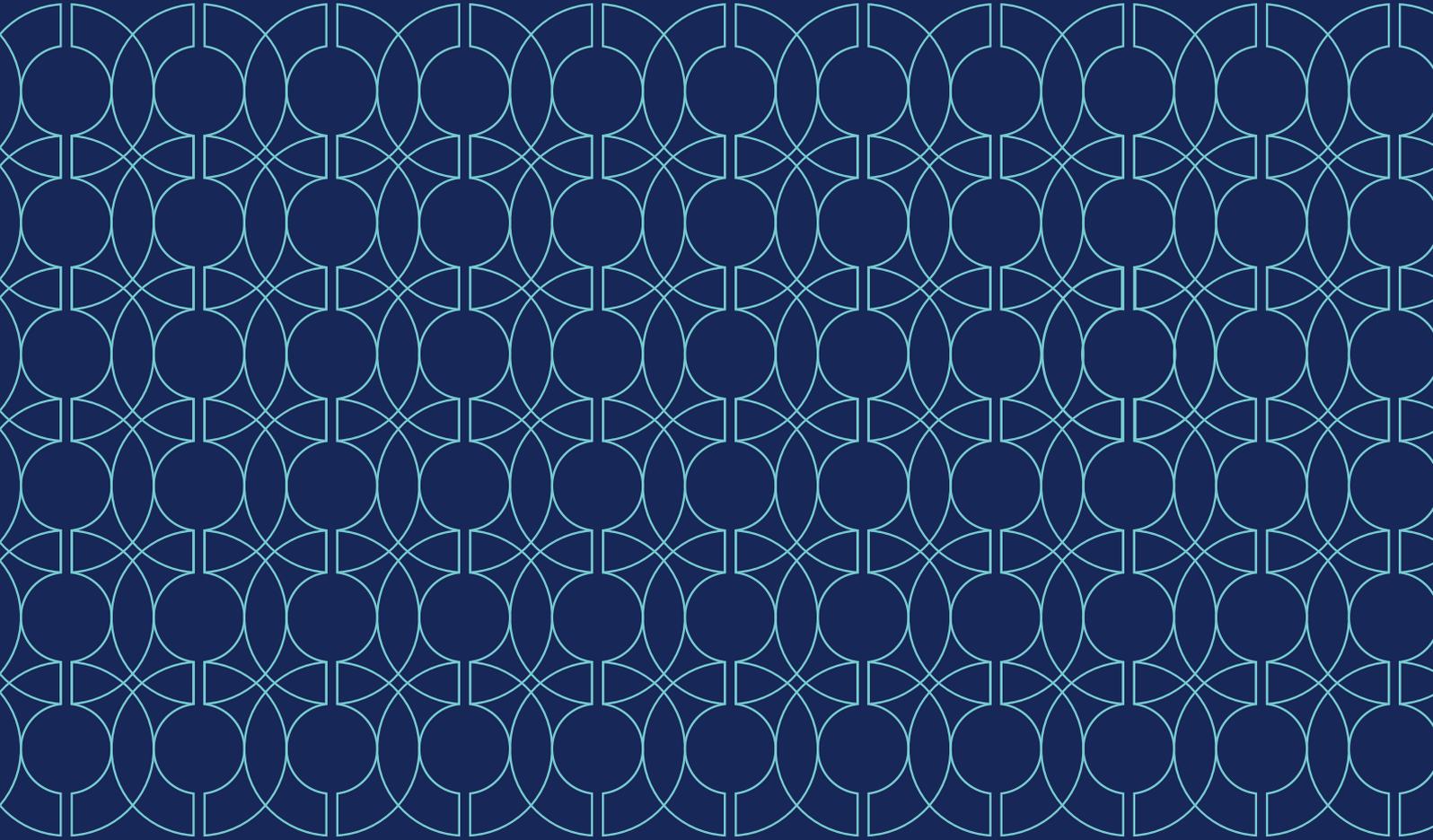
The Fund is an authorised unit trust and is constituted pursuant to the Collective Investment Schemes sourcebook and is structured as a Trust. The Fund is a UCITS scheme for the purpose of the categorisation of the Collective Investment Schemes sourcebook.

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.



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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