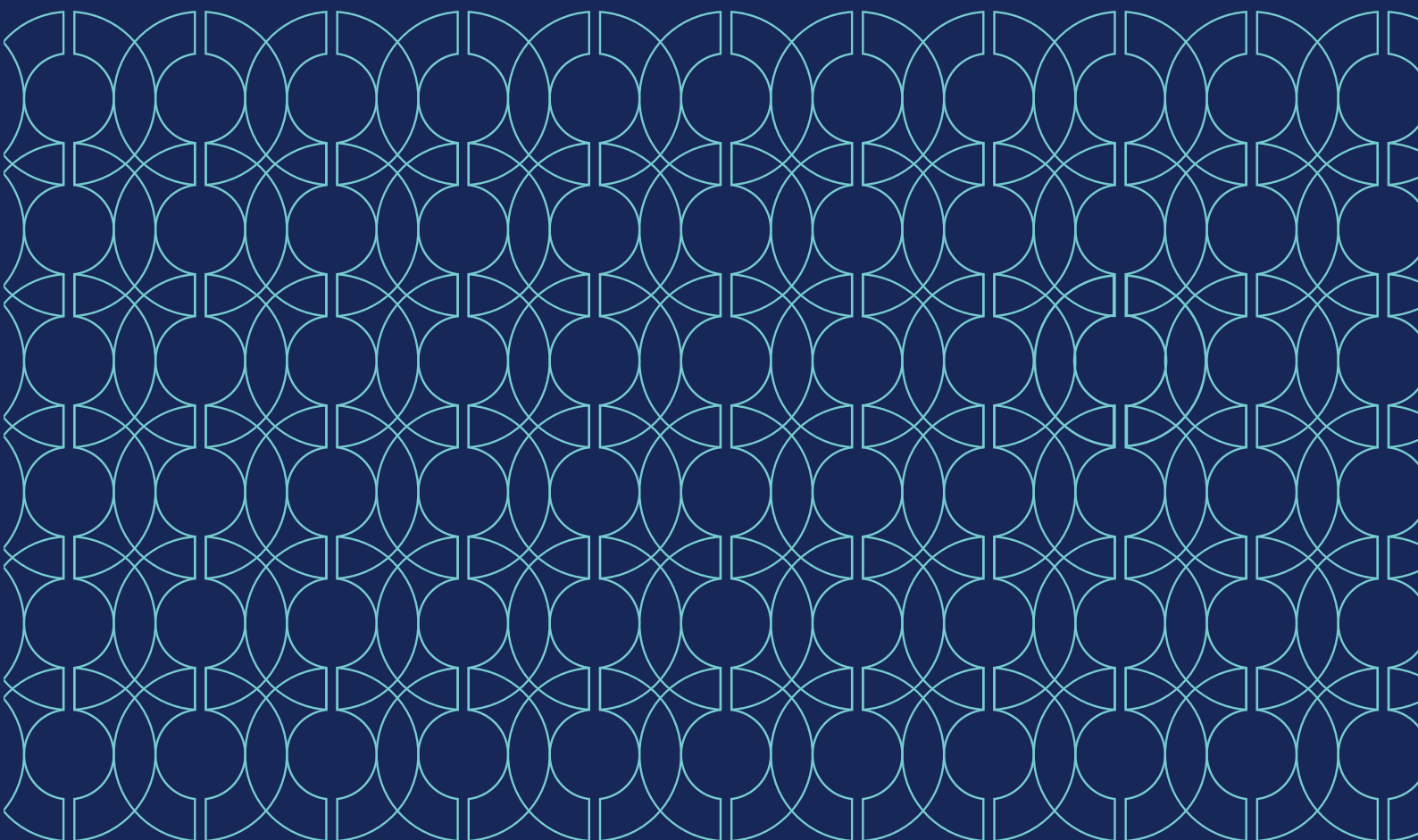


**Schroders**

**Schroder QEP Global Active Value Fund**  
**Annual Report and Accounts**  
20 June 2022



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

# Fund Information

## Investment objective and policy

The Schroder QEP Global Active Value Fund (the 'Fund') aims to provide capital growth and income in excess of the MSCI AC World (Net Total Return) Index (after fees have been deducted) over a three to five year period by investing in equity and equity related securities of companies worldwide.

The Fund is actively managed and invests at least 80% of its assets in equity or equity related securities of companies worldwide.

The Fund invests in 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 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 achieving investment gains, reducing risk or managing the Fund more efficiently (for more information please refer to section 6 of Appendix I of the Prospectus).

## Fund characteristics

The Fund's performance should be assessed against its target benchmark being to exceed the MSCI AC World (Net Total Return) Index, and compared against the MSCI AC World Value (Net Total Return) Index. 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 benchmark has been selected because the Investment Manager and the Manager believe that this benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy.

# Review of Investment Activities

**From 18 June 2021 to 20 June 2022, the price of I Accumulation units on a dealing price basis rose 2.02%. In the same period, the MSCI All Countries World Index generated a negative net return of 4.95%<sup>1</sup> in sterling terms.**

Global equities declined over the period under review. Shares were generally strong in the final months of 2021, supported by loose monetary policy and ongoing fiscal stimulus. However, that picture changed in 2022 as it became clear that inflation was rising sharply amid supply chain disruptions, as well as the shock of Russia's invasion of Ukraine. Market expectations for central bank policy moved swiftly to price in a faster pace of increases from the US Federal Reserve.

Against this backdrop, the Fund posted a positive absolute return, outperforming the MSCI AC World Index. At a high level, positioning in better value stocks supported performance, as did our focus on quality as volatility increased.

At sector level, a strong positive contribution came from our larger than index exposure to energy, as oil prices rose strongly. Our preferred holdings in higher quality integrated oil & gas (e.g. Equinor, Shell, Repsol) performed well. Our focus on higher quality defensive areas was also beneficial as volatility returned: we saw strong contributions from our longstanding preference for pharmaceutical stocks.

At a country level, positioning in the US added value. Our avoidance of more expensive stocks geared into the 'stay-at-home' theme, particularly in online services (e.g. Amazon) was beneficial. Stock selection was also strong in Japan.

On the negative side, higher quality defensives within consumer staples, particularly across home products and food & drink, detracted. Investors are increasingly considering the impact of rising global inflation and its impact on input costs.

Turning to positioning, financials remains one of the Fund's largest exposures on an absolute basis, with a bias to developed market banks, asset managers and investment services. Within banks our preference remains in US simple banks. We have recently selectively added to European and Japanese banks as opportunities presented themselves. Within resources, we remain overweight both in energy and materials due to the depth of opportunities available. Our longstanding avoidance of utilities and real estate remains unchanged.

From a regional perspective, recent rebalancing has increased our allocation to Continental Europe funded from Emerging Markets. That said, the high level exposure to value globally remains consistent with an underweight to the more expensive US funding a broader overweight across Europe, the UK, Japan and Emerging Markets.

In November 2021, Schroders appointed Lukas Kamblevicius and Stephen Langford to lead the QEP Investment Team. Effective April 2022, Lukas and Stephen undertook the role of Co-Heads of QEP and will be focused on continuing to meet clients' investment requirements, driving performance and growth. Schroders previous Head of QEP, Justin Abercrombie, begun a six-month sabbatical from April 1, 2022. Post this sabbatical, Justin will return to Schroders in a different capacity.

**Co-Fund Manager:**  
**Stephen Langford**



Stephen joined Schroders in 2003 as a Senior Analyst and Portfolio Manager and has played a critical role in all parts of the QEP investment process since this time. In 2019, in addition to his Portfolio management responsibilities he became QEP Co-Head of Research with main focus on researching enhancements to the QEP investment process. Stephen's investment career commenced at Quaestor Investment Management in 1999, where he was as a senior research manager and portfolio manager of a Japanese market-neutral fund

He holds a BSc (Hons) in Chemistry and Molecular Physics from the University of Nottingham, and a DPhil in Chemical Physics from the University of Oxford

He is also a CFA Charterholder

**Co-Fund Manager:**  
**Lukas Kamblevicius**



Lukas joined the QEP Investment Team in 2017. Prior to this Lukas spent ten years with State Street Global Advisors where he was a Senior Portfolio Manager, focusing on absolute return and benchmark agnostic equity strategies. Lukas' investment career commenced in 2005

He holds a BA (Hons) in Business Administration from the International University Concordia Audentes, Estonia, and an MSc (Merit) in Investments from the University of Birmingham.

He is also a CFA Charterholder

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

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

# Risk Profile

## Risk and reward indicator



The risk category was calculated using historical performance data and may not be a reliable indicator of the Fund’s future risk profile. The Fund’s risk category is not guaranteed to remain fixed and may change over time. A Fund in the lowest category does not mean a risk-free investment. For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website [www.schroders.com](http://www.schroders.com).

# Statement of the Manager's Responsibilities

The Financial Conduct Authority's Collective Investment Schemes sourcebook requires the Manager to prepare accounts for each annual and half yearly accounting period, in accordance with United Kingdom Generally Accepted Accounting Practice, which give a true and fair view of the financial position of the Fund and of its net 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 20 June 2022 were signed on 5 September 2022 on behalf of the Manager by:

**P. Chislett**  
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 QEP Global Active Value Fund ('the Fund') for the year ended 20 June 2022.**

The Trustee of the Schroder QEP Global Active Value 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  
8 July 2022

# Independent auditors' report to the Unitholders of Schroder QEP Global Active Value Fund

## Report on the audit of the financial statements

### Opinion

In our opinion, the financial statements of Schroder QEP Global Active Value Fund (the "Fund"):

- give a true and fair view of the financial position of the Fund as at 20 June 2022 and of the net revenue and the net capital losses on its scheme property for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise: the Balance Sheet as at 20 June 2022; the Statement of Total Return and the Statement of Change in Net Assets Attributable to Unitholders for the year then ended; the Distribution Tables; and the Notes to the Accounts, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Fund's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Manager's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Fund's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Manager with respect to going concern are described in the relevant sections of this report.

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Manager is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on our work undertaken in the course of the audit, the Collective Investment Schemes sourcebook requires us also to report certain opinions as described below.

### Manager's Report

In our opinion, the information given in the Manager's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Responsibilities for the financial statements and the audit

### Responsibilities of the Manager for the financial statements

As explained more fully in the Statement of the Manager's Responsibilities, the Manager is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Manager is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 QEP Global Active Value 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](http://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  
5 September 2022

# Comparative Table

Financial year to 20 June	A Accumulation units			A Income units		
	2022 pence per unit	2021 pence per unit	2020 pence per unit	2022 pence per unit	2021 pence per unit	2020 pence per unit
<b>Change in net asset value</b>						
Opening net asset value	129.87	104.86	110.57	104.54	85.30	91.28
Return before operating charges*	3.97	26.71	(3.91)	3.12	21.70	(3.05)
Operating charges	(2.06)	(1.70)	(1.80)	(1.67)	(1.32)	(1.49)
<b>Return after operating charges*</b>	<b>1.91</b>	<b>25.01</b>	<b>(5.71)</b>	<b>1.45</b>	<b>20.38</b>	<b>(4.54)</b>
Distributions**	(2.32)	(1.37)	(1.52)	(1.86)	(1.14)	(1.44)
Retained distributions**	2.32	1.37	1.52	-	-	-
<b>Closing net asset value</b>	<b>131.78</b>	<b>129.87</b>	<b>104.86</b>	<b>104.13</b>	<b>104.54</b>	<b>85.30</b>
*after direct transaction costs of	(0.20)	(0.19)	(0.24)	(0.16)	(0.15)	(0.19)
<b>Performance</b>						
Return after charges (%)	1.47	23.85	(5.16)	1.39	23.89	(4.97)
<b>Other information</b>						
Closing net asset value (£000's)	775	597	584	46	47	131
Closing number of units	587,704	459,464	556,466	44,319	45,214	153,224
Operating charges (%)	1.50	1.50	1.50	1.50	1.50	1.50
Direct transaction costs (%)***	0.15	0.17	0.22	0.15	0.17	0.22
<b>Prices</b>						
Highest dealing price	144.30p	132.26p	116.28p	116.10p	107.59p	96.15p
Lowest dealing price	129.20p	98.65p	83.48p	104.00p	80.25p	69.04p

# Comparative Table

## (continued)

Financial year to 20 June	I Accumulation units			I Income units		
	2022 pence per unit	2021 pence per unit	2020 pence per unit	2022 pence per unit	2021 pence per unit	2020 pence per unit
<b>Change in net asset value</b>						
Opening net asset value	152.57	122.23	127.90	104.54	85.24	91.20
Return before operating charges*	4.61	31.28	(4.68)	3.09	21.71	(3.32)
Operating charges	(1.12)	(0.94)	(0.99)	(0.78)	(0.61)	(0.71)
<b>Return after operating charges*</b>	<b>3.49</b>	<b>30.34</b>	<b>(5.67)</b>	<b>2.31</b>	<b>21.10</b>	<b>(4.03)</b>
Distributions**	(4.02)	(2.65)	(2.71)	(2.77)	(1.80)	(1.93)
Retained distributions**	4.02	2.65	2.71	-	-	-
<b>Closing net asset value</b>	<b>156.06</b>	<b>152.57</b>	<b>122.23</b>	<b>104.08</b>	<b>104.54</b>	<b>85.24</b>
*after direct transaction costs of	(0.24)	(0.23)	(0.27)	(0.16)	(0.15)	(0.20)
<b>Performance</b>						
Return after charges (%)	2.29	24.82	(4.43)	2.21	24.75	(4.42)
<b>Other information</b>						
Closing net asset value (£000's)	114,619	400,831	355,914	578	569	43,746
Closing number of units	73,444,738	262,717,825	291,173,573	555,446	544,265	51,324,272
Operating charges (%)	0.70	0.70	0.70	0.70	0.70	0.70
Direct transaction costs (%)***	0.15	0.17	0.22	0.15	0.17	0.22
<b>Prices</b>						
Highest dealing price	170.80p	155.37p	135.07p	117.00p	108.25p	96.32p
Lowest dealing price	152.00p	115.31p	97.10p	104.20p	80.40p	69.24p

# Comparative Table (continued)

Financial year to 20 June	K1 Accumulation units <sup>1</sup>			S Income units		
	2022 pence per unit	2021 pence per unit	2020 pence per unit	2022 pence per unit	2021 pence per unit	2020 pence per unit
<b>Change in net asset value</b>						
Opening net asset value	64.34	51.94	50.00	83.64	68.19	72.97
Return before operating charges*	1.96	13.25	2.01	2.53	17.43	(2.67)
Operating charges	(1.06)	(0.85)	(0.07)	(0.46)	(0.37)	(0.38)
<b>Return after operating charges*</b>	<b>0.90</b>	<b>12.40</b>	<b>1.94</b>	<b>2.07</b>	<b>17.06</b>	<b>(3.05)</b>
Distributions**	(1.11)	(0.68)	(0.05)	(2.37)	(1.61)	(1.73)
Retained distributions**	1.11	0.68	0.05	–	–	–
<b>Closing net asset value</b>	<b>65.24</b>	<b>64.34</b>	<b>51.94</b>	<b>83.34</b>	<b>83.64</b>	<b>68.19</b>
*after direct transaction costs of	(0.10)	(0.10)	(0.11)	(0.13)	(0.12)	(0.16)
<b>Performance</b>						
Return after charges (%)	1.40	23.87	3.88	2.47	25.02	(4.18)
<b>Other information</b>						
Closing net asset value (£000's)	1	1	1	2,399	2,677	19,666
Closing number of units	2,000	2,000	2,000	2,878,243	3,200,843	28,840,561
Operating charges (%)	1.53	1.53	1.55	0.52	0.52	0.52
Direct transaction costs (%)***	0.15	0.17	0.22	0.15	0.17	0.22
<b>Prices</b>						
Highest dealing price	71.42p	65.53p	53.00p	93.79p	86.81p	77.18p
Lowest dealing price	63.99p	48.87p	49.47p	83.34p	64.36p	55.51p

# Comparative Table

## (continued)

Financial year to 20 June	X Income (Quarterly) units			Z Accumulation units		
	2022 pence per unit	2021 pence per unit	2020 pence per unit	2022 pence per unit	2021 pence per unit	2020 pence per unit
<b>Change in net asset value</b>						
Opening net asset value	109.67	89.57	95.89	126.82	101.75	106.64
Return before operating charges*	3.35	22.71	(3.60)	3.84	26.02	(3.91)
Operating charges	(0.06)	(0.06)	(0.05)	(1.14)	(0.95)	(0.98)
<b>Return after operating charges*</b>	<b>3.29</b>	<b>22.65</b>	<b>(3.65)</b>	<b>2.70</b>	<b>25.07</b>	<b>(4.89)</b>
Distributions**	(3.62)	(2.55)	(2.67)	(3.14)	(2.04)	(2.09)
Retained distributions**	–	–	–	3.14	2.04	2.09
<b>Closing net asset value</b>	<b>109.34</b>	<b>109.67</b>	<b>89.57</b>	<b>129.52</b>	<b>126.82</b>	<b>101.75</b>
*after direct transaction costs of	(0.17)	(0.17)	(0.20)	(0.20)	(0.19)	(0.23)
<b>Performance</b>						
Return after charges (%)	3.00	25.29	(3.81)	2.13	24.64	(4.59)
<b>Other information</b>						
Closing net asset value (£000's)	301,408	302,314	207,282	10,058	11,719	9,868
Closing number of units	275,658,841	275,658,841	231,416,546	7,765,532	9,240,555	9,698,241
Operating charges (%)	0.05	0.05	0.05	0.85	0.85	0.85
Direct transaction costs (%)***	0.15	0.17	0.22	0.15	0.17	0.22
<b>Prices</b>						
Highest dealing price	121.00p	112.56p	100.15p	141.80p	129.15p	112.51p
Lowest dealing price	108.70p	84.04p	71.53p	126.40p	95.94p	80.86p

# Comparative Table

## (continued)

Financial year to 20 June	Z Income units		
	2022 pence per unit	2021 pence per unit	2020 pence per unit
<b>Change in net asset value</b>			
Opening net asset value	104.23	85.01	90.96
Return before operating charges*	3.16	21.71	(3.31)
Operating charges	(0.94)	(0.79)	(0.83)
<b>Return after operating charges*</b>	<b>2.22</b>	<b>20.92</b>	<b>(4.14)</b>
Distributions**	(2.58)	(1.70)	(1.81)
<b>Closing net asset value</b>	<b>103.87</b>	<b>104.23</b>	<b>85.01</b>
*after direct transaction costs of	(0.16)	(0.16)	(0.19)
<b>Performance</b>			
Return after charges (%)	2.13	24.61	(4.55)
<b>Other information</b>			
Closing net asset value (£000's)	1,319	1,340	1,088
Closing number of units	1,269,951	1,285,663	1,280,310
Operating charges (%)	0.85	0.85	0.85
Direct transaction costs (%)***	0.15	0.17	0.22
<b>Prices</b>			
Highest dealing price	116.50p	107.88p	95.99p
Lowest dealing price	103.90p	80.14p	68.99p

\*\* 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 K1 Accumulation units launched on 26 May 2020.

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](http://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 20.6.22	Market Value £000's	% of net assets
<b>Equities 98.15% (98.67%)</b>			
<b>Australia 2.19% (1.27%)</b>			
Allkem	125,576	699	0.16
Beach Energy	411,942	363	0.08
BHP Group	75,575	1,730	0.40
BHP Group	61,910	1,437	0.33
BlueScope Steel	42,734	377	0.09
Fortescue Metals Group	82,097	794	0.18
IGO	107,489	630	0.15
Iluka Resources	92,024	457	0.11
Pilbara Minerals	269,656	311	0.07
Rio Tinto	21,283	1,230	0.29
Santos	127,730	532	0.12
West African Resources	227,645	158	0.04
Woodside Energy Group	35,196	607	0.14
Woodside Energy Group	7,013	122	0.03
		<b>9,447</b>	<b>2.19</b>
<b>Austria 0.44% (0.57%)</b>			
OMV	49,742	1,913	0.44
		<b>1,913</b>	<b>0.44</b>
<b>Belgium 0.43% (0.06%)</b>			
Bekaert	7,266	209	0.05
bpost	20,709	101	0.03
KBC Group	15,122	742	0.17
Solvay	11,084	784	0.18
		<b>1,836</b>	<b>0.43</b>
<b>Bermuda 1.40% (1.05%)</b>			
Assured Guaranty	16,486	718	0.17
Bunge	11,375	906	0.21
China Water Affairs Group	124,000	94	0.02
Essent Group	22,689	683	0.16
Everest Re Group	4,679	1,027	0.24
Hongkong Land Holdings	35,487	140	0.03
Invesco	32,188	423	0.10
PAX Global Technology	133,000	86	0.02
RenaissanceRe Holdings	7,955	967	0.22
Signet Jewelers	8,490	407	0.09
Triton International	14,181	595	0.14
		<b>6,046</b>	<b>1.40</b>
<b>Brazil 0.44% (0.71%)</b>			
Cia de Saneamento Basico do Estado de Sao Paulo	57,300	370	0.08
Cia de Saneamento do Parana Preference	350,300	210	0.05
Engie Brasil Energia	86,100	573	0.13
Itausa Preference	295,500	417	0.10
Light	78,600	98	0.02
Sao Martinho	37,500	252	0.06
		<b>1,920</b>	<b>0.44</b>
<b>British Virgin Islands 0.11% (0.00%)</b>			
Capri Holdings	12,376	454	0.11
		<b>454</b>	<b>0.11</b>

	Holding at 20.6.22	Market Value £000's	% of net assets
<b>Canada 4.42% (3.93%)</b>			
ARC Resources	31,975	347	0.08
Bank of Montreal	16,526	1,317	0.31
BCE	55,564	2,193	0.51
BRP	10,559	552	0.13
Canaccord Genuity Group	17,737	97	0.02
Canadian Natural Resources	17,939	782	0.18
Canfor	11,061	160	0.04
Capstone Copper	50,327	133	0.03
CI Financial	40,962	368	0.09
Corus Entertainment B	69,980	178	0.04
Dundee Precious Metals	53,016	235	0.05
Hudbay Minerals	79,916	319	0.07
Imperial Oil	18,308	734	0.17
Interfor	17,131	281	0.06
Linamar	6,808	235	0.05
Magna International	10,520	486	0.11
Manulife Financial	92,580	1,276	0.30
National Bank of Canada	22,745	1,254	0.29
Nutrien	27,908	1,979	0.46
Open Text	8,481	257	0.06
Royal Bank of Canada	13,566	1,069	0.25
Suncor Energy	21,262	613	0.14
Teck Resources B	16,206	501	0.12
Toronto-Dominion Bank	35,354	1,941	0.45
Transcontinental A	16,811	169	0.04
Vermilion Energy	31,218	480	0.11
West Fraser Timber	17,303	1,122	0.26
		<b>19,078</b>	<b>4.42</b>
<b>Cayman Islands 1.68% (3.28%)</b>			
Alibaba Group Holding	188,300	2,042	0.47
China Feihe	880,000	784	0.18
China Lumena New Materials^	321,595	0	0.00
China Medical System Holdings	372,740	450	0.10
China Yongda Automobiles Services Holdings	190,500	158	0.04
CK Asset Holdings	13,732	73	0.02
Haitian International Holdings	81,000	167	0.04
Himax Technologies ADR	39,018	273	0.06
Parade Technologies	28,000	983	0.23
SITC International Holdings	275,000	676	0.16
SMART Global Holdings	23,799	384	0.09
Tianneng Power International	115,243	99	0.02
TPK Holding	301,000	272	0.06
Xinyi Glass Holdings	475,641	886	0.21
		<b>7,247</b>	<b>1.68</b>

# Portfolio Statement (continued)

	Holding at 20.6.22	Market Value £000's	% of net assets
<b>Chile 0.10% (0.04%)</b>			
Sociedad Quimica y Minera de Chile ADR Preference	5,633	415	0.10
		<b>415</b>	<b>0.10</b>
<b>China 1.18% (1.66%)</b>			
BAIC Motor H	321,936	85	0.02
China Construction Bank H	846,537	484	0.11
China Merchants Bank H	186,000	941	0.22
China Tower H	4,160,000	402	0.09
Ganfeng Lithium H	175,560	1,488	0.35
Industrial & Commercial Bank of China H	1,297,048	603	0.14
Ping An Insurance Group Co. of China H	104,392	554	0.13
Sinotrans H	434,000	99	0.02
Xinte Energy H	121,200	270	0.06
ZTE H	84,800	154	0.04
		<b>5,080</b>	<b>1.18</b>
<b>Cyprus 0.00% (0.02%)</b>			
<b>Czech Republic 0.00% (0.02%)</b>			
<b>Denmark 0.50% (0.94%)</b>			
AP Moller - Maersk B	480	939	0.22
Pandora	22,403	1,210	0.28
		<b>2,149</b>	<b>0.50</b>
<b>Finland 0.00% (0.03%)</b>			
<b>France 3.31% (2.66%)</b>			
Atos	9,069	102	0.02
BNP Paribas	18,165	755	0.18
Cie de Saint-Gobain	21,724	821	0.19
Derichebourg	20,420	111	0.03
Eramet	4,366	389	0.09
Faurecia	17,813	319	0.07
Ipsen	9,828	703	0.16
Metropole Television	39,401	501	0.12
Orange	82,171	779	0.18
Rexel	41,174	593	0.14
Sanofi	55,506	4,551	1.06
Societe Generale	35,193	710	0.16
Television Francaise 1	12,589	76	0.02
TOTAL	64,235	2,775	0.64
Trigano	1,795	162	0.04
Valeo	34,829	611	0.14
Valneva	33,568	296	0.07
		<b>14,254</b>	<b>3.31</b>
<b>Germany 0.79% (0.71%)</b>			
Bayer	8,306	453	0.10
BioNTech ADR	3,324	339	0.08
Covestro	8,454	257	0.06
Deutsche Bank	86,723	721	0.17
DWS Group GmbH	11,982	271	0.06
K+S	29,309	608	0.14
ProSiebenSat.1 Media	51,672	419	0.10
Schaeffler Preference	28,239	145	0.03

	Holding at 20.6.22	Market Value £000's	% of net assets
Siltronic	3,178	207	0.05
		<b>3,420</b>	<b>0.79</b>
<b>Greece 0.00% (0.05%)</b>			
<b>Guernsey 1.02% (0.66%)</b>			
Amdocs	69,047	4,412	1.02
		<b>4,412</b>	<b>1.02</b>
<b>Hong Kong 0.06% (0.42%)</b>			
Sino Land	99,209	114	0.03
Sun Hung Kai Properties	13,650	130	0.03
		<b>244</b>	<b>0.06</b>
<b>Hungary 0.30% (0.32%)</b>			
OTP Bank	42,023	779	0.18
Richter Gedeon	34,400	513	0.12
		<b>1,292</b>	<b>0.30</b>
<b>Indonesia 0.39% (0.47%)</b>			
Telkom Indonesia Persero	7,635,400	1,693	0.39
		<b>1,693</b>	<b>0.39</b>
<b>Ireland 1.34% (1.12%)</b>			
AIB Group	211,183	441	0.10
AIB Group	46,364	98	0.03
Allegion	17,002	1,326	0.31
Bank of Ireland Group	111,027	621	0.14
Jazz Pharmaceuticals	7,940	926	0.21
Seagate Technology Holdings	39,864	2,364	0.55
		<b>5,776</b>	<b>1.34</b>
<b>Isle of Man 0.07% (0.07%)</b>			
Strix Group*	181,232	295	0.07
		<b>295</b>	<b>0.07</b>
<b>Israel 0.77% (0.74%)</b>			
Check Point Software Technologies	21,924	2,136	0.49
ICL Group	54,659	432	0.10
Plus500	29,068	456	0.11
ZIM Integrated Shipping Services	7,115	292	0.07
		<b>3,316</b>	<b>0.77</b>
<b>Italy 0.82% (0.39%)</b>			
Anima Holding	30,001	94	0.02
Azimut Holding	20,268	297	0.07
Eni	220,791	2,293	0.53
RAI Way	20,554	91	0.02
Terna - Rete Elettrica Nazionale	124,040	769	0.18
		<b>3,544</b>	<b>0.82</b>
<b>Japan 9.42% (9.04%)</b>			
AGC	21,600	627	0.15
Aisin	33,569	860	0.20
Astellas Pharma	268,275	3,281	0.76
CKD	21,200	219	0.05
Daido Steel	4,959	101	0.02
Dowa Holdings	12,000	323	0.08
Exedy	17,476	180	0.04
FCC	26,047	208	0.05
Ferrotec Holdings	10,800	161	0.04



# Portfolio Statement (continued)

	Holding at 20.6.22	Market Value £000's	% of net assets
GS Yuasa	16,600	209	0.05
GungHo Online Entertainment	12,100	165	0.04
Haseko	22,996	215	0.05
Hazama Ando	24,981	123	0.03
Honda Motor	47,458	941	0.22
Inpex	248,724	2,220	0.51
Isuzu Motors	95,403	880	0.20
ITOCHU	39,217	859	0.20
Kajima	72,300	628	0.15
Kamigumi	19,500	301	0.07
KDDI	165,450	4,448	1.03
KH Neochem	7,400	107	0.02
Kirin Holdings	39,400	501	0.12
Komeri	8,626	136	0.03
Kumagai Gumi	6,113	98	0.02
Makino Milling Machine	10,698	279	0.06
Marubeni	113,062	848	0.20
Mazda Motor	104,350	693	0.16
Micronics Japan	11,300	85	0.02
Mitsubishi	9,900	253	0.06
Mitsubishi UFJ Financial Group	209,000	923	0.21
Mitsui	55,812	1,022	0.24
Mitsui Chemicals	20,900	368	0.09
Mitsui OSK Lines	38,891	710	0.16
Nippon Shokubai	6,491	203	0.05
Nippon Telegraph & Telephone	173,368	4,013	0.93
Nippon Yusen KK	14,489	794	0.18
Nojima	8,373	142	0.03
NOK	29,103	199	0.05
Obayashi	45,736	261	0.06
Ono Pharmaceutical	126,037	2,428	0.56
Panasonic Holdings	52,300	344	0.08
Renesas Electronics	132,000	1,014	0.24
Rengo	29,631	124	0.03
Rohto Pharmaceutical	34,100	716	0.17
SCREEN Holdings	3,900	224	0.05
Seikitokyu Kogyo	12,758	61	0.01
Shinko Electric Industries	9,200	197	0.05
SK-Electronics	17,542	96	0.02
SKY Perfect JSAT Holdings	44,283	136	0.03
SUMCO	43,000	470	0.11
Sumitomo Forestry	34,789	391	0.09
Sumitomo Mitsui Financial Group	40,740	977	0.23
Taisei	33,453	812	0.19
TBS Holdings	10,500	107	0.02
Tokai Rika	11,429	98	0.02
Tokyo Electron	2,700	742	0.17
Tokyo Seimitsu	15,400	408	0.09
Tokyo Steel Manufacturing	16,300	142	0.03
Toyoda Gosei	17,625	219	0.05

	Holding at 20.6.22	Market Value £000's	% of net assets
Toyota Motor	17,600	222	0.05
Toyota Tsusho	20,200	545	0.13
TPR	26,446	190	0.04
Tsubakimoto Chain	8,771	159	0.04
Tsugami	10,000	65	0.02
TV Asahi Holdings	18,837	165	0.04
Yamaha Motor	53,900	815	0.19
Yokogawa Bridge Holdings	2,637	29	0.01
Yurtec	28,439	119	0.03
		<b>40,599</b>	<b>9.42</b>
<b>Jersey 0.19% (0.27%)</b>			
Man Group	338,270	812	0.19
		<b>812</b>	<b>0.19</b>
<b>Luxembourg 0.08% (0.35%)</b>			
APERAM	12,405	333	0.08
		<b>333</b>	<b>0.08</b>
<b>Malaysia 0.05% (0.41%)</b>			
Westports Holdings	357,100	238	0.05
		<b>238</b>	<b>0.05</b>
<b>Marshall Islands 0.10% (0.17%)</b>			
DHT Holdings	36,216	158	0.03
International Seaways	9,919	170	0.04
Teekay Tankers A	7,835	115	0.03
		<b>443</b>	<b>0.10</b>
<b>Mexico 0.88% (0.73%)</b>			
Alfa A	320,600	175	0.04
Bolsa Mexicana de Valores	523,129	749	0.17
Concentradora Fibra Danhos REIT	246,382	207	0.05
GMexico Transportes	710,190	1,020	0.24
Grupo Aeroportuario del Centro Norte	56,900	311	0.07
Grupo Aeroportuario del Pacifico ADR	1,920	215	0.05
Kimberly-Clark de Mexico A	1,056,624	1,103	0.26
		<b>3,780</b>	<b>0.88</b>
<b>Netherlands 2.00% (1.86%)</b>			
ABN AMRO Bank CVA	64,025	621	0.15
Aegon	128,906	489	0.11
AMG Advanced Metallurgical Group	24,292	566	0.13
ASR Nederland	27,193	894	0.21
ING Groep	77,981	662	0.15
Koninklijke KPN	792,050	2,283	0.53
LyondellBasell Industries A	8,785	643	0.15
NN Group	18,509	722	0.17
Signify	34,221	986	0.23
Stellantis	69,968	745	0.17
		<b>8,611</b>	<b>2.00</b>
<b>New Zealand 0.00% (0.00%)</b>			
<b>Norway 1.60% (0.86%)</b>			
Aker BP	27,051	834	0.19
Equinor	144,984	4,213	0.98
Norsk Hydro	117,716	611	0.14

# Portfolio Statement (continued)

	Holding at 20.6.22	Market Value £000's	% of net assets
Yara International	34,161	1,261	0.29
		<b>6,919</b>	<b>1.60</b>
<b>Poland 0.07% (0.50%)</b>			
Powszechna Kasa Oszczednosci Bank Polski	58,061	306	0.07
		<b>306</b>	<b>0.07</b>
<b>Portugal 0.15% (0.00%)</b>			
Galp Energia	68,825	669	0.15
		<b>669</b>	<b>0.15</b>
<b>Puerto Rico 0.27% (0.11%)</b>			
EVERTEC	42,196	1,156	0.27
		<b>1,156</b>	<b>0.27</b>
<b>Russia 0.00% (0.71%)</b>			
RusHydro^	55,959	0	0.00
		<b>0</b>	<b>0.00</b>
<b>Singapore 0.15% (0.69%)</b>			
Oversea-Chinese Banking	73,371	492	0.11
Sheng Siong Group	191,300	172	0.04
		<b>664</b>	<b>0.15</b>
<b>South Africa 0.95% (1.43%)</b>			
Anglo American Platinum	6,449	472	0.11
AVI	65,403	217	0.05
Barloworld	24,678	114	0.03
Impala Platinum Holdings	45,089	401	0.09
Kumba Iron Ore	27,159	675	0.16
Northam Platinum Holdings	15,799	133	0.03
Telkom	111,535	186	0.04
Vodacom Group	270,312	1,880	0.44
		<b>4,078</b>	<b>0.95</b>
<b>South Korea 2.29% (4.71%)</b>			
AfreecaTV	3,091	184	0.04
Asia Paper Manufacturing	9,292	205	0.05
Daewoo Engineering & Construction	53,239	192	0.04
DB HiTek	13,637	476	0.11
Dongkuk Steel Mill	13,589	120	0.03
Eugene Technology	4,291	87	0.02
HAESUNG DS	3,562	139	0.03
Hanwha Solutions	11,904	282	0.06
Hyundai Department Store	7,276	332	0.08
Hyundai Home Shopping Network	3,631	119	0.03
Innox Advanced Materials	6,021	138	0.03
Kia	17,885	853	0.20
KT	72,852	1,667	0.39
LG Electronics	11,014	627	0.15
LG Innotek	4,641	1,059	0.25
Lotte Chemical	1,862	231	0.05
LOTTE Fine Chemical	5,638	258	0.06
LX Semicon	2,018	142	0.03

	Holding at 20.6.22	Market Value £000's	% of net assets
Samsung Electronics	34,151	1,266	0.29
Seohee Construction	291,689	263	0.06
SK Hynix	17,984	1,073	0.25
Tokai Carbon Korea	1,068	82	0.02
Youngone	3,262	84	0.02
		<b>9,879</b>	<b>2.29</b>
<b>Spain 1.74% (0.93%)</b>			
Banco Bilbao Vizcaya Argentaria	218,648	814	0.19
CaixaBank	190,302	578	0.14
Laboratorios Farmaceuticos Rovi	8,094	397	0.09
Prosegur Cash	72,333	41	0.01
Red Electrica	225,745	3,633	0.84
Repsol	169,087	2,031	0.47
		<b>7,494</b>	<b>1.74</b>
<b>Sweden 1.84% (0.91%)</b>			
Lundin Energy	60,670	2,153	0.50
Skandinaviska Enskilda Banken A	211,188	1,810	0.42
SKF B	86,520	1,158	0.27
Swedbank A	31,785	359	0.08
Tele2 B	234,963	2,148	0.50
Thule Group	14,143	305	0.07
		<b>7,933</b>	<b>1.84</b>
<b>Switzerland 3.85% (2.36%)</b>			
Credit Suisse Group	131,309	644	0.15
Julius Baer Group	40,861	1,544	0.36
Novartis	67,516	4,539	1.05
Roche Holding	18,140	4,662	1.08
Swisscom	7,983	3,548	0.82
UBS Group	129,358	1,675	0.39
		<b>16,612</b>	<b>3.85</b>
<b>Taiwan 4.06% (5.00%)</b>			
ASE Technology Holding	176,000	464	0.11
AUO	1,055,000	476	0.11
Cathay Financial Holding	307,000	436	0.10
ChipMOS Technologies	105,000	136	0.03
ChipMOS Technologies	3,139	83	0.02
Elan Microelectronics	54,000	201	0.05
Evergreen Marine Corp. Taiwan	67,000	201	0.05
Fubon Financial Holding	223,000	368	0.09
Gigabyte Technology	50,000	129	0.03
Innolux	1,269,000	449	0.10
International Games System	16,000	305	0.07
Macronix International	455,000	458	0.11
MediaTek	48,000	1,105	0.26
Micro-Star International	78,000	270	0.06
Nan Ya Printed Circuit Board	130,000	1,066	0.25
Nien Made Enterprise	14,000	115	0.03
Novatek Microelectronics	136,000	1,272	0.29
Powertech Technology	151,000	391	0.09

# Portfolio Statement (continued)

	Holding at 20.6.22	Market Value £000's	% of net assets
Simplo Technology	52,000	400	0.09
Sino-American Silicon Products	219,000	853	0.20
Taiwan Semiconductor Manufacturing ADR	63,541	4,406	1.02
Taiwan Surface Mounting Technology	111,000	304	0.07
Taiwan Union Technology	66,000	110	0.03
Tripod Technology	48,000	151	0.03
Unimicron Technology	254,000	1,097	0.25
USI	141,000	95	0.02
Vanguard International Semiconductor	352,000	859	0.20
Winbond Electronics	885,000	574	0.13
Yageo	79,000	740	0.17
		<b>17,514</b>	<b>4.06</b>

## Thailand 0.51% (0.56%)

Bangkok Bank NVDR	277,285	859	0.20
Kasikornbank NVDR	242,280	832	0.19
PTT Exploration & Production NVDR	103,200	378	0.09
TTW NVDR	539,200	132	0.03
		<b>2,201</b>	<b>0.51</b>

## Turkey 0.03% (0.61%)

Tofas Turk Otomobil Fabrikasi	38,979	121	0.03
		<b>121</b>	<b>0.03</b>

## United Kingdom 8.42% (9.03%)

Admiral Group	10,612	228	0.05
AstraZeneca	45,896	4,613	1.07
Aviva	105,206	440	0.10
Barclays	547,422	877	0.20
Bellway	16,374	343	0.08
BP	459,423	1,798	0.42
Britvic	194,326	1,569	0.36
BT Group	184,328	347	0.08
Central Asia Metals*	83,821	196	0.05
Centrica	1,193,131	962	0.22
Devro	173,397	316	0.07
Dr. Martens	70,395	176	0.04
Drax Group	159,153	1,023	0.24
Dunelm Group	32,154	262	0.06
Ferrexpo	96,539	143	0.03
GSK	257,824	4,380	1.02
HSBC Holdings	214,360	1,152	0.27
HSBC Holdings	170,514	877	0.20
IG Group Holdings	162,406	1,113	0.26
ITV	1,218,737	850	0.20
Johnson Matthey	37,834	772	0.18
Legal & General Group	393,613	972	0.22
Lloyds Banking Group	2,042,154	893	0.21
NatWest Group	435,146	960	0.22
Next Fifteen Communications Group*	16,550	153	0.04
Pets at Home Group	199,001	630	0.15
Polar Capital Holdings*	17,237	88	0.02

	Holding at 20.6.22	Market Value £000's	% of net assets
Rathbones Group	15,634	307	0.07
Rio Tinto	37,760	1,935	0.45
Royal Mail	225,681	634	0.15
Severn Trent	17,936	501	0.12
Shell	126,790	2,676	0.62
Shell	76,526	1,615	0.37
Standard Chartered	184,374	1,114	0.26
Synthomer	91,010	221	0.05
Taylor Wimpey	470,552	550	0.13
Tronox Holdings A	17,043	222	0.05
United Utilities Group	37,285	384	0.09
		<b>36,292</b>	<b>8.42</b>

## United States of America 37.74% (36.24%)

3M	26,002	2,755	0.64
AbbVie	38,948	4,388	1.02
AdvanSix	7,037	194	0.05
Affiliated Managers Group	8,881	835	0.19
Alcoa	8,341	335	0.08
Allison Transmission Holdings	35,684	1,095	0.25
Ally Financial	9,790	262	0.06
Alphabet A	1,366	2,387	0.55
Alphabet C	1,366	2,402	0.56
AMC Networks A	11,562	266	0.06
Ameriprise Financial	5,058	970	0.22
Amgen	23,553	4,509	1.05
Amkor Technology	13,728	186	0.04
Antero Resources	8,018	225	0.05
APA	8,916	285	0.07
Applied Materials	3,489	256	0.06
ArcBest	8,150	454	0.11
Arrow Electronics	11,237	987	0.23
Artisan Partners Asset Management A	16,073	452	0.10
Asbury Automotive Group	5,789	776	0.18
AT&T	60,313	953	0.22
Atkore	19,813	1,398	0.32
Atlas Air Worldwide Holdings	7,298	373	0.09
AutoNation	14,041	1,268	0.29
AutoZone	356	578	0.13
Avnet	12,536	427	0.10
Bank of America	67,895	1,768	0.41
Bank of New York Mellon	69,495	2,332	0.54
Bank OZK	15,229	446	0.10
Boise Cascade	12,360	653	0.15
BorgWarner	45,240	1,243	0.29
Bristol-Myers Squibb	75,284	4,529	1.05
Broadcom	5,685	2,312	0.54
Brunswick	21,590	1,126	0.26
Buckle	11,113	265	0.06
Builders FirstSource	15,093	621	0.14
Capital One Financial	2,925	256	0.06
Cargurus	23,418	430	0.10

# Portfolio Statement (continued)

	Holding at 20.6.22	Market Value £000's	% of net assets		Holding at 20.6.22	Market Value £000's	% of net assets
Carlisle	1,713	328	0.08	MaxLinear	15,668	442	0.10
Chemours	29,797	768	0.18	MDC Holdings	6,408	148	0.03
Cisco Systems	99,411	3,520	0.82	Merck	58,101	4,010	0.93
Citigroup	21,303	808	0.19	Meritage Homes	8,408	451	0.10
ConocoPhillips	13,534	1,035	0.24	Meta Platforms A	1,916	256	0.06
Crocs	15,912	613	0.14	MGIC Investment	57,990	555	0.13
Dana	11,426	127	0.03	Micron Technology	16,089	732	0.17
DaVita	3,562	260	0.06	Morgan Stanley	21,248	1,264	0.29
Deluxe	10,332	181	0.04	Mosaic	23,916	987	0.23
Devon Energy	15,113	714	0.17	Murphy Oil	10,993	301	0.07
Discover Financial Services	6,528	503	0.12	NetApp	15,403	801	0.19
Dow	10,751	480	0.11	Nexstar Media Group A	7,722	1,010	0.23
Emerson Electric	22,927	1,471	0.34	Northern Trust	14,885	1,113	0.26
Encore Wire	6,349	566	0.13	Novavax	5,174	170	0.04
EOG Resources	7,604	693	0.16	Omnicom Group	46,814	2,410	0.56
Evercore A	7,734	592	0.14	OneWater Marine A	7,200	184	0.04
Fifth Third Bancorp	42,635	1,182	0.27	Oracle	82,847	4,577	1.06
Foot Locker	9,375	220	0.05	O'Reilly Automotive	6,134	2,936	0.68
Franklin Resources	40,991	779	0.18	Organon	29,385	795	0.18
General Mills	33,012	1,784	0.41	Ovintiv	28,255	1,080	0.25
Gilead Sciences	34,178	1,632	0.38	Owens Corning	14,290	885	0.21
GMS	7,306	237	0.06	Patrick Industries	5,462	226	0.05
Goldman Sachs Group	2,616	597	0.14	Pfizer	112,814	4,280	0.99
GrafTech International	74,464	458	0.11	Pioneer Natural Resources	3,638	658	0.15
Group 1 Automotive	3,959	538	0.12	PNC Financial Services Group	12,181	1,532	0.36
H&R Block	20,535	552	0.13	Prudential Financial	2,738	204	0.05
Haverty Furniture	3,571	74	0.02	Qorvo	7,210	560	0.13
Herc Holdings	3,637	263	0.06	QUALCOMM	26,175	2,582	0.60
Hewlett Packard Enterprise	92,918	1,017	0.24	Radian Group	27,871	419	0.10
HF Sinclair	11,282	414	0.10	Range Resources	43,914	942	0.22
Hibbett	5,317	200	0.05	Raymond James Financial	25,828	1,844	0.43
Home Depot	1,902	420	0.10	Schnitzer Steel Industries A	7,881	226	0.05
HP	34,536	946	0.22	Sealed Air	9,037	414	0.10
Huntsman	51,125	1,180	0.27	Silgan Holdings	28,775	939	0.22
Insteel Industries	3,075	86	0.02	Skyworks Solutions	19,728	1,451	0.34
Johnson & Johnson	32,762	4,526	1.05	SM Energy	5,305	172	0.04
JPMorgan Chase	24,449	2,252	0.52	Sonoco Products	19,885	846	0.20
Kelly Services A	11,489	163	0.04	State Street	30,821	1,553	0.36
KeyCorp	46,924	661	0.15	Stifel Financial	26,355	1,210	0.28
KLA	5,337	1,358	0.31	Synchrony Financial	10,942	267	0.06
Kontoor Brands	19,659	517	0.12	T Rowe Price Group	3,948	344	0.08
Kulicke & Soffa Industries	10,609	372	0.09	Tapestry	32,017	839	0.19
Lam Research	2,909	995	0.23	Taylor Morrison Home	18,097	306	0.07
Lear	6,499	647	0.15	TEGNA	40,810	689	0.16
Lennar A	5,568	293	0.07	Tempur Sealy International	17,271	299	0.07
Lincoln National	9,826	383	0.09	Thor Industries	6,970	405	0.09
Lithia Motors A	4,331	954	0.22	Tri Pointe Homes	26,054	336	0.08
Louisiana-Pacific	15,541	686	0.16	Truist Financial	15,819	597	0.14
Macy's	14,665	238	0.06	Ultra Clean Holdings	7,295	171	0.04
Malibu Boats A	8,903	372	0.09	United Parcel Service B	32,541	4,542	1.05
Masco	55,945	2,174	0.50	United Therapeutics	6,377	1,142	0.26
MasterCraft Boat Holdings	18,483	312	0.07	UnitedHealth Group	3,609	1,330	0.31

# Portfolio Statement (continued)

	Holding at 20.6.22	Market Value £000's	% of net assets
Unum Group	29,513	784	0.18
US Bancorp	41,354	1,532	0.36
Verizon Communications	95,252	3,810	0.88
Viatis	91,097	777	0.18
Victoria's Secret	17,326	456	0.11
Vontier	101,102	1,887	0.44
Watsco	3,824	708	0.16
Wells Fargo	28,461	893	0.21
Western Digital	14,300	541	0.13
Western Union	98,967	1,271	0.29
Westlake	4,311	350	0.08
Whirlpool	4,930	608	0.14
Williams-Sonoma	16,634	1,612	0.37
Winnebago Industries	10,493	388	0.09
WW Grainger	9,810	3,537	0.82
		<b>162,724</b>	<b>37.74</b>
<b>Equities total</b>		<b>423,209</b>	<b>98.15</b>
<b>Forward Foreign Currency Contracts 0.16% (0.07%)</b>			
Buy JPY 593,112,000			
Sell GBP 3,650,312 22/06/2022		(61)	(0.01)
Buy USD 60,732,220			
Sell GBP 48,525,977 22/06/2022		1,049	0.24

	Holding at 20.6.22	Market Value £000's	% of net assets
Buy USD 46,169,120			
Sell GBP 38,173,527 07/09/2022		(537)	(0.12)
Buy ZAR 43,832,900			
Sell GBP 2,258,740 22/06/2022		(23)	(0.01)
Sell JPY 593,112,000			
Buy GBP 3,534,437 22/06/2022		(55)	(0.01)
Sell JPY 593,112,000			
Buy GBP 3,663,719 07/09/2022		60	0.01
Sell USD 41,646,920			
Buy GBP 34,510,755 22/06/2022		515	0.12
Sell USD 19,085,300			
Buy GBP 15,346,890 22/06/2022		(232)	(0.05)
Sell ZAR 43,832,900			
Buy GBP 2,199,912 22/06/2022		(36)	(0.01)
Sell ZAR 43,832,900			
Buy GBP 2,234,768 07/09/2022		23	0.00
<b>Forward Foreign Currency Contracts total</b>		<b>703</b>	<b>0.16</b>
<b>Futures (0.01)% (0.00%)</b>			
S&P 500 Emini Index September 2022	3	(55)	(0.01)
<b>Futures total</b>		<b>(55)</b>	<b>(0.01)</b>
<b>Portfolio of investments</b>		<b>423,857</b>	<b>98.30</b>
<b>Net other assets</b>		<b>7,346</b>	<b>1.70</b>
<b>Net assets attributable to unitholders</b>		<b>431,203</b>	<b>100.00</b>

The comparative percentage figures in brackets are as at 20 June 2021.  
Unless otherwise stated, all securities are admitted to official stock exchange listings.

^ Unlisted, suspended or delisted security.

# Security traded on another regulated market.

# Statement of Total Return

For the year ended 20 June 2022

		2022	2021
	Notes	£000's	£000's
Income			
Net capital (losses)/gains	2	(728)	143,347
Revenue	3	16,968	23,489
Expenses	4	(1,572)	(3,058)
Net revenue before taxation		15,396	20,431
Taxation	5	(735)	(2,444)
Net revenue after taxation		14,661	17,987
Total return before distributions		13,933	161,334
Distributions	6	(14,661)	(17,617)
Change in net assets attributable to unitholders from investment activities		(728)	143,717

# Statement of Change in Net Assets Attributable to Unitholders

For the year ended 20 June 2022

	2022	2021
	£000's	£000's
Opening net assets attributable to unitholders	720,095	931,338
Amounts payable to in-specie transfers	-	(305,084)
Amounts receivable on issue of units	6,709	10,747
Amounts payable on cancellation of units	(298,464)	(67,809)
	<b>(291,755)</b>	<b>(57,062)</b>
Dilution adjustment	377	27
Change in net assets attributable to unitholders from investment activities	(728)	143,717
Retained distribution on Accumulation units	3,214	7,159
<b>Closing net assets attributable to unitholders</b>	<b>431,203</b>	<b>720,095</b>

# Balance Sheet

As at 20 June 2022

		2022	2021
	Notes	£000's	£000's
Assets			
Investments		424,856	710,994
Current assets			
Debtors	8	10,854	13,661
Cash and bank balances	9	8,546	4,548
Total assets		444,256	729,203
Liabilities			
Investment liabilities		(999)	-
Creditors			
Bank overdrafts	10	-	(6)
Distributions payable		(3,479)	(2,480)
Other creditors	11	(8,575)	(6,622)
Total liabilities		(13,053)	(9,108)
Net assets attributable to unitholders		431,203	720,095

# Notes to the Accounts

## For the year ended 20 June 2022

### 1 Accounting policies

#### Basis of preparation

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

#### 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.

Dividends from US Real Estate Investment Trusts are initially accounted for at an estimated 70% revenue and 30% capital split when the security goes ex-dividend. Following the end of the calendar year, US Real Estate Investment Trusts publish the split between revenue and capital of the dividends they have previously declared. When this information is received the initial estimated allocation is adjusted to reflect the published split between revenue and capital.

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, futures clearing houses and brokers is accounted for on an accruals basis.

#### Special dividends

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

#### Expenses

Expenses of the Fund are charged against revenue except for costs associated with the purchase and sale of investments which are allocated to the capital of the Fund. All expenses except for professional fee 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.

#### 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.

Unquoted, illiquid and suspended investments are valued by the Manager at a best assessment of fair value.

#### 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:

	2022	2021
	£000's	£000's
Non-derivative securities	(5,055)	150,023
Derivative contracts	208	259
Forward foreign currency contracts	3,746	(6,427)
Foreign currency gains/(losses)	362	(427)
Transaction costs	11	(81)
<b>Net capital (losses)/gains</b>	<b>(728)</b>	<b>143,347</b>



# Notes to the Accounts

## For the year ended 20 June 2022 (continued)

### 3 Revenue

	2022	2021
	£000's	£000's
UK dividends	2,005	1,949
Overseas dividends	14,885	21,463
Real estate income distributions	–	54
Scrip dividends	–	22
Bank interest	80	1
Net revenue return from derivative contracts	(2)	–
<b>Total revenue</b>	<b>16,968</b>	<b>23,489</b>

### 4 Expenses

	2022	2021
	£000's	£000's
<b>Payable to the Manager, associates of the Manager and agents of either of them:</b>		
Annual management charge	–	1,835
Administration charge	–	19
Schroders Annual Charge <sup>1,2</sup>	1,548	914
	<b>1,548</b>	<b>2,768</b>
<b>Payable to the Trustee, associates of the Trustee and agents of either of them:</b>		
Trustee's fees	–	50
Safe custody fees	(9)	45
Dividend expenses	8	24
	<b>(1)</b>	<b>119</b>
<b>Other expenses:</b>		
Audit fee <sup>2</sup>	–	8
Professional fee	22	162
Interest payable	3	1
	<b>25</b>	<b>171</b>
<b>Total expenses</b>	<b>1,572</b>	<b>3,058</b>

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

2 Audit fees including VAT for the financial year ending 2022 were £10,741 (2021 – £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

	2022	2021
	£000's	£000's
Overseas withholding tax	1,716	2,444
Prior year adjustment	(981)	–
<b>Total current tax (Note 5(b))</b>	<b>735</b>	<b>2,444</b>



# Notes to the Accounts

## For the year ended 20 June 2022 (continued)

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

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

	2022 £000's	2021 £000's
<b>Net revenue before taxation</b>	<b>15,396</b>	<b>20,431</b>
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	3,079	4,086
<b>Effects of:</b>		
Revenue not subject to corporation tax	(3,270)	(4,583)
Movement in excess management expenses	192	509
Overseas withholding tax	1,716	2,444
Expensed withholding tax incurred	(6)	(7)
Movement in revenue taxable in different periods	5	(5)
Prior year adjustment	(981)	-
<b>Current tax charge for the year (Note 5(a))</b>	<b>735</b>	<b>2,444</b>

### (c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £22,145,881 (2021 – £21,953,400) 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:

	2022 £000's	2021 £000's
Monthly Dividend distribution	2,342	1,545
Interim Dividend distribution	2,311	1,113
Monthly Dividend distribution	1,954	1,412
Final Dividend distribution	6,693	9,639
	<b>13,300</b>	<b>13,709</b>
Add: Revenue deducted on cancellation of units	1,437	4,006
Deduct: Revenue received on issue of units	(76)	(98)
<b>Distributions</b>	<b>14,661</b>	<b>17,617</b>
Net revenue after taxation	14,661	17,987
Scrip dividends not distributed	-	(22)
Expenses taken to capital	-	18
Tax on capital items	-	(2)
Movement in undistributed revenue	-	1
Deficit taken to capital	-	1
Equalisation on conversions	-	(366)
<b>Distributions</b>	<b>14,661</b>	<b>17,617</b>

Details of the distributions per unit are set out in the Distribution Tables on pages 32 to 33.

# Notes to the Accounts

## For the year ended 20 June 2022 (continued)

### 7 Fair value hierarchy

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

Basis of valuation	2022		2021	
	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	423,209	(55)	710,273	-
Level 2: Observable market data	1,647	(944)	721	-
Level 3: Unobservable data	-	-	-	-
<b>Total</b>	<b>424,856</b>	<b>(999)</b>	<b>710,994</b>	<b>-</b>

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

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

Level 3: Valuation techniques using unobservable inputs.

#### Unobservable data

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

### 8 Debtors

	2022 £000's	2021 £000's
Amounts receivable for issue of units	15	93
Sales awaiting settlement	8,433	10,771
Accrued revenue	1,363	1,861
Overseas withholding tax recoverable	1,043	936
<b>Total debtors</b>	<b>10,854</b>	<b>13,661</b>

### 9 Cash and bank balances

	2022 £000's	2021 £000's
Cash and bank balances	8,462	4,548
Amounts held at futures clearing houses and brokers	84	-
<b>Total cash and bank balances</b>	<b>8,546</b>	<b>4,548</b>

### 10 Bank overdrafts

	2022 £000's	2021 £000's
Bank overdrafts	-	6
<b>Total bank overdrafts</b>	<b>-</b>	<b>6</b>

# Notes to the Accounts

## For the year ended 20 June 2022 (continued)

### 11 Other creditors

	2022	2021
	£000's	£000's
Amounts payable for cancellation of units	178	12
Purchases awaiting settlement	8,236	6,156
Accrued expenses	161	454
<b>Total other creditors</b>	<b>8,575</b>	<b>6,622</b>

### 12 Contingent liabilities

The aggregate contingent liabilities not provided for at the balance sheet date are:

	2022	2021
	£000's	£000's
Nil paid rights	-	2
<b>Total contingent liabilities</b>	<b>-</b>	<b>2</b>

### 13 Related party transactions

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

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

The Manager acts as principal on all transactions of units in the Fund. The aggregate monies 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 40.21% (2021 – 63.61%).

### 14 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 32 to 33.

All classes have the same rights on winding up.

### 15 Derivative and other financial instruments

The main risks arising from the Fund's financial instruments are market price, 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.

#### 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:

	2022	2021
Currency	£000's	£000's
Australian dollar	7,913	9,138
Brazilian real	1,960	4,391
Canadian dollar	19,235	28,620
Chilean peso	-	263
Chinese yuan	30	47
Czech Koruna	1	194
Danish krone	2,398	3,806

# Notes to the Accounts

## For the year ended 20 June 2022 (continued)

Currency	2022 £000's	2021 £000's
Euro	44,237	54,191
Hong Kong dollar	11,791	32,269
Hungarian forint	1,293	2,290
Indonesian rupiah	1,743	3,494
Israeli new shekels	472	476
Japanese yen	37,614	65,637
Malaysian ringgit	238	2,939
Mexican peso	3,572	4,672
New Zealand dollar	1	35
Norwegian krone	7,122	7,075
Polish zloty	564	4,123
Singapore dollar	680	4,987
South African rand	1,875	3,611
South Korean won	9,454	34,306
Sterling	10,948	48,712
Swedish krona	7,649	6,549
Swiss franc	16,614	16,991
Taiwan dollar	14,062	40,409
Thai baht	2,418	4,060
Turkish lira	121	4,400
US dollar	227,198	332,410

### 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 or payable on bank overdraft positions will be affected by fluctuations in interest rates.

At the year end date 1.98% (2021 – 0.63%) 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.

### 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 20 June 2022 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

2022				2021			
Lowest	Highest	Average	Leverage 20 June	Lowest	Highest	Average	Leverage 20 June
0.00%	25.83%	9.82%	9.02%	0.00%	9.46%	5.19%	3.42%

# Notes to the Accounts

## For the year ended 20 June 2022 (continued)

### 16 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.

2022	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
<b>Purchases</b>						
Equities	610,756	138	329	611,223	0.02	0.05
<b>Sales</b>						
Equities	893,779	(233)	(262)	893,284	(0.03)	(0.03)
Total cost of the Fund's average net asset value (%)		<b>0.07</b>	<b>0.12</b>			

2021	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
<b>Purchases</b>						
Equities	1,081,299	329	513	1,082,141	0.03	0.05
<b>Sales</b>						
Sales <sup>1</sup> :						
Equities	1,169,152	(335)	(370)	1,168,447	(0.03)	(0.03)
In-specie sales:						
Equities	272,762	–	–	272,762	–	–
	<b>1,441,914</b>	<b>(335)</b>	<b>(370)</b>	<b>1,441,209</b>		
Total cost of the Fund's average net asset value (%)		<b>0.07</b>	<b>0.09</b>			

1 Excluding in-specie transfers.

#### Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.08% (2021 – 0.13%).

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 20 June 2022 (continued)

### 17 Units in issue reconciliation

	Number of units in issue 20.6.21	Number of units issued	Number of units cancelled	Number of units converted	Number of units in issue 20.6.22
A Accumulation units	459,464	204,870	(76,630)	–	587,704
A Income units	45,214	23,325	(24,220)	–	44,319
I Accumulation units	262,717,825	2,470,630	(191,743,717)	–	73,444,738
I Income units	544,265	78,133	(66,952)	–	555,446
K1 Accumulation units	2,000	–	–	–	2,000
S Income units	3,200,843	175,000	(497,600)	–	2,878,243
X Income (Quarterly) units	275,658,841	–	–	–	275,658,841
Z Accumulation units	9,240,555	1,450,150	(2,927,793)	2,620	7,765,532
Z Income units	1,285,663	287,453	(299,977)	(3,188)	1,269,951

### 18 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
<b>ANZ</b>										
2022	(7)	–	–	–	–	–	–	–	–	(7)
2021	–	–	–	–	–	–	–	–	–	–
<b>Deutsche Bank</b>										
2022	(95)	–	–	–	–	–	–	–	–	(95)
2021	–	–	–	–	–	–	–	–	–	–
<b>HSBC</b>										
2022	(72)	–	–	–	–	–	–	–	–	(72)
2021	–	–	–	–	–	–	–	–	–	–
<b>J.P. Morgan</b>										
2022	120	–	–	–	–	–	–	–	–	120
2021	–	–	–	–	–	–	–	–	–	–
<b>Lloyds Bank</b>										
2022	(36)	–	–	–	–	–	–	–	–	(36)
2021	–	–	–	–	–	–	–	–	–	–
<b>Morgan Stanley</b>										
2022	865	–	–	–	–	–	–	–	–	865
2021	–	–	–	–	–	–	–	–	–	–
<b>State Street</b>										
2022	(22)	–	–	–	–	–	–	–	–	(22)
2021	502	–	–	–	–	–	–	–	–	502
<b>UBS</b>										
2022	(50)	–	–	–	–	–	–	–	–	(50)
2021	–	–	–	–	–	–	–	–	–	–

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 20 June 2022 (continued)

### 19 Non-adjusting post balance sheet events

As a result of market movements and foreign exchange rates, since the balance sheet date on 20 June 2022, the price of each unit class has changed as follows:

	Dealing price 31.8.22	Dealing price 20.6.22	% change
A Accumulation units	141.20p	132.10p	6.89
A Income units	111.60p	106.20p	5.08
I Accumulation units	167.50p	156.40p	7.10
I Income units	111.80p	107.10p	4.39
K1 Accumulation units	69.90p	65.39p	6.90
S Income units	89.51p	85.90p	4.20
X Income (Quarterly) units	117.50p	110.80p	6.05
Z Accumulation units	139.00p	129.80p	7.09
Z Income units	111.50p	106.70p	4.50

# Distribution Tables

## Quarterly distribution for the three months ended 20 September 2021

**Group 1** Units purchased prior to 21 June 2021

**Group 2** Units purchased on or after 21 June 2021

	Net revenue 2021 per unit	Equalisation 2021 per unit	Distribution paid 20.11.21 per unit	Distribution paid 20.11.20 per unit
<b>X Income (Quarterly) units</b>				
Group 1	0.8496p	–	0.8496p	0.6812p
Group 2	0.8496p	–	0.8496p	0.6812p

## Interim distribution for the three months ended 20 December 2021

**Group 1** Units purchased prior to 21 September 2021

**Group 2** Units purchased on or after 21 September 2021

	Net revenue 2021 per unit	Equalisation 2021 per unit	Distribution paid 20.2.22 per unit	Distribution paid 20.2.21 per unit
<b>X Income (Quarterly) units</b>				
Group 1	0.8382p	–	0.8382p	0.4906p
Group 2	0.8382p	–	0.8382p	0.4906p

## Quarterly distribution for the three months ended 20 March 2022

**Group 1** Units purchased prior to 21 December 2021

**Group 2** Units purchased on or after 21 December 2021

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution paid 20.5.22 per unit	Distribution paid 20.5.21 per unit
<b>X Income (Quarterly) units</b>				
Group 1	0.7089p	–	0.7089p	0.5122p
Group 2	0.7089p	–	0.7089p	0.5122p

## Final distribution for the three months ended 20 June 2022

**Group 1** Units purchased prior to 21 March 2022

**Group 2** Units purchased on or after 21 March 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution payable 20.8.22 per unit	Distribution paid 20.8.21 per unit
<b>X Income (Quarterly) units</b>				
Group 1	1.2195p	–	1.2195p	0.8693p
Group 2	1.2195p	–	1.2195p	0.8693p



# Distribution Tables

## (continued)

### Final distribution for the year ended 20 June 2022

**Group 1** Units purchased prior to 21 June 2021

**Group 2** Units purchased on or after 21 June 2021

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution payable 20.8.22 per unit	Distribution paid 20.8.21 per unit
<b>A Accumulation units</b>				
Group 1	2.3199p	–	2.3199p	1.3733p
Group 2	1.2613p	1.0586p	2.3199p	1.3733p
<b>A Income units</b>				
Group 1	1.8585p	–	1.8585p	1.1406p
Group 2	1.0253p	0.8332p	1.8585p	1.1406p
<b>I Accumulation units</b>				
Group 1	4.0247p	–	4.0247p	2.6508p
Group 2	2.5147p	1.5100p	4.0247p	2.6508p
<b>I Income units</b>				
Group 1	2.7663p	–	2.7663p	1.8020p
Group 2	1.4630p	1.3033p	2.7663p	1.8020p
<b>K1 Accumulation units</b>				
Group 1	1.1080p	–	1.1080p	0.6805p
Group 2	1.1080p	–	1.1080p	0.6805p
<b>S Income units</b>				
Group 1	2.3685p	–	2.3685p	1.6084p
Group 2	0.5637p	1.8048p	2.3685p	1.6084p
<b>Z Accumulation units</b>				
Group 1	3.1433p	–	3.1433p	2.0367p
Group 2	1.2949p	1.8484p	3.1433p	2.0367p
<b>Z Income units</b>				
Group 1	2.5833p	–	2.5833p	1.7046p
Group 2	1.6528p	0.9305p	2.5833p	1.7046p

### 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 2021

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 77 to 99 of the 2021 Annual Report & Accounts (available on the Group's website – <https://www.schroders.com/en/investor-relations/results-and-reports/annual-report-and-accounts-2021/>), 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, for reviewing its general principles at least annually, for overseeing its implementation and for ensuring compliance with relevant local legislation and regulation. During 2021 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 a range of more minor recommendations, principally improvements to process and policy documentation.

The total spend on remuneration is determined by reference to a total compensation ratio, measuring total remuneration expense against net income. This ensures that the interests of employees are aligned 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 2021.

- 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 SUTL<sup>1</sup>. 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 151 UCITS MRTs of SUTL in respect of the financial year ended 31 December 2021 is £136.04 million, of which £47.89 million was paid to senior management, and £88.15 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](https://www.schroders.com/rem-disclosures).

<sup>1</sup> 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

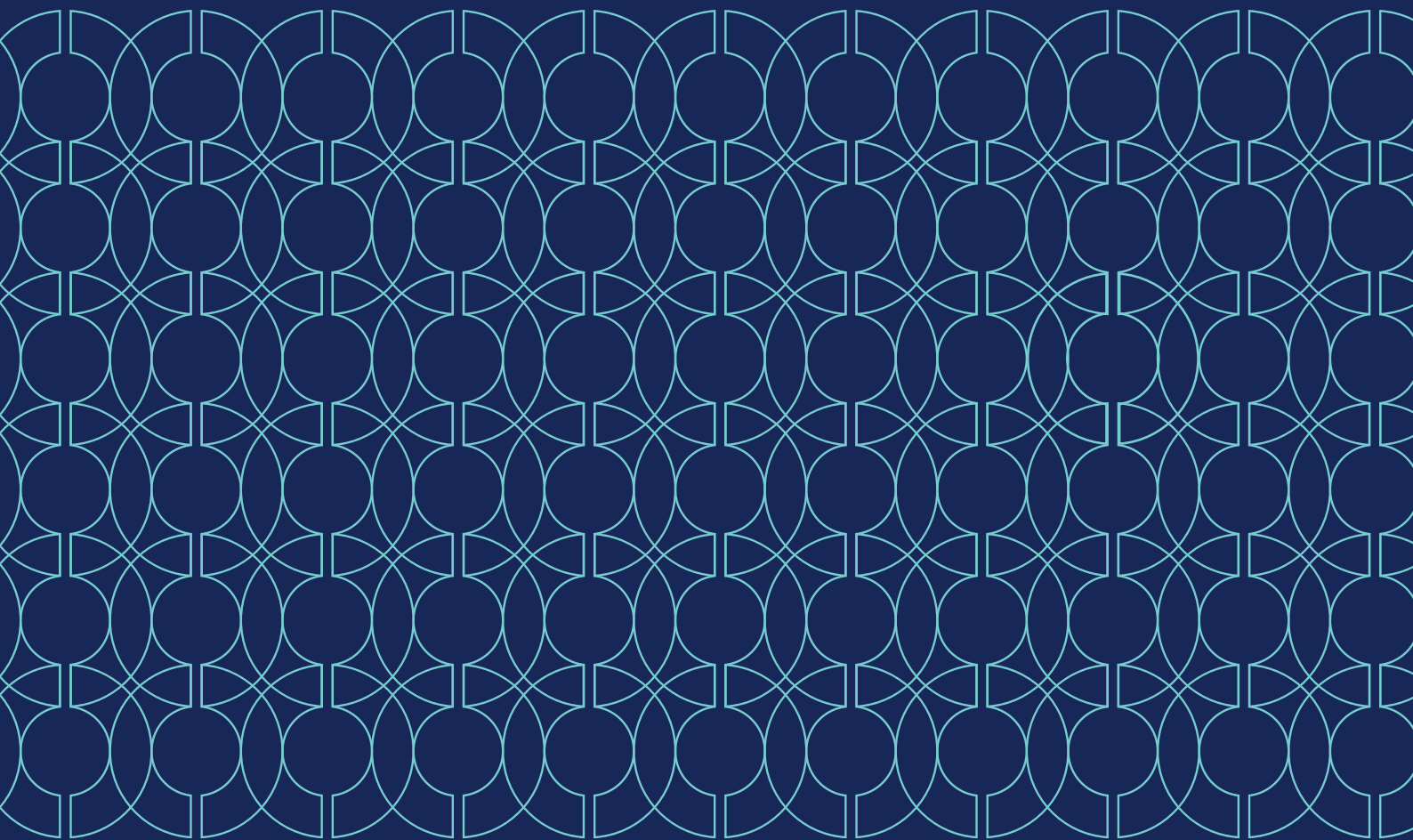
The Fund is an authorised unit trust and is constituted pursuant to the Collective Investment Schemes sourcebook and is structured as a Trust. The Fund is a UCITS scheme for the purpose of the categorisation of the Collective Investment Schemes sourcebook.

## 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](http://www.Schroders.com) within 4 months of the annual 'reference date' 31 December.

## Other information

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



EST. 1804

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

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