

Contents

Fund Information¹	3
Fund Performance¹	3
Review of Investment Activities¹	4
Risk Profile¹	5
Statement of the Manager's Responsibilities	6
Portfolio Statement¹	7
Financial Statements (unaudited)	8
Notes to the Accounts (unaudited)	9
General Information¹	10

¹ Collectively these comprise the Manager's report.

Fund Information

Investment objective and policy

Schroder Monthly Income Fund (the 'Fund') aims to provide monthly income equal to 5% per annum by investing in a diversified range of assets and markets worldwide. This cannot be guaranteed and your capital is at risk.

The Fund is actively managed and invests at least 80% of its assets directly, or indirectly through collective investment schemes, exchange traded funds, real estate investment trusts or closed end funds, in equity and equity related securities, fixed and floating rate securities and alternative assets worldwide. Alternative assets may include funds that use absolute return strategies or funds that invest indirectly in real estate and commodities.

The Fund may invest up to 100% of its assets in collective investment schemes (including other Schroder funds).

The Fund may also invest directly in equity and equity related securities and fixed and floating rate securities. The Fund may also invest directly or indirectly in money market instruments and hold cash.

The Fund may use derivative instruments with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently (for more information please refer to section 5 of Appendix I of the Prospectus).

Fund characteristics

The Fund's performance should be assessed against the income target of 5% per annum and compared against the Investment Association Mixed Investment 20%-60% Shares Sector average return. The benchmark has been selected because the target return of the Fund is to deliver or exceed the return of that benchmark as stated in the investment objective. The comparator benchmark has been selected because the Manager and the Investment Manager believe that this benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy.

Total purchases and sales

	For the period to 15.5.23 £000's	For the year to 15.11.22 £000's
Total purchases	4,356	11,661
Total sales	2,748	10,750

Fund Performance

	Number of units in issue 15.5.23	Net asset value per unit 15.5.23	Net asset value per unit 15.11.22
A Accumulation units	890,323	81.19p	78.96p
A Income units	1,311,967	44.45p	44.33p
Z Accumulation units	21,726,621	85.79p	83.22p
Z Income units	133,016,879	47.00p	46.76p

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

Review of Investment Activities

The Fund has an income target of 5% p.a. (although this is not guaranteed and could change depending on market conditions). For the year ending December 2022¹, the Fund distributed 5.47%² and has so far announced five distributions for the current year (to December 2023).

From 15 November 2022 to 15 May 2023, the price of Z Accumulation units³ on a dealing price basis rose by 3.00%. In comparison, the Investment Association Mixed Investment 20%-60% Shares Sector Average generated a total return of 1.73%⁴.

Markets remained volatile with a record-breaking bond rally taking place at the start of 2023. That soon fizzled out, however, as investors re-evaluated their views on future interest rate rises as inflation remained sticky. The central banks remained hawkish despite some distress on the US banking sector. China's reopening delivered a boost to the global economy which, however, ended up weaker than expected.

The Fund outperformed the sector average, mainly driven by the Equity Funds. Most of the Equity Funds posted strong gains over the period, but Schroder ISF European Dividend Maximiser Fund and Schroder UK-Listed Equity Income Maximiser Fund were the best performers as European and UK shares performed well.

Schroder High Yield Opportunities Fund and Schroder Strategic Bond Fund contributed most on the fixed income side. However, we have been reducing the weight in Schroder High Yield Opportunities Fund since last year favouring Schroder Sterling Broad Market Bond Fund. This reflects our continued caution relating to corporate bonds - particularly high yield - and although we continue to see opportunities in high yield we currently have a preference for government bonds.

The income enhancement strategy applied across the Equity Funds continues to perform as we would expect. We continue to apply the strategy in an active manner within each fund, looking at each holding and its potential within the portfolio. We aim to sell just enough potential capital growth across our holdings to meet the income target, while still benefiting from the first phase of any share price growth.

Schroder Monthly Income Fund is a fund of funds, managed by Schroders' Structured Fund Management Team and Schroders' Fixed Income Team.

Jeegar Jagani, CFA

Fund Manager, Structured Fund Management



Managing Maximiser funds since joining the Structured Fund Management team in 2012

Investment career commenced in 2003 at Royal London Asset Management on the performance desk before moving into the quantitative team as a Quantitative Analyst in June 2005

Joined Schroders' Portfolio Solutions team in 2008 as a fund management assistant and Fund Manager in February 2009

Chartered Financial Analyst

BSc (First) Mathematics and Computer Science (University of Surrey)

Ghokhulan Manickavasagar

Fund Manager, Structured Fund Management



Joined Structured Fund Management as a fund manager in 2017

Investment career commenced in 2003 on joining Schroders' Service Management Unit

Performance Analyst at Schroders from 2006 to 2007, before becoming a Quantitative Analyst within the Multi Asset team. Responsible for providing portfolio construction solutions and managing the Diversified Trend strategy for the Multi-Asset business. He was a member of the Strategic Investment Group Multi-Asset (SIGMA) specialising in Commodity research

MSc in Information Technology from Queen Mary, University of London

BSc in Biochemistry from Queen Mary, University of London

Mike Hodgson

Head of Risk Managed Investments and Structured Funds



Head of Risk Managed Investments and Structured Funds, based in London, having re-joined Schroders in 2011

Over 36 years of experience in financial markets. Mike started his career in 1987 at J Henry Schroder & Co. Limited as Principal Interest Rate Derivatives Trader and then was promoted to Global Head of Structured Products and Equity Derivatives

In 2000, he moved to Citigroup as a result of its acquisition of J Henry Schroder where he was European Head of New Product Development

In 2004, Mike joined ABN AMRO Bank NV (which then became Royal Bank of Scotland NV in 2007) as Global Head of Equity Derivatives Structuring, moving on to become Head of Fund Derivatives Trading and Structuring

PhD in Physics, Cambridge University and BSc (Hons) in Physics, Imperial College, London

- 1 The Fund's income target year runs from January to December.
- 2 For the Z Income units where distributions are taken out of the Fund and not reinvested.
- 3 The dealing price of Z Accumulation units reflects the reinvestment of the distributions.
- 4 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 gains on the property of the Fund for the period. In preparing the accounts the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association (now the Investment Association) in May 2014 and amended in June 2017;
- follow generally accepted accounting principles and applicable accounting standards;
- prepare the accounts on the basis that the Fund will continue in operation unless it is inappropriate to do so;
- keep proper accounting records which enable it to demonstrate that the accounts as prepared comply with the above requirements;
- make judgements and estimates that are prudent and reasonable.

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

The Manager's report and accounts for the period ended 15 May 2023 were signed on 5 July 2023 on behalf of the Manager by:

P. Truscott
Directors

J. Rainbow

Portfolio Statement

	Holding at 15.5.23	Market Value £000's	% of net assets
Collective Investment Schemes 97.81% (99.25%)			
Asia Pacific ex Japan Equity Funds 11.36% (12.61%)			
Schroder ISF Asian Dividend Maximiser - Class A Distribution EUR [†]	128,573	9,372	11.36
		9,372	11.36
European Equity Funds 8.98% (9.00%)			
Schroder ISF European Dividend Maximiser - Class A Distribution EUR [†]	276,908	7,405	8.98
		7,405	8.98
Global Equity Funds 10.44% (10.58%)			
Schroder ISF Global Dividend Maximiser - Class C Distribution GBP [†]	2,336,211	8,606	10.44
		8,606	10.44
Global Fixed Interest Funds 47.99% (47.97%)			
Schroder High Yield Opportunities Fund - Class A Income GBP [†]	31,903,461	11,834	14.35
Schroder Sterling Broad Market Bond Fund - Class X Income (Quarterly) GBP [†]	26,548,054	11,776	14.28

	Holding at 15.5.23	Market Value £000's	% of net assets
Schroder Strategic Bond Fund - Class X Income (Quarterly) GBP[†]			
	14,142,821	7,968	9.66
Schroder Sustainable Bond Fund - Class X Income GBP[†]			
	17,619,847	8,003	9.70
		39,581	47.99
UK Equity Funds 12.54% (12.50%)			
Schroder UK-Listed Equity Income Maximiser Fund - Class Q1 Income GBP [†]	18,784,430	10,341	12.54
		10,341	12.54
US Equity Funds 6.50% (6.59%)			
Schroder US Equity Income Maximiser Fund - Class L Income GBP Hedged [†]	9,722,015	5,360	6.50
		5,360	6.50
Collective Investment Schemes total		80,665	97.81
Portfolio of investments		80,665	97.81
Net other assets		1,804	2.19
Net assets attributable to unitholders		82,469	100.00

The comparative percentage figures in brackets are as at 15 November 2022.

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

[^] Unlisted, suspended or delisted security.

[†] A related party to the Fund.

Statement of Total Return (unaudited)

For the six months ended 15 May 2023

	15.5.23		15.5.22	
	£000's	£000's	£000's	£000's
Income				
Net capital gains/(losses)		671		(6,671)
Revenue	2,413		2,572	
Expenses	(362)		(378)	
Net revenue before taxation	2,051		2,194	
Taxation	(255)		(203)	
Net revenue after taxation		1,796		1,991
Total return before distributions		2,467		(4,680)
Distributions		(2,076)		(2,197)
Change in net assets attributable to unitholders from investment activities		391		(6,877)

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

For the six months ended 15 May 2023

	15.5.23		15.5.22	
	£000's	£000's	£000's	£000's
Opening net assets attributable to unitholders		79,288 [^]		89,713
Amounts receivable on issue of units	8,108		6,919	
Amounts payable on cancellation of units	(5,808)		(6,647)	
		2,300		272
Change in net assets attributable to unitholders from investment activities		391		(6,877)
Retained distribution on Accumulation units		490		563
Closing net assets attributable to unitholders		82,469		83,671[^]

[^] The opening net assets attributable to unitholders for the current period do not equal the closing net assets attributable to unitholders for the comparative period as they are not consecutive periods.

Balance Sheet (unaudited)

As at 15 May 2023

	15.5.23	15.11.22
	£000's	£000's
Assets		
Investments	80,665	78,697
Current assets		
Debtors	784	1,797
Cash and bank balances	2,077	708
Total assets	83,526	81,202
Liabilities		
Creditors		
Distributions payable	(655)	(708)
Other creditors	(402)	(1,206)
Total liabilities	(1,057)	(1,914)
Net assets attributable to unitholders	82,469	79,288

Notes to the Accounts (unaudited)

Accounting policies

Basis of preparation

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

The accounting policies applied are consistent with those of the annual accounts for the year ended 15 November 2022 and are described in those annual accounts.

General Information

Manager

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

Investment Adviser

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

Trustee

J.P. Morgan Europe Limited
Chaseside
Bournemouth BH7 7DA
Authorised by the Prudential Regulation Authority and regulated
by the Financial Conduct Authority and Prudential Regulation
Authority

Registrar

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU
Authorised and regulated by the Financial Conduct Authority
The Manager is responsible for maintaining the register for each
Fund. It has delegated certain registrar functions to HSBC Bank
Plc, 8 Canada Square, London, E14 8HQ.

Administration Details

Schroders Investor Services
PO BOX 1402
Sunderland
SR43 4AF

Independent Auditors

PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX

Authorisation

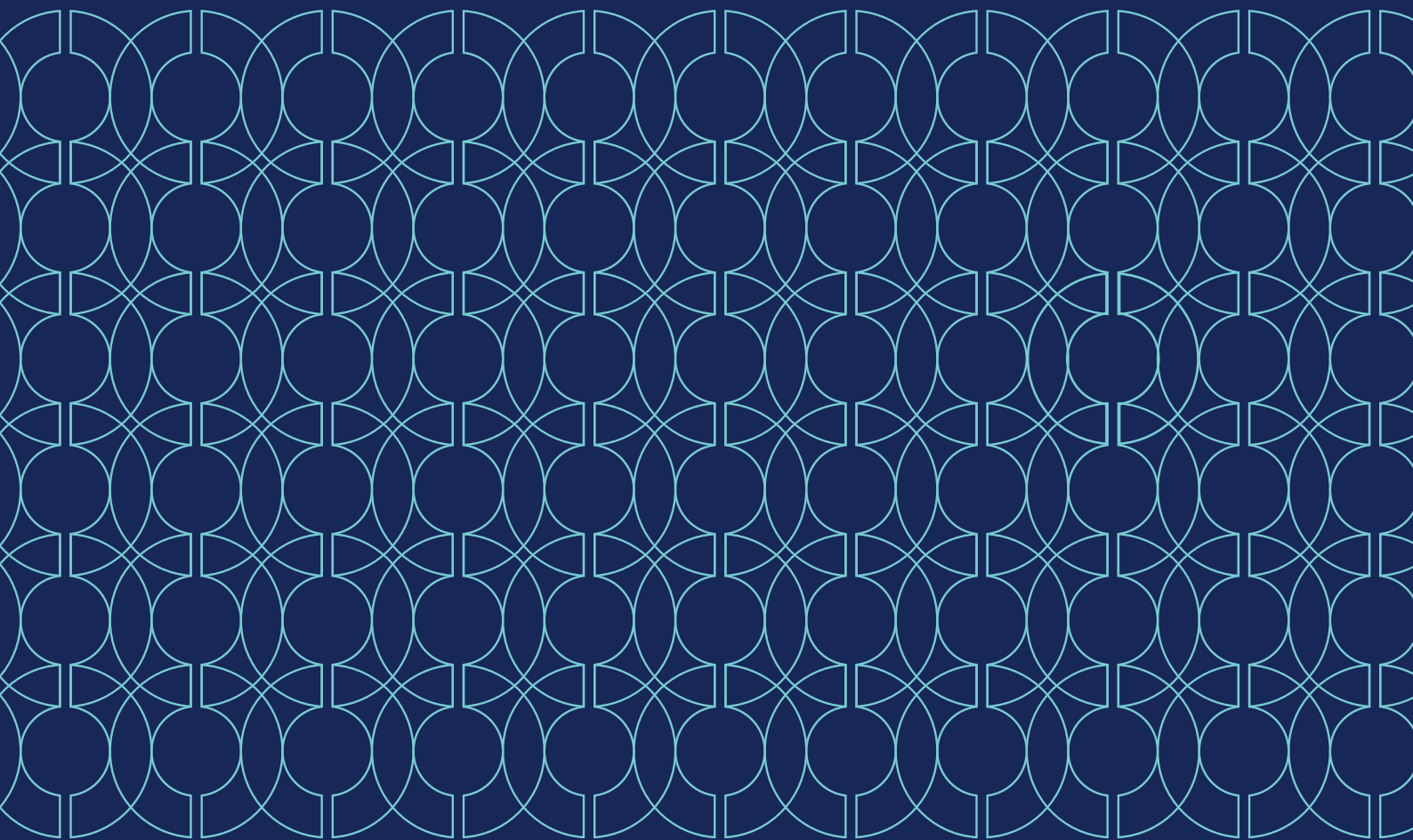
The Fund is an authorised unit trust and is constituted pursuant to the Collective Investment Schemes sourcebook and is structured as a Trust. The Fund is a non-UCITS retail scheme for the purpose of the categorisation of the Collective Investment Schemes sourcebook.

Value Assessment

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

Other information

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



EST. 1804

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

Issued in July 2023 by Schroder Unit Trusts Limited, 1 London Wall Place, London EC2Y 5AU. Registered Number 4191730 England. Schroder Unit Trusts Limited is an authorised corporate director, authorised unit trust manager and an ISA plan manager, and is authorised and regulated by the Financial Conduct Authority. For your security, communications may be taped and monitored.