Schroders Capital Global Innovation Trust plc

Annual Report and Financial Statements
for the year ended 31 December 2024

Schroders

Performance Summary

Net asset value ("NAV") per share total return*	Share price total return*	NAV per share
–21.2%	**–24.9%**	**19.94p**
(Year ended 31 December 2023: –11.2%)	(Year ended 31 December 2023: –5.3%)	(Year ended 31 December 2023: 25.32p)

Some of the financial measures are classified as Alternative Performance Measures, as defined by the European Securities and Markets Authority and are indicated with an asterisk (*). Definitions of these performance measures, and other terms used in this report, are given on pages 78 and 79 together with supporting calculations and sources where appropriate.

At the General Meeting of Schroders Capital Global Innovation Trust plc ("the Company") held on 27 February 2025, shareholders approved proposals to amend the investment objective and investment policy as follows below:

Investment Objective

The Company's investment objective is to undertake a managed wind-down of the Company and realise all existing assets in the Company's portfolio in an orderly manner.

Investment Policy

The assets of the Company will be realised in an orderly manner, with a view to achieving a balance between returning cash to Shareholders in a timely manner and maximising value.

The Company may not make any new investments save that:

- investments may be made to honour commitments under existing contractual arrangements or, with the Board's prior written approval, into any existing investment; and
- cash held by the Company pending distribution will be held in either cash or cash equivalents for the purposes of cash management.

Any amounts received by the Company during the orderly realisation of the Company's assets will be held by the Company as cash on deposit and/or as cash equivalents, prior to returns being made in cash to Shareholders (net of provisions for the Company's costs and expenses).

The Company will continue to comply with the requirements imposed by the UK Listing Rules in force from time to time.

The Company will not employ gearing for investment purposes, but may utilise gearing for working capital purposes, subject to a cap on gearing of 10% of NAV at the time of borrowing.

Any material change to the Company's published investment policy will be made only with the prior approval of the FCA and of Shareholders by ordinary resolution at a general meeting of the Company.

Ongoing charges ratio*

1.23%

(Year ended 31 December 2023: 1.08%)

Share price

11.00p

(Year ended 31 December 2023: 14.65p)

Revenue return per share

–0.25p

(Year ended 31 December 2023: –0.20p)

Share price discount to NAV per share*

44.8%

(Year ended 31 December 2023: 42.1%)

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Strategic Report

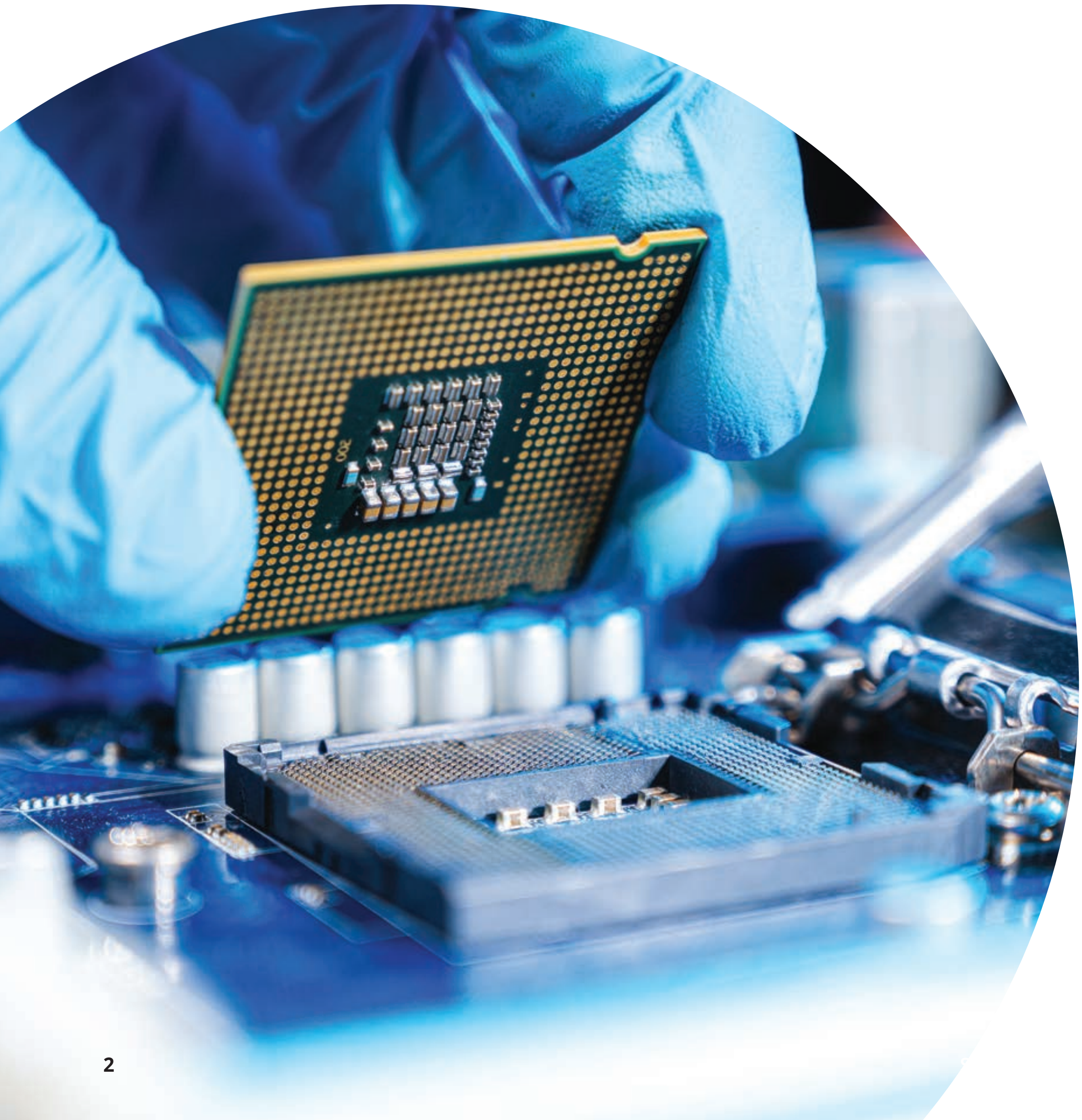
Governance

Financial

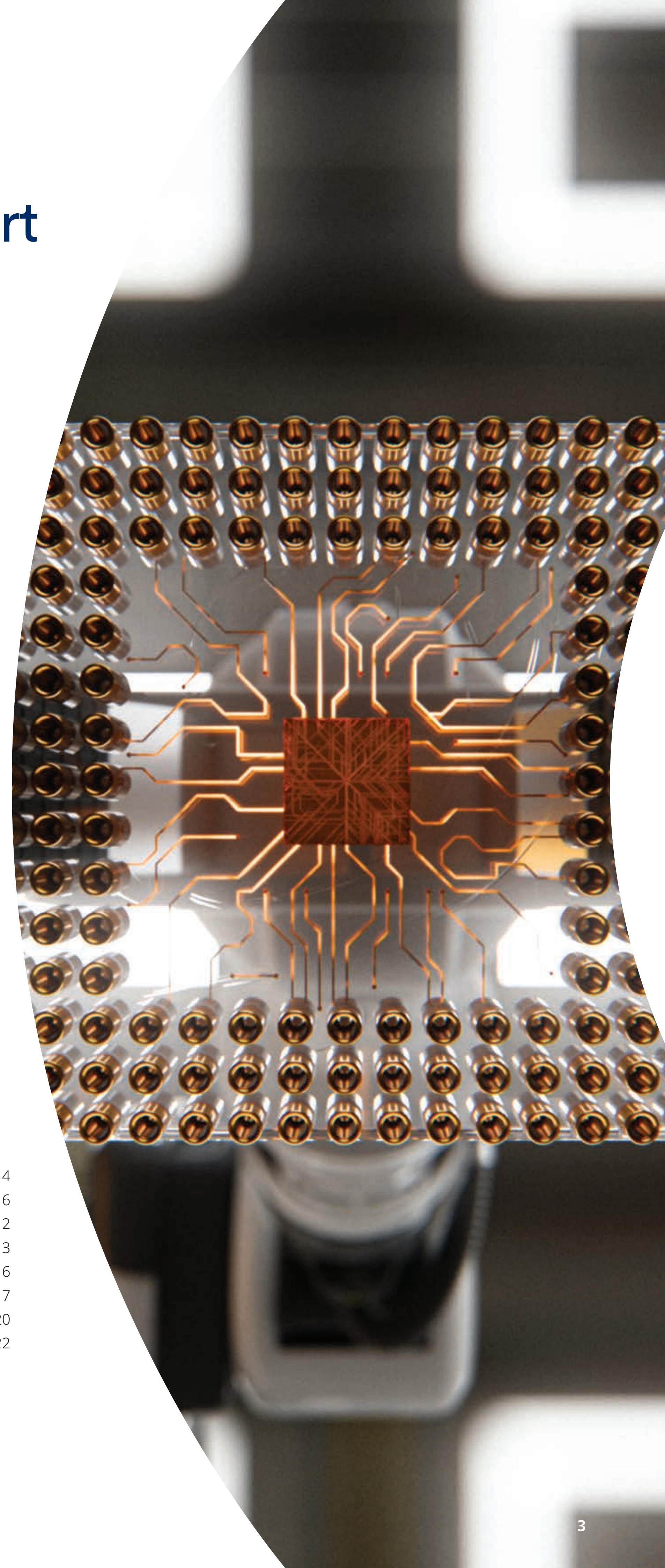
Other Information (Unaudited)

This is not a sustainable product for the purposes of the Financial Conduct Authority ("FCA") rules.

References to the consideration of sustainability factors and ESG integration should not be construed as a representation that the Company seeks to achieve any particular sustainability outcome.



Strategic Report



Strategic Report

Following the shareholders' vote in favour of the managed wind-down of the Company, our strategic focus has shifted to an orderly realisation of the Company's assets over a reasonable timeframe.

Introduction and managed wind-down strategy

On 31 January 2025, the Board announced the publication of a Circular convening a General Meeting on 27 February 2025. At this General Meeting shareholders voted overwhelmingly in favour of a managed wind-down strategy, which will allow for the orderly realisation of the Company's assets over a reasonable timeframe, to achieve a balance between maximising returns and returning capital to shareholders on a timely basis.

In the months before the General Meeting the Company had engaged with its largest shareholders. The feedback from this process formed part of the Board's wider consideration of the strategic options available to the Company, which also included the possibility of a sale of the Company's legacy assets and/or the combination of the Company with another listed investment company. Both of these latter options were actively pursued by the Board. In addition, several individual shareholders had also written to the Company to make their views known. The Board would like to thank all shareholders for their constructive feedback.

In the Board and Investment Manager's opinion, an orderly realisation of assets as opposed to a series of forced disposals is the most attractive strategy for shareholders to realise the value in the Company's portfolio.

During this process of orderly realisation, the Company will typically follow the natural life cycle of the underlying investments, so that the majority of the assets will be exited on the occasion of a future liquidity event, such as a trade sale or initial public offering ("IPO").

The Board expects that the amounts received from the sales of assets will be returned to shareholders, with the initial return of capital expected to be approximately £30 million.

It is intended that the Company's listing and the capacity to trade in its shares will be maintained for as long as practicable during the realisation process, whilst being subject to any regulatory considerations. Accordingly, once a significant proportion of the Company's assets have been realised, the Board will then consider proposing a resolution for a formal voluntary liquidation of the Company, which will require additional shareholder approval at the relevant time.

Performance

The Company's NAV per share for the year to 31 December 2024 fell by 21.2% and the share price by 24.9%.

Performance during the year was primarily driven by a fall in value of the holdings in Oxford Nanopore and Reaction Engines. In contrast, it was pleasing to see stronger performance in the Company's holding in Revolut, whose valuation was written up by 85% and contributed positively to the Company's NAV.

During the year, the Company made realisations of equities totalling £39.4 million, fully exiting the public equity holdings, Oxford Nanopore and Immunocore, as well as proceeds generated from the sale of Carmot Therapeutics to Roche, and the first milestone payment following the sale of Kymab. Three new investments were made across the three strategies of venture, growth, and life sciences which align with the Investment Manager's successful 25-year track record.

As at 31 December 2024, the Company had £31.6 million in cash and liquid money market funds, and £3.1 million in liquid public equity investments[1].

Post the year end the Company announced on 17 March 2025, that its portfolio company Araris Biotech AG ("Araris"), a Swiss biotechnology company developing next-generation antibody drug conjugates had entered into an agreement to be acquired by Taiho Pharmaceutical Co. Ltd. The upfront payment will generate a distribution of approximately $24.3 million (£18.7 million) at closing and potential additional distributions of up to $43.6 million (£33.7 million) subject to near and long-term milestones. Based on the valuation implied by the up-front purchase consideration, near-term milestone potential and accounting for specific closing adjustments according to the Company's valuation policy, the estimated value of its holding would approximately be £19.5 million. The overall impact on the Company's NAV will be evaluated as part of the Company's 31 March 2025 NAV publication.

More details on the Company's performance can be found in the Investment Managers Report on pages 6 to 11.

[1] Excluding BenevolentAI which is fair value priced by the AIFM.

Completion of capital discipline policy

The Company began a share repurchase programme in September 2023 as part of its capital discipline policy and stated the intention "to repurchase shares equal to at least 5% of the Company's issued share capital in each of the calendar years 2023 and 2024, and in addition such number of shares in order to ensure that over the period to the 2025 AGM, the Company has undertaken share repurchases in an amount equating to 25% of all net cash realisations from the portfolio inherited from the previous portfolio manager."

During 2024, the Board successfully repurchased 43 million shares, equal to 5% of the Company's issued share capital during the year, at an estimated weighted average discount to the last reported NAV on 30 September 2024 of 36.3%. No shares are held in treasury. In aggregate the buybacks during the year represented a capital return of £5.3 million. The discount to NAV which was trading at 47.9% immediately before the start of the share repurchase programme finished the year at 44.8%.

Due to the realisations made from the portfolio, the Company needed to complete its commitment to the capital discipline policy in early 2025. Therefore 5,909,126 shares were repurchased during 2025 for a sum of £608,821. The Board has now concluded the capital discipline policy, and it is unlikely share buybacks will occur in the future. Instead, the Board will be prioritising the return of capital to shareholders as announced in the Circular published on 31 January 2025.

Valuation process for private investments

The valuation of private investments continues to be an area of considerable focus by the market.

The private investments are valued by an independent Schroders in-house valuation team which resides in Schroders Capital Fund Operations and Services team and is separate from the investment function.

Valuations are calculated using established methodologies and public market comparators in accordance with International Private Equity and Venture Capital guidelines.

Valuations of the entire portfolio are reviewed on a quarterly basis by the Board and annually by the Auditor and clearly communicated to the market.

The Company's AIFM maintains and applies effective organisational and administrative arrangements with a view to taking all reasonable steps designed to identify, prevent, manage and monitor conflicts of interests in relation to the unquoted valuation process. The Schroders Capital valuation process and governance structure is intended to ensure independence, accountability and segregation of duties in the oversight functions.

Comprehensive details of the valuation methodology and process can be found in the Strategic Report on pages 20 to 21.

Board composition

Given the current status of the Company, the Board are mindful of the operating costs of the Company and considers it appropriate to reduce the number of Directors and as such Lamia Baker will retire from the Board following the conclusion of the forthcoming AGM in May 2025. On behalf of the Board, I would like to thank Lamia for her contribution to the Company and wish her well for her future plans.

Annual General Meeting ("AGM")

The AGM will be held at 12.30pm on Wednesday, 21 May 2025 at 1 London Wall Place, London EC2Y 5AU. The Board looks forward to welcoming shareholders to attend and participate in the meeting.

Shareholders will also have the opportunity to hear a presentation from the Investment Managers, Tim Creed and Harry Raikes, and light refreshments will be served. Please note that all voting will be on a poll and we encourage all shareholders to exercise their votes by means of registering them with the Company's registrar ahead of the meeting, online or by completing paper proxy forms, and to appoint the Chair of the meeting as their proxy. Information on voting can be found in the Notice of Annual General Meeting on pages 75 to 77. In the event that shareholders have a question for the Board, please email amcompanysecretary@schroders.com in advance of the AGM.

Results webinar

Please join the Investment Manager for a webinar in which they will report on the year ended 31 December 2024. The presentation will be followed by a live Q&A session. The webinar will take place on 28 March 2025 at 2.00pm. Register for the event at https://www.schroders.events/INOV25

Outlook

Following the shareholders' vote in favour of the managed wind-down of the Company, our strategic focus has shifted in early 2025 to an orderly realisation of the Company's assets over a reasonable timeframe. As stated above, we expect realisations to be achieved via a combination of trade sales and IPOs. Based on our latest estimates and prevailing market conditions, Araris notwithstanding, we do not expect to start meaningful realisations until the 2026-2027 period.

Taking into account the Company's current cash, including the upfront proceeds from the sale of Araris, and existing commitments, the Board and the Investment Manager anticipate the initial return of capital will be approximately £30 million and this is scheduled to occur by 30 June 2025.

Tim Edwards
Chair

27 March 2025

Tim Creed

Harry Raikes

> *We will aim to achieve a balance between returning cash to shareholders in a timely manner and maximising value.*

Summary

- The Company reported a NAV of 19.94p per share as of 31 December 2024, a decrease of 21.2% relative to the NAV share per share as of 31 December 2023 (25.32p).
- The main detractors from performance over the 12-month period, included holdings in Oxford Nanopore and Reaction Engines. On the positive side, within the new investment portfolio[1], the position in Revolut provided a bright spot. Overall, the legacy portfolio[1] saw a decrease in value of 33.7% during the year, accounting for 97% of the total fair value[2] loss.
- During the 12-months to 31 December 2024, the Company made realisations totalling £39.4 million, fully exiting the public equity holdings, Oxford Nanopore and Immunocore. There were also proceeds generated from the sale of Carmot Therapeutics to Roche, and the first milestone payment following the sale of Kymab.
- During the year, the Company purchased 43 million shares equivalent to 5% of the outstanding share capital as of 31 December 2023 for a total of £5.3 million. This is in addition to the 47 million shares purchased in the prior financial year.
- New investments totalling £13.1 million into three companies were completed (Neurona Therapeutics, AI Company II[3], AI Company III[3]) across our three strategies: venture, growth and life sciences. Additionally, £6.0 million of follow-on investments were made.
- On 31 January 2025, the Board announced the publication of a Circular convening a General Meeting on 27 February 2025. At this meeting, shareholders voted in favour of the discontinuation resolution and adoption of the revised investment objective and policy to provide for the managed wind-down of the Company with an orderly realisation of the Company's assets, including an initial return of capital.
- As of 31 December 2024, the Company had £31.6 million in cash and liquid money market funds and £3.1 million in liquid public equity investments[4] to meet the funding requirements of the existing portfolio, finalise the remaining buyback programme, fund the initial return of capital, and meet ongoing operating costs. Of these cash reserves, £608,821 were spent on buybacks in January and February 2025.

Source: HSBC/Schroders.

[1] New investment portfolio refers to investments made by Schroders Capital and legacy portfolio refers to assets inherited from the previous portfolio Manager.
[2] Please refer to Valuation Approach and Process' section for an outline of fair value.
[3] Actual name not disclosed due to confidentiality.
[4] Excluding BenevolentAI which is fair value priced by the AIFM.

Financial performance

2024 performance

The NAV as of 31 December 2024 was £162.4 million, a decrease of 25.2% compared with the NAV as of 31 December 2023 (£217.1 million).

This 25.2% decrease in NAV comprised:

– Public equity holdings: –11.0%
– Private equity venture holdings: –5.4%
– Private equity life science holdings: –3.1%
– Private equity growth holdings: –3.0%
– Money market funds*: +0.6%
– Repurchase and cancellation of the Company's own shares: –2.4%
– Costs and other movements: –0.9%

* Standard Variable Net Asset Value Money Market Fund.

Attribution analysis (£m)

	Private equity							
	Life sciences	Venture	Growth	Public equity	Money market funds	Cash	Other	NAV
Fair value as at 31 December 2023	**31.0**	**39.3**	**73.3**	**56.8**	**9.7**	**2.9**	**4.1**	**217.1**
+ Investments	6.9	4.3	7.9	–	36.1	(55.2)	–	**–**
– Realisations at value	(10.4)	(0.1)	–	(28.9)	17.5	56.9	–	**–**
+/– Fair value gains/(losses)	(6.7)	(11.6)	(6.4)	(23.9)	1.3	–	–	**(47.3)**
+/– Reclassified holdings	–	–	–	–	–	–	–	**–**
– Repurchase & cancellation of the Company's own shares	–	–	–	–	–	(5.3)	–	**(5.3)**
+/– Costs & other movements	–	–	–	–	–	2.6	(4.7)	**(2.0)**
Fair value as at 31 December 2024	**20.8**	**31.9**	**74.8**	**4.0**	**29.6**	**1.9**	**(0.6)**	**162.4**

Source: HSBC/Schroders.

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. The securities shown above are for illustrative purposes only and are not to be considered a recommendation to buy or sell. For further information regarding the costs and charges associated with your investment, please refer to the annual report.

Public equity holdings

The Company's public equity holdings saw a decrease in value of 42.1% contributing –11.0% to the decrease in NAV over the 12-month period.

A significant driver was the performance of Oxford Nanopore, which was fully exited during the year. During the first half of the year, the value fell by –54.9%. The company released a trading update in January 2024 preceding its annual results in March. The company grew Life Science Research Tools ("LSRT") revenue by 15% (from £147 million to £169 million), underlying LSRT revenue by 39% (from £108 million to £150 million), while extending its adjusted Earnings Before Interest, Taxes, Depreciation and Amortisation ("EBITDA") losses (from £79 million to £105 million). These results fell short of analyst consensus estimates with management citing difficulties in the final quarter associated with U.S. semiconductor regulation in Asia and one-off customer delays. The company also announced changes to a key commercial agreement and reduced its medium-term growth and profitability guidance. During the second half of the year, Oxford Nanopore's share price remained volatile. Some investors were reassured following the announcement of the completion of an £80 million equity issue led by strategic investor, Novo Holdings A/S. However, we took a more cautious view and fully exited the position towards the end of the year.

Autolus Therapeutics had a fair value loss of 63.1% over the 12-month period. Despite receiving FDA approval for Obe-Cell for the treatment of adult relapsed/refractory B-cell Acute Lymphoblastic Leukaemia (R/R B-ALL), the share price traded down over the period. Obe-Cell is currently under review for R/R B-ALL at the European Medicines Agency, with a decision anticipated in the first half of 2025. Further expected major value inflections include: up to estimated 12 month clinical efficacy and safety data from the Phase I MCARTY trial (NCT04795882) in up to 24 patients for pipeline cell therapy AUTO8 and up to 24 month clinical efficacy and safety data from the Phase I LIBRAT1 trial (NCT03590574) in up to 200 patients.

The listed share price of AI-enabled drug discovery and development company BenevolentAI declined 64.8% over the year. In December 2024, the company announced a major strategic overhaul to return to its foundational mission of integrating AI with biopharmaceutical development. This will include an organisational restructuring and budgetary changes to extend its operational runway into 2027. The company is reported as a public equity holding although fair value priced by the Company's AIFM due to a lack of liquidity in the listed shares. As of 31 December 2024, the holding in BenevolentAI is held at a discount of 39.5% to the listed share price (FY23: 51.0%). After the period, the company was delisted from Euronext Amsterdam.

Private equity venture holdings

The Company's venture holdings saw a decrease in value of 29.8% contributing -5.4% to the decrease in NAV over the 12-month period. The decrease was driven entirely by legacy holdings[1] with a £13.2 million fair value loss and partially offset by a £1.6 million increase in the value of new investments[2].

A main driver was Reaction Engines which was written down to zero from £10.6 million at 31 December 2023. This was a result of slower than anticipated revenue growth and failing to raise further financing. On 31 October 2024, Reaction Engines entered administration.

The valuation of the Company's holding in Federated Wireless decreased over the period, albeit increased positively in the final quarter. The business restructuring is on track, and the company is meeting its 2024 objectives. Additionally, the valuation of the Company's holding in Genomics was decreased over the period following a £35 million funding round led by existing investors F-Prime Capital and Foresite Capital, including new investors Infinity Investment Partners and US life insurer MassMutual.

Positive contributors over the period were MMC SPV 3, a new investment in an AI software company that raised financing at improved terms. Additionally, Nexeon, a leader in engineered silicon materials for battery applications, which made good progress during the year with building its first commercial-scale plant to deliver silicon anode material starting in 2025, fulfilling the previously announced binding supply agreement with Panasonic.

Private equity life science holdings

11 of 12

life sciences portfolio companies
have reached clinical stage

The Company's life sciences holdings saw a decrease in value of 21.6%, contributing 3.1% to the decrease in NAV over the 12-month period. The decrease was driven overwhelmingly by legacy life science holdings with a £7.4 million fair value loss, and partially offset by a £0.7 million increase in the value of new life science investments.

A notable detractor was the portfolio's holding in OcuTerra, which was revalued to zero in the first quarter of 2024, from £4.8 million at 31 December 2023. This decision was made after the company announced that its phase II DR:EAM clinical trial of the selective RGD integrin inhibitor, nesvategrast (OTT166) eye drops, for patients with diabetic retinopathy, did not meet its endpoints. Although the data confirmed the safety of OTT166, the experimental medication did not show a statistically significant improvement in the diabetic retinopathy severity scale scores compared to the placebo group.

Additionally, AMO Pharma was marked down to zero at the year-end given there is no reasonable probability of regulatory market approval of their only active pipeline asset based on the available clinical data.

On the positive side, Anthos Therapeutics increased in value during the year. Their leading drug candidate, abelacimab (aimed at preventing stroke and systemic embolism in patients with atrial fibrillation), continued to progress through Phase 3 clinical trials. As mentioned previously, it was announced after the period end that Anthos Therapeutics will be acquired by Novartis. Based on available information, the holding was revalued upwards by 24% in the final quarter of 2024.

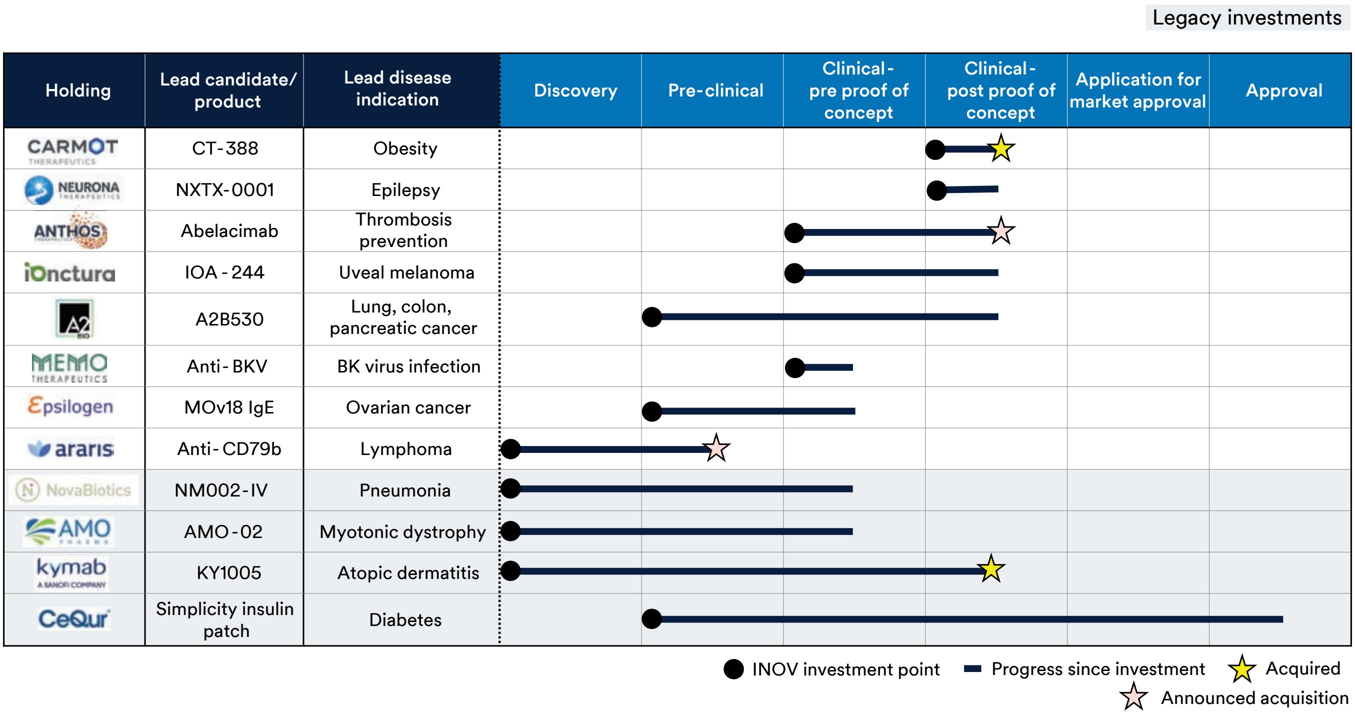
In December 2023, it was announced that Carmot had entered into a definitive agreement to be acquired by Roche, a global pharmaceutical company, at a purchase price of $2.7 billion upfront and the potential for $400 million in milestone payments. The transaction closed on 29 January 2024 and the Company received £4.5 million upfront payment, generating a 3.2x multiple on invested capital.

Additionally, the sale of Araris Biotech was also agreed after the period end. Araris entered into an agreement to be acquired by Taiho Pharmaceuticals for an upfront purchase price of $400 million, with the potential for additional milestone payments of up to $740 million. The estimated value of the Company's holding based on the implied valuation by the upfront purchase consideration, near-term milestone potential and accounting for specific closing adjustments according to the Company's valuation policy, would be £19.5 million, a £16.3 million upwards revision compared to the 31 December 2024 value. The valuation impact is expected to be reflected in the 31 March 2025 NAV.

Out of the 12 life science portfolio investments (shown overleaf), 11 have reached clinical stage, of which two have been acquired, two are expected to be acquired, five have shown clinical proof of concept and one has been approved.

[1] Assets inherited from previous Investment Manager..
[2] Investments made by Schroder Capital.

Development of life science investments



Source: Schroders Capital, 2025.
Companies shown are for illustrative purposes only and should not be viewed as a recommendation to buy or sell. Logos shown are the property of their own entities.

Private equity growth holdings

29%

average sales growth for growth portfolio companies[1]

The Company's growth holdings saw a decrease in value of 8.9% contributing –3.0% to the decrease in NAV over the 12-month period. This decrease was primarily driven by mixed performance in the new portfolio (–£3.6 million) and legacy portfolio (–£2.7 million).

Ada Health recorded significant revenue growth between 2020 to 2023 and reached Earnings before Interest, Tax, Depreciation and Amortisation ("EBITDA") level profitability in 2023, driven by new large contract wins. On this basis, the investment was revalued upwards in Q2 2024. However, Ada Health experienced tough market conditions for growth with tightening pharmaceutical budgets during the year.

The valuation of Bizongo was reduced during the year to reflect near-term growth expectations following a recent restructuring of the business. Additionally, Salica Environmental Technologies Fund was revalued downwards during the year due to developments in the portfolio and a revised outlook.

These downward revaluations in the growth portfolio were partially offset by an upwards revaluation of Revolut (+85% versus 31 December 2023), following another successful year. Revolut announced two important updates to its business outlook during the year. Firstly, the company received its UK banking licence with restrictions from the Prudential Regulation Authority, the regulator responsible for overseeing the UK banking sector, to complete the build out of their UK banking operations. In August 2024, the company announced a secondary share sale, providing liquidity for employees at a $45 billion valuation. With these developments, the company is well set to continue its impressive growth journey.

Foreign exchange

Over the year, the fair value of investments denominated in United States Dollar (USD), were positively impacted by depreciation in the value of the British Pound Sterling (GBP). Meanwhile, the fair value of investments denominated in Swiss Franc (CHF) and Euro (EUR) were negatively impacted by appreciation in the value of the British Pound Sterling (GBP).

Cash and debt

£31.6m

Cash position and liquid money market funds

As of 31 December 2024, the Company had £31.6 million in cash and liquid money market funds and £3.1 million in liquid public equity investments[2] to meet the funding requirements of the existing portfolio, finalise the remaining buyback programme, fund the initial return of capital, and meet ongoing operating costs.

After the year end, two acquisitions were announced; Anthos Therapeutics has agreed to be acquired by Novartis for an upfront purchase price of $925 million and a potential additional $2.2 billion of regulatory and sales milestone payments; and Araris Biotech by Taiho Pharmaceutical for an upfront purchase price of $400 million, with the potential for additional milestone payments of up to

[1] As at 31 December 2024, the estimated weighted average sales growth over the last-twelve-months for all growth investments valued using a market-based valuation approach, and excluded Salica Environmental Technologies Fund. Also excludes Bizongo due to a change in accounting methodology and therefore lack of like for like figures.
[2] Excluding BenevolentAI which is fair value priced by the AIFM.

$740 million. The Company's share of the upfront payments is approximately $2.8 million and $24.3 million, respectively.

Investment activity

Realisations

With the clear priority set by the Board to successfully deliver the buyback programme, we continued altering the liquidity mix to ensure the Company was appropriately positioned. During the year, we exited positions in certain public holdings with the goal of reducing volatility in required sources of liquidity, and to position the portfolio to better align with the renewed focus on private equity. To this end, the Company realised £39.4 million over the 12-months to 31 December 2024, including fully exiting public equity holdings in Oxford Nanopore and Immunocore.

Additionally, £4.5 million was received from the sale of Carmot Therapeutics and the first milestone payment of £4.5 million was received following the sale of Kymab.

After the year end, it was announced that Anthos Therapeutics will be acquired by Novartis. This investment is expected to generate 1.9x gross MoIC[1] on the upfront payment and up to 3.2x with milestones. The transaction is due to complete during 2025.

Additionally, the sale of Araris Biotech was also agreed after the period end. This investment is expected to generate ~8.5x gross MoIC on the upfront initial payment, and up to 20.2x with near and long-term milestones. The transaction is due to complete in the first half of 2025.

Investments

3

new portfolio companies
added in the past 12-months

While ensuring the Company was able to successfully execute the buyback programme, we also made three new investments across our private equity sub-strategies: venture, growth and life sciences. These are illustrated below.

One new investment per sub-strategy made in 2024

	LIFE SCIENCES	VENTURE	GROWTH
Description of strategy	– Focused on **biotech and life sciences opportunities.** – Either **clinical stage** or with visibility on IND (max 6 months). Clinical endpoint clearly defined and financed.	– Focused on **venture-stage companies with early revenues.** – Will typically have **initial customers, unproven unit economics** and **raising capital to invest in their product/technology and go-to-market strategy.**	– Focused on more **mature, growth-stage companies that have achieved scaled revenues.** – Will typically have **established customers, proven unit economics** and **raising capital to invest for growth.**
New portfolio companies in 2024	NEURONA THERAPEUTICS	AI software company III[2]	AI software company II[2]

During the year, the company invested £1.3 million into Neurona Therapeutics (further information provided below), £7.9 million into AI Company II, a growth stage company that provides high-quality data curation services for generative AI models and application developers, and £3.9 million into AI Company III, a venture stage company developing a proprietary generative AI foundational model for software development. The actual name of these two AI companies is not disclosed in order to preserve confidentiality.

Small follow-on investments or capital calls totalling £6.0 million were made into Memo Therapeutics, iOnctura, Araris Biotech, MMC SPV and Anthos Therapeutics.

LIFE SCIENCES

Neurona Therapeutics

The Company invested $1.6 million (£1.3 million) in US-based, clinical stage cell therapy company. The Company participated in Neurona's series E financing round, which raised $120 million and was co-led by Viking Global Investors and Cormorant Asset Management, with participation from new and existing investors.

Neurona Therapeutics is a clinical-stage cell therapy company focused on discovering and developing allogeneic neural cell therapies to treat chronic diseases of the nervous system.

Proceeds from the financing will be used to advance the company's pipeline of wholly-owned, off-the-shelf cell therapies for multiple indications, including its lead investigational candidate, NRTX-1001. NRTX-1001 is being evaluated in an ongoing open-label, single-arm Phase I/II clinical trial for treatment of drug-resistant mesial temporal lobe epilepsy, with further potential application in Alzheimer's disease.

In February 2025, Neurona Therapeutics reported that its lead asset NRTX-1001 has been well tolerated in all 19 initial subjects and resulted in a 92% reduction in seizures up to 7-12 months post administration. The FDA also agreed to pivotal phase III studies with the registration endpoint set at a clinically meaningful reduction of seizures at only six months, versus two years as previously anticipated.

[1] Multiple on invested capital.
[2] Actual name not disclosed due to confidentiality.

Cash runway analysis

As outlined for the first time in last years annual report, we have provided below our assessment of the overall portfolio funding risk. The table breaks down equity investments over the relevant period by which portfolio companies are required to raise further capital or risk failure.

As of 31 December 2024, 56% of equity investments (by value) were either profitable, fully funded, with no need to raise further capital, or funded beyond 2027. This also indicates that 24% of equity investments (by value) will need to raise additional capital during 2025 and 20% during 2026.

It is important to highlight that the change in the funding risk profile (as a percentage of total equities) reflects both the changes in the underlying characteristics of the portfolio, for example a company transitioning from unprofitable to profitable, and the change in the relative weighting of holdings, which may be impacted by investment activity and portfolio revaluations.

Expected cash runways for portfolio companies

Expected cash runway	31 December 2023 Fair value	31 December 2023 % of equities	31 December 2024 Fair value	31 December 2024 % of equities
1 year	£24.1m	12.0%	£31.6m	24.0%
2 years	£43.0m	21.5%	£25.9m	19.7%
3 years +	£63.6m	31.7%	£2.1m	1.6%
Unprofitable (fully funded)	£11.8m	5.9%	£19.9m	15.1%
Profitable (incl. milestones)	£57.9m	28.9%	£52.0m	39.5%
Total equities	£200.4m	100%	£131.5m	100%

Source: Schroders Capital, 2025. These figures represent forecasts and may not be realised. % of equity investments as at 31 December 2024.

Outlook

Following shareholders voting in favour of the discontinuation resolution to provide for the managed wind-down of the Company, our 2025 strategic focus has changed to undertake a managed wind-down of the Company and realise all existing assets in the portfolio in an orderly manner.

We will aim to achieve a balance between returning cash to shareholders in a timely manner and maximising value. As such, our focus on generating liquidity from the legacy portfolio during prior years will now also extend to the entire portfolio (including new investments). Based on our latest estimates and prevailing market conditions, other than the exit of Anthos and Araris, we do not expect additional meaningful realisations to start until the 2026-2027 period at the earliest. We expect realisations to be achieved via a combination of trade sales and IPOs. It is important to highlight that exit events are likely to include an element of deferred consideration, either due to lock-up provisions for IPOs, or deferred considerations for trade sales.

Any amounts received during the orderly realisation will be held as cash on deposit and/or as cash equivalents, prior to returns being made in cash to shareholders (net of provisions for the Company's costs and expenses).

We will not make any new investments except in the following circumstance: investments may be made to honour commitments under existing contractual arrangements or, with the Board's prior written approval, into any existing investment.

Taking into account the Company's current cash and existing commitments, the Board and the Investment Manager anticipate that the first return of capital to shareholders will take place in relatively short order. The Company expects that the initial return of capital will be approximately £30 million.

Tim Creed and Harry Raikes
Portfolio Managers

27 March 2025

Top 10 holdings

The Company's top ten holdings as of 31 December 2024 compared with the respective holding as of 31 December 2023.

Portfolio company	Strategy	31 December 2023 Value (£'000)	31 December 2023 % of NAV	31 December 2024 Value (£'000)	31 December 2024 % of NAV
Atom Bank	Growth	23.1	9.7%	23.1	14.2%
Revolut	Growth	7.9	3.6%	14.6	9.0%
Salica ET Fund[1]	Growth	10.9	5.0%	8.2	5.0%
Back Market	Growth	8.8	4.1%	8.1	5.0%
AI Company II	Growth	–	–	8.0	4.9%
AgroStar	Growth	7.3	3.4%	7.9	4.9%
Nexeon	Venture	7.0	3.2%	7.8	4.8%
Federated Wireless	Venture	6.4	2.9%	5.4	3.3%
Ada Health	Growth	9.6	4.4%	4.2	2.6%
Cequr	Life sciences	5.0	2.3%	4.1	2.6%

Source: HSBC/Schroders.

[1] Salica Environmental Technologies Fund, previously HP Environment Technologies Fund.

Atom Bank

Leading UK app-only challenger bank

Atom Bank is the UK's first bank built exclusively for mobile. It aims to redefine what a bank should be, making things easier, more transparent, and better value. Atom currently offers savings accounts, mortgages and business loans.

In June 2024, Atom Bank published its FY24 Annual Report for the 12-month period to March 2024 reporting its first annual operating profit of £27 million (up from £4.2 million in FY23). Key highlights included:

- Customer numbers increased 2% from 224,000 to 229,000 whilst maintaining industry leading customer reviews.
- Customer deposits decreased 13.6% from £6.6 billion to £5.7 billion driven by deposit spreads tightening and resulting in volumes and surplus liquidity being actively managed down.
- Loans under management increased 23.5% from £3.4 billion to £4.2 billion.
- Net interest income increased 31% from £76 million to £100 million as a result of a strong loan book growth.
- Net interest margin, calculated as Net interest income divided by average total loans for the period over which it was generated, remained stable at 2.8% during the year.

Revolut

Global neobank and financial technology company

Revolut is a fintech firm that provides banking and payment services. The company offers multi-currency cards and a mobile app that includes currency exchange, peer-to-peer payment and bank transfer solutions. It also offers personal and business banking solutions.

In June 2024, Revolut released its Annual Report for 2023 providing greater detail on progress in the prior year:

- Number of retail customers increased 45% year-on-year increase to 38 million at the end of 2023, including a 41% increase in customers on paid plans.
- Number of monthly transactions increased 73% from 341 million in 2022 to 590 million in 2023.
- Deposits increased 20% to £15.1 billion.
- Revenue increased 95% from £923 million in 2022 to £1,798 million in 2023.
- Number of employees increased 35% to 8,000 as of June 2024.

In July, the company received its UK banking licence with restrictions from the Prudential Regulation Authority, the regulator responsible for overseeing the UK banking sector, to complete the build out of their UK banking operations.

In August 2024 the company announced a secondary share sale, providing liquidity for employees at a $45 billion valuation led by international institutional investors.

Salica Environmental Technologies Fund

Fund that invests in emerging environmental technologies

The Salica Environmental Technologies Fund was seeded through the secondary purchase of a portfolio of seven environmental technology companies.

During 2024, Bluewater Bio, the largest holding had positive announcements including:

- Major contract win in Bahrain: secured a £33 million contract to upgrade the North Sitra wastewater treatment works in Bahrain.
- The company won The Sustainability Award as part of The LDC Top 50 Most Ambitious Business Leaders programme for 2024, highlighting their commitment to sustainable practices in innovation, and was also named as one of Europe's Long-Term Growth Champions in the 2024 Financial Times' inaugural rankings.

Back Market

Global marketplace for refurbished devices

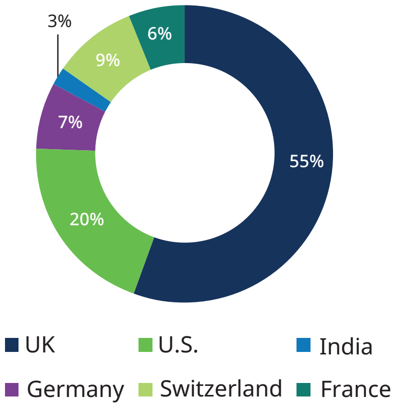
Back Market is a leading online marketplace dedicated to refurbished devices. The company's mission is to make restored devices mainstream. Back Market works with professional refurbishers to guarantee that every device has been tested and restored to perfect working condition according to industry standards.

- In 2024, Back Market introduced several new products, including refurbished PlayStation consoles and expanded their smart phone range. Additionally, in collaboration with Bouygues in France and Visible by Verizon in the US, Back Market offered affordable phone plans bundled with refurbished phones.
- Back Market now has over 2,000 professional sellers on the platform.

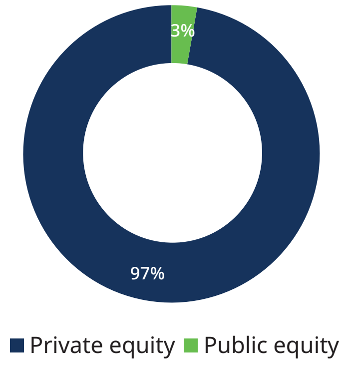
Investment Portfolio
as at 31 December 2024

Portfolio composition

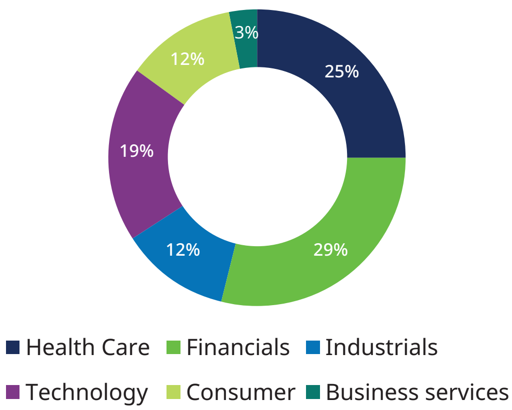
Portfolio by geography*
% of total equities[1]



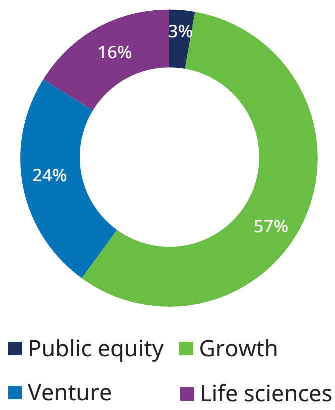
Portfolio by public equity and private equity
% of total equities[1]



Portfolio by sector
% of total equities[1]



Portfolio by strategy/stage
% of total equities[1]



Source: Schroders. Figures have been rounded to nearest %.
* Based on country of risk.
[1] Excluding money market funds

Investment Portfolio
as at 31 December 2024
continued

The 20 largest investments account for 94.4% of total investments by value (31 December 2023: 91.1%).

Holding	Quoted/unquoted	Strategy	Industry sector	Fair value £'000	Total investments %
Equities					
Atom Bank[1]	Unquoted	Growth	Financials	23,105	14.3
Revolut LLP[3]	Unquoted	Growth	Financials	14,577	9.0
Salica Environmental Technologies Fund[8]	Unquoted	Growth	Industrials	8,168	5.1
Back Market[2]	Unquoted	Growth	Consumer	8,113	5.0
AI Company II	Unquoted	Growth	Technology	7,984	5.0
AgroStar[4]	Unquoted	Growth	Consumer	7,907	4.9
Nexeon[1]	Unquoted	Venture	Industrials	7,805	4.8
Federated Wireless[1]	Unquoted	Venture	Technology	5,431	3.4
Ada Health	Unquoted	Growth	Health Care	4,248	2.7
Cequr[1]	Unquoted	Life sciences	Health Care	4,163	2.6
Securiti	Unquoted	Venture	Technology	3,992	2.5
AI Company III	Unquoted	Venture	Technology	3,992	2.5
Genomics[1]	Unquoted	Venture	Health Care	3,738	2.3
Anthos Therapeutics	Unquoted	Life sciences	Health Care	3,612	2.2
MMC SPV 3 LP[7]	Unquoted	Venture	Technology	3,320	2.1
Autolus Therapeutics[1]	Quoted	Public	Health Care	3,125	1.9
Araris Biotech	Unquoted	Life sciences	Health Care	3,071	1.9
iOnctura	Unquoted	Life sciences	Health Care	3,014	1.9
Attest Technologies	Unquoted	Venture	Business Services	3,009	1.9
Epsilogen	Unquoted	Life sciences	Health Care	2,022	1.3
Kymab[1]	Unquoted	Life sciences	Health Care	1,867	1.2
Memo Therapeutics	Unquoted	Life sciences	Health Care	1,281	0.8
Neurona Therapeutics	Unquoted	Life sciences	Health Care	1,278	0.7
BenevolentAI[1,6]	Quoted	Public	Health Care	902	0.6
Bizongo[5]	Unquoted	Growth	Business Services	639	0.3
A2 Biotherapeutics	Unquoted	Life sciences	Health Care	510	0.3
Industrial Heat[1]	Unquoted	Venture	Industrials	487	0.3
Econic[1]	Unquoted	Venture	Industrials	102	0.1
AMO Pharma[1]	Unquoted	Life sciences	Health Care	–	–
Reaction Engines[1]	Unquoted	Venture	Industrials	–	–
Novabiotics[1]	Unquoted	Life sciences	Health Care	–	–
OcuTerra[1]	Unquoted	Life sciences	Health Care	–	–
Carmot Therapeutics	Unquoted	Life sciences	Health Care	–	–
Freevolt[1]	Unquoted	Venture	Technology	–	–
Just Benchmarks[1]	Unquoted	Venture	Financials	–	–
Mafic[1]	Unquoted	Venture	Industrials	–	–
Metaboards[1]	Unquoted	Venture	Technology	–	–
Evofem Biosciences[1]	Unquoted	Life sciences	Health Care	–	–
Bodle Technologies[1]	Unquoted	Venture	Technology	–	–
Rutherford Health[1]	Unquoted	Venture	Health Care	–	–
Lignia Wood[1]	Unquoted	Venture	Industrials	–	–

Holding	Quoted/unquoted	Strategy	Industry sector	Fair value £'000	Total investments %
Oxsybio[1]	Unquoted	Life sciences	Health Care	–	–
Spin Memory[1]	Unquoted	Venture	Technology	–	–
Kind Consumer[1]	Unquoted	Venture	Consumer Staples	–	–
Total equities				**131,462**	**81.6**
Money market funds					
Schroder Special Situations – Sterling Liquidity Plus Fund		Cash	Collectives	29,635	18.4
Total money market funds				**29,635**	**18.4**
Total investments[9]				**161,097**	**100.0**

[1] Assets inherited from the previous Investment Manager.
[2] Back Market is held via the Company's holding in Sprints Capital Ellison LP, a single asset fund.
[3] Revolut is held via the Company's holding in Target Global Selected Opportunities, LLC – Series Space, a single asset fund.
[4] AgroStar is held via the Company's holding in Schroders Capital Private Equity Asia Mauri VIII Ltd, a single asset fund.
[5] Bizongo is held via the Company's holding in Schroders Capital Private Equity Asia Maurit V Ltd, a single asset fund.
[6] BenevolentAI is quoted, but the market is inactive. Thus its valuation has been determined in accordance with the process followed for unquoted assets.
[7] MMC SPV 3 LP is a single asset fund that holds an AI software company.
[8] Previously HP Environmental Technologies Fund.
[9] Total investments comprise:

	£'000	%
Unquoted	127,435	79.1
Listed on the London Stock Exchange	4,027	2.5
Collective investment scheme	29,635	18.4
Total	**161,097**	**100.0**

Additional details of unquoted, including investments quoted in inactive markets, in the top 10 holdings

Holding	Description of business	Cost £'000	Fair value £'000	Turnover for the latest audited financial year £'000	Pre-tax profit/ losses for the latest audited financial year £'000	Net assets/ (liabilities) at the latest audited balance sheet date £'000
Atom Bank	Leading UK app-only challenger bank	75,165	23,105	443,000	6,700	402,400
Revolut LLP	Provides a digital banking solution	9,849	14,577	1,797,890	437,828	1,560,486
Salica Environmental Technologies Fund[1]	Portfolio of venture and growth stage industrial companies	3,369	8,168	N/P[2]	N/P[2]	N/P[2]
Back Market	Online marketplace for refurbished devices	10,032	8,113	N/P[2]	N/P[2]	N/P[2]
AI Company II[2]	Provider of high-quality data curation services for generative AI models and application developers	7,871	7,984	N/P[2]	N/P[2]	N/P[2]
AgroStar	Manufactures and distributes organic fertilisers	6,581	7,907	N/P[2]	N/P[2]	N/P[2]
Nexeon	Develops silicon materials for battery applications	4,944	7,805	N/P[2]	N/P[2]	N/P[2]
Federated Wireless	Telecommunications company specialising in shared spectrum technology	12,587	5,431	N/P[2]	N/P[2]	N/P[2]
Ada Health	Develops an artificial intelligence powered personal health guide	10,028	4,248	N/P[2]	N/P[2]	N/P[2]
Cequr	Developer of insulin delivery solution	17,421	4,163	N/P[2]	N/P[2]	N/P[2]

[1] Previously HP Environmental Technologies Fund.
[2] Information not publicly disclosed.

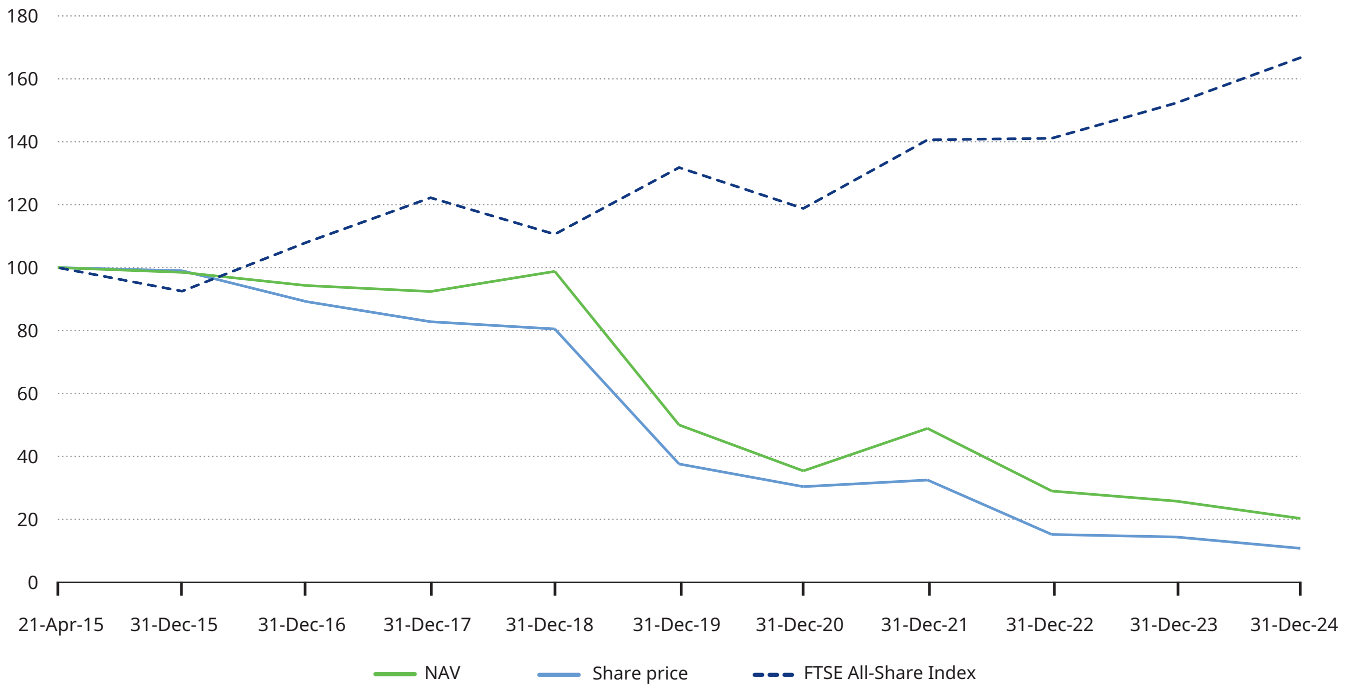
Long Term Financial Record

At 31 December	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Shareholders' funds (£'000)	805,264	771,093	755,295	807,200	449,429	318,069	436,871	257,922	217,064	**162,445**
NAV per share (pence)	97.37	93.24	91.33	97.61	49.46	35.00	48.08	28.52	25.32	**19.94**
Share price (pence)	101.00	91.00	84.45	82.10	38.35	31.00	33.10	15.47	14.65	**11.00**
Share price (premium)/discount to NAV per share (%)[1]	(3.7)	2.4	7.5	15.9	22.5	11.4	31.2	45.8	42.1	**44.8**
(Net cash)/gearing (%)[1]	(1.5)	9.7	19.8	18.6	24.6	31.6	0.7	(6.3)	(1.3)	**(1.2)**

For the year ended 31 December	2015[2]	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net revenue return/(loss) after taxation (£'000)	1,538	(711)	(3,441)	(3,847)	(5,956)	(5,072)	(5,315)	(3,051)	(1,825)	**(2,049)**
Revenue return/(loss) per share (pence)	0.25	(0.09)	(0.42)	(0.47)	(0.67)	(0.56)	(0.58)	(0.34)	(0.20)	**(0.25)**
Dividend per share (pence)	0.16	–	–	–	–	–	–	–	–	**–**
Ongoing charges (%)[1]	0.10	0.20	0.18	0.17	0.43	0.74	1.21	0.98	1.08	**1.23**

[1] Alternative Performance Measures. Further details can be found on pages 78 and 79.
[2] Represents the period from 21 April 2015 (the date on which the Company began investing) to 31 December 2015.

NAV per share, share price total return versus FTSE All-Share Index total return for the period from 21 April 2015 (launch date) to 31 December 2024

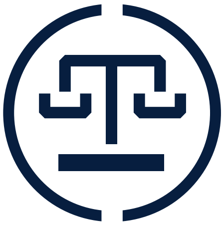


Schroder Investment Management Limited took over investment management responsibilities in December 2019.
Source: Morningstar/Thomson Reuters. Rebased to 100 at 21 April 2015.

Approach and process

Since the General Meeting on 27 February 2025, the Company's investment objective has been to undertake a managed wind-down of the Company and realise all existing assets in the Company's portfolio in an orderly manner.

Principles of an 'orderly managed wind down'



Maximise exit value

- Focus on maintaining or increasing the value of the portfolio and deemphasise quick, value destructive exit options (e.g. heavily discounted portfolio secondaries)

Support (not force) exit events

- Focus on exits that align with planned company events (e.g. trade sales or IPOs)

Prudent reserving

- Establish a cash management plan that balances the desire for timely distributions with ensuring liquidity is available to support the portfolio, meet ongoing operating costs and address unforeseen circumstances

The Company's private equity investments are, by their nature, very illiquid assets with no active secondary market for the majority of the portfolio. As such, seeking out quick exit opportunities may be value destructive. To maximise returns, it is expected that the Company will follow the natural life cycle of the investments and exit during future liquidity events. In the meantime, the Investment Team will continue to engage with each underlying portfolio company, and/or with our investment partners for co-investments, on a regular basis.

The revised investment objective and policy includes the restriction that, aside from honouring any contractual arrangements, the Board's prior written approval is required for any follow-on investments.

Approval may typically be given where required to preserve the value of existing investments. This is particularly relevant for life science holdings, whereby existing shareholders who do not meet participation thresholds often face punitive terms.

In venture capital deals, a pay-to-play provision is a common clause included in financing agreements that requires existing investors to participate in future funding rounds to maintain their rights and privilege. If investors choose not to participate in these future rounds, they may lose certain rights, such as anti-dilution protections, or have their preferred stock converted to common stock. Therefore in these situations we may seek Board approval for further investment if we believe it is necessary to retain and maximise value.

Monitoring

The Investment Manager has established account management responsibilities for all investments in the portfolio. This includes the Company's core investment team (listed below) and more broadly across the Schroders Capital investment management team.

Account managers are responsible for monitoring performance development and further equity requirements. Post investment monitoring is underpinned by strong information and monitoring rights. The Investment Manager secures access to management and management reports, and observer board seats whenever possible.

Progress is reviewed on a quarterly basis and discussed with the lead GP or management team during one-to-one meetings, calls, AGMs and advisory boards. Key metrics tracked include revenue, gross margin, earnings, net cash flow, enterprise value, valuation multiple, net debt, equity value as well as qualitative information and overall investment development. The results are used to forecast exit valuations and aggregated to produce up-to-date portfolio performance expectations.

Post Stewardship also involves active value creation. The Investment Manager uses its global network to add value to investments when possible. This includes introductions to potential new customers, new suppliers, GPs in other geographies with similar portfolio companies, and potential buyers for the companies.

Furthermore, the Investment Manager has a keen focus on risk management, which forms an integral part of the investment process. The Investment Manager has a particular focus on the financing needs of the privately held companies, the liquidity profile of the publicly listed holdings, as well as stock and sector concentrations. The investment management process is monitored by the Private Equity Risk and Performance Committee, which meets quarterly to discuss portfolio monitoring and key risks. This committee comprises Schroders Capital's Head of Investment Risk & Monitoring, Schroders' Head of Financial Risk Management, Schroders' Head of Investment Risk for PE & ILS, Schroders' Head of Product Governance and Schroders Capital's Head of Product Management. The portfolio management team is expected to provide the committee with explanations for current risk exposures, describe any future intended state and the pathway to transition, outline current and future liquidity status, as well as discuss portfolio holding rationales.

Team, investment partners and engagement

Team

Schroders Capital's private equity business comprises over 190 professionals and has been managing private equity on behalf of investors globally since 1997. They are responsible for managing circa $21 billion of assets (as at 31 December 2024) providing investors with access to a broad range of private equity, including venture capital, growth and buyout investment opportunities, across a number of investment programs, including a successful, long-standing Global Innovation program.

The Company's core investment team consists of six investment professionals, shown below. This core team draws on the extensive capabilities of the Schroders organisation more broadly.

Tim Creed
Lead Portfolio Manager

Harry Raikes
Co-Portfolio Manager

Erwin Boos
Senior Investment Director

Paul Lamacraft
Senior Investment Director

Vahit Alili
Senior Investment Director

Chad Brokopp
Investment Manager

Investment partners

Schroders Capital private equity team partners with some of the leading private equity and VC firms globally to bring hard-to-access investments in innovative companies to its investors. With over 400 general partner relationships globally, it has formed deep partnerships with leading established and emerging managers. Below are some of the leading firms who have invested alongside us with investments for the Company.

Engagement

The team engage with each of the Company's underlying portfolio companies, and/or with our investment partners for co-investments, on a regular basis. However, the frequency and depth of this engagement typically depends on a range of factors including shareholder rights, size of the position, risk profile, value creation potential and strength of the shareholder syndicate. As an example, for several private companies in the top 20 holdings where the Company's rights allow, the team will attend the company board meetings as an observer on the board. These meetings serve as an essential source of information about the progress of the business, but also present an opportune moment to support strategic planning and engage with the management team, board members and co-investors on sustainability-related topics. The below table offers an overview of the board rights/source of primary engagement across the Company's top 10 holdings.

Portfolio company	Board rights/primary engagement
Atom Bank	No rights
Revolut	Co-investment – primary engagement through several managers where Schroders Capital has look-through exposure
Salica Environmental Technologies Fund[1]	Limited Partner Advisory (LPAC) member
Back Market	Co-investment – primary engagement through Sprints Capital
AI Company II	Information rights only
AgroStar	Right to appoint Board member (no appointment made currently)
Nexeon	Information Rights but no Board observer rights
Federated Wireless	Information rights only
Ada Health	Board observer
CeQur	Information rights only

[1] Previously HP Environmental Technologies Fund.

Valuation Approach and Process

The Company's AIFM, Schroder Unit Trusts Limited, conducts valuations for the portfolio holdings on a quarterly basis. Investments that are quoted on an exchange are typically valued using closing bid prices. If there has been no material trading in an investment, it will be valued using the process for unquoted investments, described below.

Investments in shares that are not quoted on any stock exchange (unquoted investments) represent a significant part of the Company's portfolio and may include common stock, preferred stock, warrants and other option-like instruments. Those investments are carried at their estimated fair values, consistent with the UK accounting convention FRS 102 and the recommendations on best practices of the International Private Equity and Venture Capital (IPEV) guidelines issued in December 2022. The following factors will be considered in determining the fair value of an unquoted asset:

(i) Investments which are not traded in an active market are valued using the price of a recent investment, where there are no factors observed to suggest a material change in fair value.

(ii) Where (i) is no longer considered appropriate, investments are valued at the price used in a material arm's length transaction by an independent third party, and where there is no impact on the rights of existing shareholders.

(iii) In the absence of (ii), one of the following methods may be used:

  a. Revenue, Gross Profit or EBITDA multiples, based on listed investments and private market transactions in the relevant sector, adjusted for differences such as lack of marketability, size and growth profile.

  b. Recent transaction prices adjusted for the company's performance against key milestones and the complexity of the capital structure.

  c. Probability-weighted expected return scenarios, discounted at a risk-adjusted rate of return.

  d. Discounted cash flows analyses based on estimate future cash flows with an appropriate discount rate.

  e. Option price modelling.

(iv) Investments in funds (which is invariably comprised of unquoted investments) are valued using the NAV per unit with an appropriate discount or premium applied to arrive at a unit price.

Private equity valuation governance framework

The Company's AIFM maintains and applies effective organisational and administrative arrangements with a view to taking all reasonable steps designed to identify, prevent, manage and monitor conflicts of interests in relation to the unquoted valuation process. The Schroders Capital valuation process and governance structure is intended to ensure independence, accountability and segregation of duties in the oversight functions. The Private Equity in-house valuation team resides in the Fund Operations and Services Department and is separate from the investment function. It performs valuations using widely-accepted valuation methodologies and may be supported by an external valuation agent.

The Private Equity Valuation Working Group (VWG) is responsible for the identification and valuation of all private asset investments within its scope and consists of the Private Equity COO as the chairman and other senior personnel including representation from risk and compliance.

Key valuation observations are summarized in a valuation memorandum that includes:

- Appropriateness of valuation technique and key assumptions used;
- Results of alternative valuation techniques (if available);
- Reasonableness of significant valuation movements since the last valuation; and
- Impact of timing differences due to the availability of information.

Schroders Private Assets Pricing Committee (PAPC) is responsible for oversight and challenge for investment valuations across Schroders Capital's Private Assets. The PAPC must approve valuation methodologies for each VWG on at least an annual basis and the PAPC must approve fair valuation decisions that are escalated by the VWG.

Fair value application

The determination of fair value involves key assumptions dependent upon the valuation techniques used. The AIFM applies the following valuation methodologies on a consistent basis, which are all aligned to the best practices set out in the IPEV guidelines. Valuation estimates rely on the information and assumptions as those were known or knowable at the measurement date and require a varying degree of judgment taking into consideration internal and external factors.

The AIFM has set out a framework that prioritizes the use of observable inputs wherever possible. Inputs to the valuation generally refer to the assumptions that market participants would use to make valuation decisions, including assumptions about risk. The AIFM may further utilize an external valuer to support in forming an appropriate valuation range for certain investment.

The selection of valuation techniques is affected by the availability of relevant inputs and the relative reliability of these inputs. Due to the nature of the investments and the inherent uncertainty in the fair value estimation, the AIFM will at times consider that one valuation approach may be appropriate for an investment and in other cases evaluate and weigh the results of multiple valuation techniques to develop a range of possible values, with the fair value based on the AIFM's assessment of the most appropriate point within this range.

In the quarter immediately following the purchase transaction of an investment, where the price of the investment is deemed to be the best reflection of fair value, a calibration analysis will be created to arrive at an appropriate starting basis for future valuation cycles. The difference between the initial valuation and the transaction price is assessed as the calibrated difference, and the factors driving the difference are analysed. This analysis is then revisited during subsequent valuations, which may drive fair value changes.

The following presents an overview of the most frequently applied valuation techniques:

	Life sciences	Venture	Growth
Primary valuation technique	Milestone analysis	Market approach	Market approach
Secondary valuation technique	Probability-weighted expected return methods	Probability-weighted expected return methods	Discounted cash flows
Key inputs	Business performance against key milestones	Revenue (run-rate, forward) KPIs (e.g. monthly user growth)	Gross Profit/EBITDA (if profitable) Revenue (run-rate, forward)

The primary technique for investments with no expected short-term earnings or where the investment outcome is based on a discrete set of (often binary) scenarios and for which investments are funded for, is the milestone approach. This is typically the case for pre-revenue and clinical life science investments. The milestone approach is based on a set of agreed milestones at the time of the initial investment. These include various measurements depending on the type of investment, the industry as well as the key drivers of the investment company. Progress against these milestones is measured at each valuation date and drives fair value changes. If a milestone event was achieved or if it was failed to achieve, a variety of valuation techniques may be used to quantify the resulting fair value impact.

The primary technique for investments that are producing either maintainable revenues or earnings is the market approach. This approach determines the fair value of a company based on the market price of selected comparable companies or recent transactions (or a combination of both) and its relationship to relevant performance measures with the assumption that the relationship between the market price and the financial performance of the comparable company is similar. The relevant multiples can be subject to adjustments for general qualitative differences between the underlying portfolio company and the comparable companies. These adjustments may include, but are not limited to, differences due to size, marketability, growth profile or the market size of end-markets.

The primary technique for investments that have not yet or have just commenced to produce revenues and that possess material future earnings potential is the Probability-Weighted-Expected-Return-Method (PWERM). It involves estimating the expected cash flows of the company under different scenarios, such as best-case, base-case, and worst-case scenarios. Each scenario is assigned a probability based on the likelihood of its occurrence. The expected cash flows are then discounted back to their present value using an appropriate discount rate, which reflects the risk and uncertainty associated with each scenario. The PWERM approach also considers other factors such as changes in market conditions, industry trends, competitive landscape, regulatory changes, and other macroeconomic factors. Adjustments are made to the cash flow projections and discount rates to reflect these factors and their potential impact on the company's value.

Once a company's value is established, value is allocated to the company's various share classes. Early-stage, venture and growth investments typically possess complex capital structures with varying rights and economic preferences attached to each share class. To assess the relative value of these individual share classes, either a qualitative scenario-analysis of the expected ultimate pay-off profile of each share class, or an option pricing model is utilised. The relative value of each share class is dependent on the expected time to exit, volatility, and other relevant quantitative or qualitative parameters.

The following table provides an overview of the select (primary) valuation techniques:

Valuation techniques	% of unquoted portfolio
Market approach	**70.5%**
Arm's length transaction	6.5%
Adjusted transaction price	27.2
Multiples – based	36.8
Milestone approach	**8.4%**
Probability – weighted-expected-return	**13.4**
Third-party fund NAV	**7.6**

Purpose, values and culture

The Company's purpose is to deliver its investment objective and strategy (as set out on the inside front cover under 'Investment Policy').

The Company's culture is driven by its values: transparency, engagement and rigour, with collegial behaviour and constructive, robust challenge. The values are all centred on achieving returns for shareholders in line with the Company's investment objective. The Board also promotes the effective management or mitigation of the risks faced by the Company and, to the extent it does not conflict with the investment objective, aims to structure the Company's operations with regard to all its stakeholders and take account of the impact of the Company's operations on the environment and community.

As the Company has no employees and acts through its service providers, its culture is represented by the values and behaviour of the Board and third parties to which it delegates. The Board aims to fulfil the Company's investment objective by encouraging a culture of constructive challenge with all key suppliers and openness with all stakeholders. The Board is responsible for embedding the Company's culture in its operations.

Business model

The Board appointed Schroder Unit Trusts Limited (the "Manager") in October 2022 to implement the investment strategy and to manage the Company's assets in line with the appropriate restrictions placed on it by the Board, including limits on the type and relative size of holdings which may be held in the portfolio and on the use of gearing, cash, derivatives and other financial instruments as appropriate.

The terms of the appointment are described more completely in the Directors' Report including delegation to the Investment Manager. The Board and the Manager work together to deliver the Company's investment objective. The investment processes are described in the Investment Approach and Process section.

Investment trust status

The Company carries on business as an investment trust. Its shares are listed and admitted to trading on the main market of the London Stock Exchange. It has been approved by HM Revenue & Customs as an investment trust in accordance with section 1158 of the Corporation Tax Act 2010, by way of a one-off application and it is intended that the Company will continue to conduct its affairs in a manner which will enable it to retain this status.

The Company is domiciled in the UK and is an investment company within the meaning of section 833 of the Companies Act 2006. The Company is not a "close" company for taxation purposes.

Managed wind-down

In a Circular to shareholders dated 31 January 2025, the Board outlined proposals to change the Company's continuation resolution, originally scheduled to take place at the AGM in May 2025, and instead proposed a discontinuation resolution and put forward proposals for a managed wind-down of the Company. At the General Meeting of the Company, which was held on 27 February 2025, the proposals outlined by the Board were approved by shareholders. The Company then ceased to operate in accordance with its investment objective and policy and a revised investment objective and policy were adopted and are as follows.

Investment model

Investment objective

The Company's investment objective is to undertake a managed wind-down of the Company and realise all existing assets in the Company's portfolio in an orderly manner.

Investment policy

The assets of the Company will be realised in an orderly manner, with a view to achieving a balance between returning cash to Shareholders in a timely manner and maximising value.

The Company may not make any new investments save that:

- investments may be made to honour commitments under existing contractual arrangements or, with the Board's prior written approval, into any existing investment; and
- cash held by the Company pending distribution will be held in either cash or cash equivalents for the purposes of cash management.

Any amounts received by the Company during the orderly realisation of the Company's assets will be held by the Company as cash on deposit and/or as cash equivalents, prior to returns being made in cash to Shareholders (net of provisions for the Company's costs and expenses).

The Company will continue to comply with the requirements imposed by the UK Listing Rules in force from time to time.

The Company will not employ gearing for investment purposes, but may utilise gearing for working capital purposes, subject to a cap on gearing of 10% of NAV at the time of borrowing.

Any material change to the Company's published investment policy will be made only with the prior approval of the FCA and of Shareholders by ordinary resolution at a general meeting of the Company.

Key performance indicators ("KPIs")

The Board reviews performance, using a number of key measures, to monitor and assess the Company's success in achieving its objective. Further to the approval of proposals regarding the managed wind-down, the Board considered what the relevant KPIs should be and these are detailed below:

- NAV performance;
- Successful distributions to shareholders; and
- Ongoing charges ratio.

The Board continues to review the Company's ongoing charges to ensure that the total costs incurred by shareholders in the running of the Company remain competitive when measured against peer group funds. An analysis of the Company's costs, including management fees, Directors' fees and general expenses, is reviewed every quarter. Management and performance fees are reviewed at least annually by the Management Engagement Committee.

Promotion

During the financial year the Company promoted its shares to a range of investors including discretionary wealth managers, private investors, financial advisers and institutions which have the potential to be long-term supporters of the investment strategy. The Company sought to achieve this through its Manager and corporate broker, who promoted the shares of the Company through regular contact with both current and potential shareholders.

Following the approval of the managed wind-down proposals, active promotional activities for the Company have now ceased, however, the Board seeks active engagement with investors, and meetings with the Chair are offered to investors when appropriate.

Shareholders are encouraged to sign up to the Manager's Investment Trusts update, to receive information on the Company directly https://www.schroders.com/en-gb/uk/individual/never-miss-an-update/.

Stakeholder engagement

Section 172 of the Companies Act 2006

During the year the Board discharged its duty under section 172 of the Companies Act 2006 to promote the success of the Company for the benefit of its members as a whole, having regard to the interests of all stakeholders. As an externally managed investment trust, the Company has no employees, operations or premises. The Board has identified its key stakeholders as the Company's shareholders, the Investment Manager, other service providers, the Investee companies and wider society and the environment. The table below explains how the Directors have engaged with, and maintained high standards of business conduct and fair treatment of, all stakeholders and outlines key activities undertaken and decisions made by the Board during the year.

Stakeholder	Significance	Engagement	2024 highlights
Shareholders	Continued shareholder support and engagement are critical to support the managed wind-down of the Company and the delivery of the updated investment objective.	– **AGM and GM:** The Company welcomes attendance and participation at shareholder meetings. Shareholders have the opportunity to meet the Directors and the Investment Manager and ask questions at the AGM. The Board values the feedback it receives from shareholders which is incorporated into Board discussions. – **Publications:** The annual and half year results presentations are available on the Company's web pages with their availability announced via the London Stock Exchange. Quarterly NAV updates are issued to provide shareholders with transparent information on the Company's portfolio. Feedback and/or questions received from shareholders enable the Company to evolve its reporting which, in turn, helps to deliver transparent and understandable updates. – **Shareholder communication:** The Manager communicates with shareholders periodically. All investors are offered the opportunity to meet the Chair, Senior Independent Director, or other Board members without using the Manager or Company Secretary as a conduit, by writing to the Company's registered office. The Board also corresponds with shareholders by letter and email. The Board receives regular feedback from its broker on investor engagement and sentiment. – **Investor Relations updates:** At every board meeting, the Directors receive updates on share trading activity, share price performance and any shareholders' feedback, as well as any publications or comments in the press. To gain a deeper understanding of the views of its shareholders and potential investors, the Investment Manager also undertakes Investor Roadshows throughout the year.	Both the AGM held in May 2024 and the General Meeting held in February 2025 were held in person and questions and feedback from shareholders were welcomed. The Board, along with the Investment Manager, look forward to meeting and interacting with more shareholders at the forthcoming AGM in May 2025. In forming the proposals put forward regarding the managed wind-down, the Board engaged with its largest shareholders to understand their views about the strategic options. The Company's web pages host documents such as the annual and half year reports and the shareholder Circular. Via the Company's web pages shareholders can subscribe to the Schroders investment trusts newsletter to receive regular updates on the Company. The Investment Manager engaged with a number of its shareholders and investors during the year and regular feedback was provided to the Board. A number of promotional activities were undertaken during the year including Investment Manager interviews, a capital markets event, webinars and coverage in key publications. The Board continues to work with Kepler on promoting the Company through its research notes which are published once a year following the publication of the Company's annual results.

Stakeholder	Significance	Engagement	2024 highlights
The Investment Manager	Following approval of the proposals to place the Company into managed wind-down, the Investment Manager's performance is critical for the Company to deliver its investment strategy successfully to undertake a managed wind-down and realise all existing assets in the Company's portfolio in an orderly manner.	Maintaining a close and constructive working relationship with the Investment Manager is crucial as the Board and the Investment Manager both aim to undertake the managed wind-down in line with the investment objective. The Board invites the Investment Manager to attend all Board and certain Committee meetings in order to update the Directors on the performance of the investments and the implementation of the investment strategy and objective. Important components in the Board's collaboration with the Investment Manager are: – Encouraging open discussion with the Investment Manager; – Recognising that the interests of shareholders and the Investment Manager (as well as of its other clients) are, for the most part, well aligned, adopting a tone of constructive challenge, balanced when those interests are not fully congruent by robust negotiation of the Investment Manager's terms of engagement; and – Drawing on Directors' individual experience to support the Investment Manager in its monitoring and change management of portfolio companies, for the benefit of all of the Investment Manager's clients. The Management Engagement Committee reviews the performance of the Manager, its remuneration and the discharge of its contractual obligations at least annually.	In accordance with the Company's strategy, the Investment Manager remained focused during the year on key priorities: support business growth and profitability; rebalance the portfolio; maximise sale proceeds; and new investments as part of the investment strategy. There were three new investments made in 2024, across the Investment Manager's three private equity strategies: venture, growth and life sciences. Going forward the focus will be on the orderly realisation of assets over time to achieve a balance between maximising returns and returning capital to shareholders in a reasonable timeframe.
Investee companies	The Board is committed to responsible investing and actively monitors the activities of investee companies through its delegation to the Investment Manager.	In order to achieve its commitment to responsible investing, the Investment Manager adopts sustainability and impact ("S&I") investing practices as an integral part of identifying, assessing and monitoring portfolio companies. The commitment to sustainability applies to all private equity investments, including direct and indirect holdings, and the firms the Investment Manager partners with. Furthermore, the Investment Manager believes private equity investors are well positioned to adhere to responsible investing principles and drive positive change due to private equity's long term orientation, ability to conduct extensive due diligence and the opportunity for private equity investors to make a strategic impact on their portfolio companies.	The Board received regular updates on engagement with investee companies at its board meetings. For most private companies in the top 20 holdings where the Company's share rights allow, the Investment Manager will attend investee company board meetings as an observer. These meetings serve as an essential source of information about the progress of the business, but also present an opportune moment to support strategic planning and engage with the management team, board members and co-investors on sustainability-related topics.

Stakeholder	Significance	Engagement	2024 highlights
Other service providers	In order to operate as an investment trust with a listing on the London Stock Exchange, the Company relies on a diverse range of advisers to support meeting all relevant obligations.	The Board maintains regular contact with its key external providers, both through the Board and Committee meetings, as well as outside of the regular meeting cycle. Their advice, as well as their needs and views, are routinely taken into account.	Under delegated authority from the Board, the Management Engagement Committee reviewed all material third-party service providers. The Board considers the ongoing appointments of its service providers to be in the best interests of the Company and its shareholders as a whole and will monitor their progress in the year ahead. The Directors were invited to attend an annual internal controls briefing session which assessed the internal controls of certain key service providers including the Company's depositary and custodian, HSBC, the Company's registrar, Equiniti, and Schroders Group Internal Audit.

Examples of stakeholder consideration during the year

The Directors were particularly mindful of stakeholder considerations in reaching the following key decisions during the year ended 31 December 2024:

- The Board maintained the capital discipline policy to buy back shares at least equal to 5% of the Company's issued share capital in 2024. This programme was designed to enhance the NAV per share and potentially reduce the volatility of the Company's discount and increase trading liquidity.
- In forming the proposals put forward regarding the managed wind-down, the Board engaged with its largest shareholders. The feedback from this process formed part of the Board's wider consideration of the strategic options available to the Company, which also included the possibility of a sale of the Company's legacy assets and/or a combination of the Company with another listed investment company.
- Publication of the Circular to shareholders in January 2025, further to feed-back received from shareholders, proposing that the Company conduct an orderly realisation of its assets in a manner that sought to optimise the value of the Company's investments while progressively returning cash to shareholders.
- Given the current status of the Company, the Board is mindful of operating costs and considered it appropriate to reduce the number of Directors and as such Lamia Baker will retire from the Board following the conclusion of the forthcoming AGM in May 2025.

Corporate and social responsibility

The Board recognises the Company's responsibilities with respect to corporate and social responsibility and engages with its outsourced service providers and other stakeholders to safeguard the Company's interests. As part of this ongoing monitoring, the Board receives reports from its service providers with respect to their diversity policies; anti-bribery and corruption policies; Modern Slavery Act 2015 statements; financial crime policies; and greenhouse gas and energy usage reporting.

Diversity policy

The Board has adopted a diversity and inclusion policy which seeks to promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths. The Board recognises that its debates and decision-making are greatly enriched by a wider range of perspectives and thinking. Should the Board be required to undertake any recruitment in the future it would encourage any recruitment agencies it engages to find a range of candidates that meet the objective criteria agreed for each appointment. Appointments will always be based on merit alone. Candidates for board vacancies are selected based on their skills and experience, which are matched against the balance of skills and experience of the overall board taking into account the criteria for the role being offered.

Statement on Board diversity – gender and ethnic background

The Board has made a commitment to consider diversity when reviewing the composition of the Board and notes the UK Listing Rules requirements (UKLR 6.6.6R(9) and (10)) regarding the targets on board diversity:

- at least 40% of individuals on the board are women;
- at least one senior board position is held by a woman; and
- at least one individual on the board is from a minority ethnic background.

The FCA defines senior board positions as Chairman, Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") or Senior Independent Director ("SID"). As an investment trust with no executive officers, the Company has no CEO or CFO. The Board has reflected the senior positions of the Chair of the Board and the SID in its diversity tables below.

The Board has chosen to align its diversity reporting reference date with the Company's financial year end and proposes to maintain this alignment for future reporting periods. The following information has been provided by each Director through the completion of a questionnaire.

As at 31 December 2024, the Company met all three criteria and although there have been no changes since 31 December 2024 to the date of publication of the annual report and financial statements, however, it is noted that Lamia Baker will be stepping down from the Board at the upcoming AGM.

Gender identity

	Number of Board members	% of the Board	Number of senior positions on the Board
Men	2	50	1
Women	2	50	1
Other	–	–	–
Not specified/prefer not to say	–	–	–

Ethnic background

	Number of Board members	% of the Board	Number of senior positions on the Board
White British or other White (including minority-white groups)	3	75	2
Mixed Multiple Ethnic Groups	–	–	–
Asian/Asian British	–	–	–
Black/African/ Caribbean/Black British	–	–	–
Other ethnic group, including Arab	1	25	–
Not specified/prefer not to say	–	–	–

Financial crime policy

The Company continues to be committed to carrying out its business fairly, honestly and openly operates a financial crime policy covering bribery and corruption, tax evasion, money laundering, terrorist financing and sanctions, as well as seeking confirmations that the Company's service providers' policies are operating soundly.

Modern Slavery Act 2015

As an investment trust, the Company does not provide goods or services in the normal course of business and does not have customers. Accordingly, the Directors consider that the Company is not required to make any slavery or human trafficking statement under the Modern Slavery Act 2015.

Climate

Greenhouse gas emissions and energy usage

As the Company outsources its operations to third parties, it consumed less than 40,000 kWh during the year and so has no greenhouse gas emissions, energy consumption or energy efficiency action to report.

Taskforce for Climate-Related Financial Disclosures ("TCFD")

The Company, as an investment trust, is exempt from the requirement to report against TCFD regulation. However, the Company's Manager produces an annual product level disclosure consistent with the TCFD. This can be found here: https://mybrand.schroders.com/m/38c22fb3a403ed84/original/TCFD-GB97092M-Schroders-Capital-Global-Innovation-Trust-plc-20231231.pdf

Principal and emerging risks and uncertainties

The Board, through its delegation to the Audit, Risk and Valuation Committee, is responsible for the Company's system of risk management and internal control and for reviewing its effectiveness. The Board has adopted a detailed matrix of principal risks affecting the Company's business as an investment trust and has established associated policies and processes designed to manage and, where possible, mitigate those risks, which are monitored by the Audit, Risk and Valuation Committee on an ongoing basis. This system assists the Board in determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives.

Risk assessment and internal controls review by the Board

Risk assessment includes consideration of the scope and quality of the systems of internal control operating within key service providers, and ensures regular communication of the results of monitoring by such providers to the Audit, Risk and Valuation Committee, including the incidence of significant control failings or weaknesses that have been identified at any time and the extent to which they have resulted in unforeseen outcomes or contingencies that may have a material impact on the Company's performance or condition. The internal control environment of the Manager, the depositary and the registrar are tested annually by independent external auditors. The reports are reviewed by the Audit, Risk and Valuation Committee.

Although the Board believes that it has a robust framework of internal control in place this can provide only reasonable, and not absolute, assurance against material financial misstatement or loss and is designed to manage, not eliminate, risk. Actions taken by the Board and, where appropriate, its Committees, to manage and mitigate the Company's principal and emerging risks and uncertainties are set out in the table below.

Both the principal and emerging risks and uncertainties and the monitoring system are subject to robust assessment at least annually. The last assessment took place in March 2025.

During the year, the Board discussed and monitored a number of risks that could potentially impact the Company's ability to meet its strategic objectives. The Board receives updates from the Investment Manager, Company Secretary and other service providers on emerging risks that could affect the Company. As a result of the shareholder approval of the new investment objective and investment policy placing the Company into managed wind-down, the Board has updated the risk matrix to better represent the current principal risks and the relevant mitigation measures.

No significant control failings or weaknesses were identified from the Audit, Risk and Valuation Committee's ongoing risk assessment throughout the financial year and up to the date of this report. The Board is therefore satisfied that it has undertaken a detailed review of the risks facing the Company and that the internal control environment continues to operate effectively.

Actions taken by the Board and, where appropriate, its Committees, to manage and mitigate the Company's principal and emerging risks and uncertainties are set out in the table below. The "Status" column on the right highlights at a glance the Board's assessment of any increases or decreases in risk during the year after mitigation and management. The arrows show the risks as increased, decreased or unchanged and also indicates where a new risk has been identified as part of the managed wind-down process.

A full analysis of the financial risks facing the Company is set out in note 18 to the financial statements on pages 68 to 71.

Risk	Mitigation and management	Status
Strategy		
Maximising returns The Company may not achieve its investment objective to undertake a managed wind-down of the Company and realise all existing assets in the Company's portfolio in an orderly manner. This could be due a misjudgment regarding the exit of an investment, either in terms of timing or price. Trying to sell assets as part of a managed wind-down strategy may have an impact on disposal proceeds. Assets may be realized at a material discount to the most recently published independent valuations. Sales commissions, liquidation costs, taxes and other costs associated with the realisation of the Company's assets together with the usual operating costs of the Company will reduce the cash available for distribution to shareholders. In addition, sales of assets may take longer than anticipated.	The Board receives regular reports on the Company's investment performance against its stated objectives along with reports from discussions with its major shareholders. The realisation process will be carried out in a way that seeks to achieve a balance between maximising the value received from investments and making timely returns to shareholders. The Company expects to typically follow the natural life cycle of investments which is expected to maximise shareholder returns. Given the current market environment, any effort to sell assets in the secondary market would be detrimental to returning value to shareholders. The Board will seek regular advice from its advisers regarding the most appropriate timing and mechanism to return capital to shareholders.	**NEW RISK**
Return of capital may be delayed The return of capital to shareholders may be delayed by difficulties with realising assets on a timely basis. It is the intention of the Investment Manager to wait for a trigger event in order to realise assets, however, it may prove necessary to wait for longer than anticipated for these trigger events to occur.	The proceeds of sales, along with the cash and cash equivalents will be available to return capital to shareholders subject to the need to meet existing contractual commitments and invest in existing investee companies. The Board anticipates that capital will be returned to shareholders over time at the absolute discretion of the Board when it considers the Company has sufficient cash accumulated from realisations to justify a distribution.	**NEW RISK**

Risk	Mitigation and management	Status
Economic and market The portfolio will normally be fully invested and as such will therefore inevitably be exposed to economic and market risk. Changes in general economic and market conditions, such as currency exchange rates, interest rates, inflation rates, industry conditions, tax laws, political events and trends can substantially and adversely affect the value of investments. Market risk includes the potential impact of events which are outside the Company's control, such as pandemics, civil unrest and wars.	The Investment Manager is experienced and has a long track record in successfully investing in private equity and venture. The Investment Manager spreads investment risk by investing in high quality companies at various stages of their development. Having the flexibility to continue to hold these investments as they transition to public entities taps into the growth potential of businesses throughout their life cycle. The global mandate allows the Investment Manager to diversify the portfolio geographically and thus mitigate against challenging economic conditions of a single market or sector. The Investment Manager will not normally hedge against foreign currency movements, but does take into account the risk when making investment decisions. Further details on financial risks and risk mitigation are detailed in note 18 to the accounts.	
Investment		
Portfolio Portfolio risk encompasses valuation, and concentration risks. Private equity companies generally have greater valuation uncertainties and liquidity risks than public equity holdings. The valuation of private equity early stage companies is inherently difficult. Valuation at a fixed point in time may not be representative of the medium or longer term. Particular events at a company or particular funding rounds may have a significant impact. Information may not be as widely available as with public companies and these companies may not yet have meaningful revenues or profits. Investments quoted in inactive markets may also be subject to significant and abrupt volatility and liquidity discount. Realisations will vary, and it is anticipated that there will be both positive and negative variance from sales prices to valuations during the managed wind-down. Short term liquidity issues can become compounded by market events.	The AIFM, under delegated authority from the Board, has responsibility for the valuation of the assets in the portfolio. The AIFM, in turn employs a dedicated valuations function which resides in the Schroders Capital Fund Operations and Services team and is separate from the investment function. The AIFM maintains and applies effective organisational and administrative arrangements with a view to taking all reasonable steps designed to identify, prevent, manage and monitor conflicts of interests in relation to the unquoted valuation process. The Schroders Capital valuation process and governance structure is intended to ensure independence, accountability and segregation of duties in the oversight functions. Valuations are calculated using established methodologies and public market comparators in accordance with International Private Equity and Venture Capital guidelines. Valuations of the entire portfolio are reviewed on a quarterly basis by the Board and annually by the Auditor and clearly communicated to the market. It performs valuations using widely-accepted valuation methodologies and may be supported by an external valuation agent. Currently, Kroll is engaged to support the valuation team and provides inputs and recommendations to assist in conducting valuations, where required. Valuations are considered and challenged by the Audit, Risk and Valuations Committee on a quarterly basis as well as on an ad hoc basis where required together with scrutiny by the Auditor on an annual basis. The Investment Manager conducts regular reviews of investee companies through regular engagement to monitor progress and ensure milestones are adequately met. Short term liquidity issues are mitigated over time when such companies deliver on their milestones and value is recognised.	

Risk	Mitigation and management	Status
Concentration risk The risk linked to any portfolio concentration might be compounded due to the nature of some of the businesses and the risks associated with both commercial and technical milestones. During the managed wind-down, the size and value of the Company's portfolio will be reduced as investments are realised and concentrated in fewer holdings. In particular some biotechnology companies can take a long time before trials can prove efficacy and create a trigger event allowing satisfactory disposal. Thus the portfolio may be made up predominantly of biotechnology companies towards the end of the wind-down and investors may need to wait more than five years for full realisation. This increased concentration could create a collective sectoral risk and may adversely affect the performance of the Company's portfolio as it is exposed to a portfolio with lower diversification.	The Board and the Investment Manager believe that having undue concentration of investments in a small number of assets or sectors is not beneficial for the long-term health and stability of the portfolio. During the wind-down, the Investment Manager will seek to realise investments at their natural exit points during future liquidity events to ensure maximum exit value and shareholder returns. During this period, the Investment Manager and Board will be committed to actively overseeing and evaluating the portfolio to identify and mitigate any potential associated risks.	**NEW RISK**
Shares The Company may experience volatility in its share price, both as a function of volatility in its net asset value and a reduction in share liquidity as capital is returned to shareholders, which may result in a continued or possibly wider discount to net asset value.	The Board, the Investment Manager and the Broker are actively engaging with shareholders and the Company will continue to provide updates during the managed wind-down process. Disposals will be completed in a manner that preserves shareholder value.	**NEW RISK**
Liquidity Insufficient liquid resources to meet its ongoing financial demands.	The Company has no loan facility in place and its assets include readily realisable securities which can be sold to meet ongoing funding requirements. The Investment Manager manages its liquid investments to ensure that sufficient cash is available to meet contractual commitments. A cash buffer is also held to meet other short-term needs. The Company had cash of £1.9 million (2023: £2.9 million) as at 31 December 2024. In addition, the Company has a £29.6 million holding in the Schroder Special Situations – Sterling Liquidity Plus Fund, which is a money market fund with daily redemption terms. The Board reviews the Company's cash flow forecasts under various stressed scenarios on an ongoing basis.	
Key person dependency The Investment Manager operates a team approach to portfolio management and decision-making so the risk arising from the departure of one or more of the Investment Manager's key investment professionals should not necessarily prevent the Company from achieving its investment objective. The Investment Manager's resources could become stretched through the launch of new products or team departures leading to a lack of focus on the Company's portfolio, particularly given the status of the managed wind-down. The Manager could terminate its contract with the Company. This event would have an impact on the management of the portfolio requiring renegotiation or substitution, likely on less favourable terms.	The Investment Manager has a compensation and incentive scheme to recruit and retain key staff including the portfolio managers, and has developed a suitable succession planning programme, which seeks to ease the impact that additional workload and/or the loss of a key investment professional may have on the Company's performance. The Investment Manager will notify any change in its key professionals to the Board at the earliest possible opportunity and the Board will be made aware of all efforts made to fill a vacancy. Furthermore, investment decisions are made by a team of professionals, mitigating the impact of the loss of any key professional within the Investment Manager's organisation on the Company's performance. The AIFM agreement includes clauses which set out the notice periods for termination from either party as detailed in the Directors' Report on page 37.	

Risk	Mitigation and management	Status
ESG and climate change Failure by the Investment Manager to identify potential ESG matters in an investee company, given their private nature, could lead to the Company's shares being less attractive to investors as well as potential valuation issues in the underlying investee company.	The Investment Manager integrates considerations, including climate change, into the investment process.The approach to conducting ESG-related analysis of private companies is complemented with a standard exclusions list, more bespoke assessments, dedicated ESG reference calls, and by integrating several external tools and data sources, including RepRisk, World- Check, the ESG Data Convergence Project and eFront's ESG Outreach module to further assess ESG risks and opportunities in private assets.	
Operational		
Operational The Company has no employees and the Directors have been appointed on a non-executive basis. The Company is therefore reliant upon the performance of third-party service providers. Failure of any of the Company's service providers to perform in accordance with the terms of its appointment, to protect against breaches of the Company's legal and regulatory obligations such as data protection, or to perform its obligations at all as a result of insolvency, fraud, breaches of cyber security, failures in business continuity plans or other causes, could have a material detrimental impact on the operation of the Company.	Experienced third party service providers are employed by the Company under appropriate terms and conditions and with agreed service level specifications. Service level agreements include clauses which set out the notice periods for terminations. The Board receives regular reports from its service providers and the Management Engagement Committee will review the performance of key service providers at least annually. Directors are invited to a Manager hosted two-day annual internal controls briefing sessions which covers the internal controls of its key service providers including the Company's depositary and custodian, HSBC, the Company's registrar, Equiniti, and Schroders Group Internal Audit team. In addition, the Audit, Risk and Valuation Committee reviews reports on the external audits of the internal controls operated by certain key service providers.	
Information technology and information security Each of the Company's service providers is at risk of cyber attack, data theft and service disruption. While the risk of financial loss by the Company is probably small, the risk of reputational damage and the risk of loss of control of sensitive information is more significant, for instance a GDPR breach. Many of the Company's service providers and the Board often have sensitive information regarding transactions or pricing and information regarded as inside information in regulatory terms. Data theft or data corruption per se is regarded as a lower order risk as relevant data is held in multiple locations.	The Board receives controls reports from its key service providers which describe the protective measures they take as well as their business recovery plans. In addition, the Board receives an annual presentation from the Manager on cyber risk.	

Risk	Mitigation and management	Status
Taxation The Company carried on business as an investment trust however, failure to comply with section 1158 of the Corporation Tax Act 2010 may be a negative impact on the Company. The Board expects that the Company will continue to fulfil the relevant conditions to qualify as an investment trust in the short term. However, as the managed wind-down progresses, the Company cannot guarantee that it will maintain continued compliance with all of such conditions, including the condition to maintain a spread of investment risk, particularly in its latter stages when the portfolio has been fully realised. The basis of taxation of any shareholder's investment in the Company may differ or change materially if the Company fails or ceases to maintain investment trust status.	The Board and the Manager monitor compliance with the investment trust rules, seeking advice where appropriate and liaise regularly with HMRC.	**NEW RISK**

Viability statement

Provision 31 of the UK Corporate Governance Code requires the Board to make a statement on its assessment of the prospects of the Company over a period which should be significantly longer than 12 months. The Board has assessed its current position and the time period over which its assets are likely to be realised and agreed that a five-year period ending 31 December 2029 was appropriate.

On 27 February 2025, shareholders approved a change in investment objective and investment policy allowing the Company to undergo an orderly realisation of assets, returning capital to shareholders. The Company is therefore preparing its financial statements on a basis other than going concern due to the Company being in a managed wind-down.

In their assessment of the prospects of the Company, the Directors have considered each of the principal risks and uncertainties set out above and the liquidity and solvency of the Company. The Directors have considered the Company's income and expenditure projections and believe that they meet the Company's funding requirements.

The Company's investments comprise some readily realisable securities which can be sold to meet funding requirements if necessary and there is no expectation that the nature of these will change materially in future.

Based on this assessment, the Board has a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due in the viability period.

Going concern

The Directors, as at the date of this report, are required to consider whether they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. On 27 February 2025, shareholders approved a change in investment objective and investment policy allowing the Company to undergo an orderly realisation of assets, returning capital to shareholders. The Company is therefore preparing its financial statements on a basis other than going concern due to the Company being in a managed wind-down.

The Board will endeavour to realise all of the Company's investments in a manner that achieves a balance between maximising the net value received from those investments and making timely returns to shareholders.

Whilst the Directors are satisfied that the Company has adequate resources to continue in operation throughout the winding-down period and to meet all liabilities as they fall due, given the Company is now in managed wind-down, the Directors considered it appropriate to adopt a basis other than going concern in preparing the financial statements. No adjustments to the valuation basis have arisen as a result of ceasing to apply the going concern basis.

By order of the Board

Schroder Investment Management Limited
Company Secretary

27 March 2025

Governance

Governance

Tim Edwards

Status: Independent non-executive Chair

Length of service: four years – appointed as a Director in February 2021 and Chair in June 2021.

Experience: Tim is a Chartered Accountant with a background in corporate finance and venture investing. Previously, Tim was a member of the governing Board of InnovateUK, the UK's innovation agency, a director of the UK Cell and Gene Therapy Catapult and chair of the UK BioIndustry Association. Tim is currently chair of Storm Therapeutics Limited, EndLyz Therapeutics Inc. and AstronauTX Limited, and Senisca Limited. Tim has expertise in evaluating, fund-raising, managing and exiting private life science companies, with over 20 years working as a chair.

Contribution to the Board and its Committees: Tim's extensive operational and strategic experience enables him to facilitate Board discussions and prioritise strategic decisions.

Committee membership: Audit, Risk and Valuation, Management Engagement and Nomination and Remuneration Committees.

Remuneration for the year ended 31 December 2024: £52,240 per annum

Number of shares held: 210,230[1]

Lamia Baker

Status: Independent non-executive Director

Length of service: one year – appointed as a Director in June 2023.

Experience: Lamia is currently managing director UK of Dennemeyer & Co Limited, a position she has held since 2019, as well as Head of Commercial EMEA for Dennemeyer Group a position held since 2022, a global intellectual property service provider ("Dennemeyer"). Before joining Dennemeyer, Lamia was at Imperial Innovations Ltd, focusing on commercialising Intellectual Property through licensing activities and startup formation. This position was preceded by employment as a venture capital seed investor in high-technology startups in the UK and by various positions in several technology startups in Boston, USA. Lamia has over 25 years of experience in business and technology. She is skilled in intellectual property, sales, innovation, entrepreneurship, venture capital investment and fund representation on companies' boards.

Contribution to the Board and its Committees: Lamia's background in technology and venture capital seed investment in addition to extensive experience in business development enables her to contribute to the portfolio analysis and decision making of the Board.

Committee membership: Audit, Risk and Valuation, Management Engagement, Nomination and Remuneration Committees.

Remuneration for the year ended 31 December 2024: £33,744 per annum

Number of shares held: Nil[1]

[1] Shareholdings are as at 27 March 2025, full details of Directors' shareholdings are set out in the Directors' Remuneration Report on page 47.

Stephen Cohen

Status: Independent non-executive Director and Audit, Risk and Valuation Committee Chair

Length of service: five years – appointed as a Director in June 2019.

Experience: Stephen spent the bulk of his career at Mercury Asset Management where he led both investment teams and business units. He has been actively involved with open-end and closed-end funds, in multiple jurisdictions, for over 30 years. He is currently the chair of JPMorgan Japanese Investment Trust plc. Stephen is also a Commissioner at the Civil Service Commission and a director of the Advanced Research Invention Agency. Stephen is a graduate of the University of Oxford.

Contribution to the Board and its Committees: Stephen is an experienced Board member with a strong history in business development and fund management as well as personal VC and tech investing. His experience in sales and marketing and close interest in ESG issues contributes to the Company's long-term sustainable success.

Committee membership: Audit, Risk and Valuation, Management Engagement and Nomination and Remuneration Committees.

Remuneration for the year ended 31 December 2024: £44,991 per annum

Number of shares held: 309,737[1]

Jane Tufnell

Status: Senior Independent non-executive Director

Length of service: five years – appointed as a Director in September 2019.

Experience: Jane spent the majority of her career at Ruffer Investment Management, which she co-founded in 1994 and where she worked until 2015. She is currently chair of ICG Enterprise Trust PLC and Senior Independent Director of Aberforth Geared Value & Income Trust plc. Jane is a graduate of the University of Cambridge.

Contribution to the Board and its Committees: Jane's long standing experience in the wealth management sector is extremely valuable to the Board. Her experience as a non-executive director on other boards means she is well placed to bring good business insight and market experience to the Board in order to drive the business forward.

Committee membership: Audit, Risk and Valuation, Management Engagement and Nomination and Remuneration Committees (Chair of Management Engagement and Nomination and Remuneration Committees).

Remuneration for the year ended 31 December 2024: £39,368 per annum

Number of shares held: 500,000[1]

[1] Shareholdings are as at 27 March 2025, full details of Directors' shareholdings are set out in the Directors' Remuneration Report on page 47.

The Directors submit their annual report and financial statements of the Company for the year ended 31 December 2024.

Directors and officers

Chair

The Chair is an independent non-executive Director who is responsible for leadership of the Board and ensuring its effectiveness in all aspects of its role. The Chair's other significant commitments are detailed on page 34. He has no conflicting relationships.

Senior Independent Director ("SID")

The SID acts as a sounding board for the Chair, meets with major shareholders as appropriate, provides a channel for any shareholder concerns regarding the Chair and takes the lead in the annual evaluation of the Chair by the independent Directors.

Company Secretary

Schroder Investment Management Limited ("SIM") provides company secretarial support to the Board and is responsible for assisting the Chair with board meetings and advising the Board with respect to governance. The Company Secretary also manages the relationship with the Company's service providers. Shareholders wishing to lodge questions in advance of the AGM are invited to do so by writing to the Company Secretary at the address given in the section on Information about the Company on page 82 or by email to: amcompanysecretary@schroders.com.

Corporate governance statement

The Company is committed to high standards of corporate governance and has implemented a framework for corporate governance which it considers to be appropriate for an investment trust.

The Financial Conduct Authority requires all UK listed companies to disclose how they have applied the principles and complied with the provisions of the UK Corporate Governance Code 2018 (the "UK Code") issued by the Financial Reporting Council ("FRC").

The Board has considered the principles and provisions of the Association of Investment Companies ("AIC") Code of Corporate Governance 2019 (the "AIC Code") which addresses those set out in the UK Code, as well as setting out additional provisions on issues that are of specific relevance to the Company.

The Board considers that reporting against the principles and provisions of the AIC Code, which has been endorsed by the FRC, provides more relevant information to shareholders.

The AIC Code is available on the AIC website (www.theaic.co.uk). It includes an explanation of how the AIC Code adopts the principles and provisions set out in the UK Code to make them relevant for investment companies.

The Board confirms that the Company has complied with the AIC Code, in so far as they apply to the Company's business, throughout the year under review with the exception of establishing a separate remuneration committee, which is undertaken by the Nomination and Remuneration Committee as detailed on pages 43 and 44. As all of the Company's day-to-day management and administrative functions are outsourced to third parties, it has no executive directors, employees or internal operations and therefore has not reported in respect of the following UK Code Provisions:

– the role of the executive directors and senior management;

– the need for an internal audit function; and

– executive directors' remuneration.

Role and operation of the Board

The Board is the Company's governing body; it sets the Company's strategy and is collectively responsible to Shareholders for its long-term success. The Board is responsible for appointing and subsequently monitoring the activities of the Manager and other service providers to seek to ensure that the investment objective of the Company continues to be met. The Board also ensures that the Manager adheres to the investment restrictions set by the Board and, where applicable, acts within the parameters set by it in respect of any gearing. The Business Review on pages 22 to 32 sets out further details of how the Board reviews the Company's strategy, risk management and internal controls and also includes other information required for the Directors' Report and is incorporated by reference.

A formal schedule of matters specifically reserved for decision by the Board has been defined and a procedure adopted for directors, in the furtherance of their duties, to take independent professional advice at the expense of the Company.

The Chair ensures that all Directors receive relevant management, regulatory and financial information in a timely manner and that they are provided, on a regular basis, with key information on the Company's policies, regulatory requirements and internal controls. The Board receives and considers reports regularly from the Manager and other key advisers and ad hoc reports and information are supplied to the Board as required.

Four board meetings are usually scheduled each year to deal with matters including: the setting and monitoring of investment strategy, approval of any borrowings and/or cash positions, review of investment performance, the level of discount of the Company's shares to NAV, promotion of the Company, and services provided by third parties. Additional meetings of the Board are arranged as required.

The Board has approved a policy on Directors' conflicts of interest. Under this policy, Directors are required to disclose all actual and potential conflicts of interest to the board as they arise for consideration and approval. The Board may impose restrictions or refuse to authorise such conflicts if deemed appropriate. No directors have any connections with the Manager, shared directorships with other directors or material interests in any contract which is significant to the Company's business.

Committees

In order to assist the Board in fulfilling its governance responsibilities, it has delegated certain functions to committees. The roles and responsibilities of these committees, together with details of work undertaken during the year under review, is outlined over the next few pages. The reports of the Audit, Risk and Valuation Committee, Management Engagement Committee and Nomination and Remuneration Committee are incorporated into and form part of the Directors' Report. Each committee's effectiveness was assessed, and judged to be satisfactory, as part of the Board's annual review of the Board and its committees.

Directors' attendance at meetings

The number of scheduled meetings of the Board and its Committees held during the reporting period and the attendance of individual Directors is shown below.

	Board	Audit, Risk and Valuation Committee	Management Engagement Committee	Nomination and Remuneration Committee
Tim Edwards	4/4	4/4	1/1	1/1
Lamia Baker	4/4	4/4	1/1	1/1
Scott Brown[1]	2/4	2/4	0/1	0/1
Stephen Cohen	4/4	4/4	1/1	1/1
Jane Tufnell	4/4	4/4	1/1	1/1

[1] Mr Brown retired from the Board on 22 May 2024.

In addition to the scheduled quarterly Board meetings, the Board met once during the year to review and focus on the Company's strategy and on various additional occasions for ad hoc business including decisions around the strategic direction of the Company. In addition to the scheduled meeting the Nomination and Remuneration Committee held one additional meeting during the year to consider recruitment matters following Mr Brown's retirement. The Audit, Risk and Valuation Committee also met on additional occasions to consider the Company's quarterly NAVs. A quorum of Directors was present for all additional meetings held.

Key service providers

The Board has adopted an outsourced business model and has appointed the following key service providers:

Manager

The Company is an Alternative Investment Fund as defined by the AIFM Directive and, with effect from 1 October 2022, has appointed Schroders Unit Trusts Limited ("SUTL") as the Alternative Investment Fund Manager ("AIFM" or "Manager"). In accordance with the terms of the AIFM agreement, which is governed by the laws of England and Wales, the appointment can be terminated by either party on six months' notice or on immediate notice in the event of certain breaches or the insolvency of either party. As at the date of this report no such notice had been given by either party. Details of the amounts paid to SUTL are detailed in note 15 on page 66.

SUTL is authorised and regulated by the FCA and provides portfolio management, risk management, accounting and company secretarial services to the Company under the AIFM agreement. The AIFM also provides general marketing support for the Company and manages relationships with key investors, in conjunction with the Chair, other Board members or the corporate broker as appropriate.

The Manager has delegated investment management services to two wholly owned subsidiaries of Schroders plc, SIM and Schroders Capital Management (Switzerland) AG ("Schroders Capital"). In addition, accounting, administration and company secretarial services have also been delegated to SIM, who has in turn delegated certain accounting and administrative services to HSBC Securities Services (UK) Limited. The AIFM has appropriate professional indemnity cover in place.

The Schroders Group manages £778.7 billion (as at 31 December 2024) on behalf of institutional and retail investors, financial institutions and high net worth clients from around the world, invested in a broad range of asset classes across equities, fixed income, multi-asset and alternatives.

Fees payable to the Manager

Under the terms of the AIFM Agreement, a quarterly management fee is payable to the Investment Manager. The fee is calculated and accrued daily based on the Company's market capitalisation. The fee is payable at a rate of the aggregate of 1.0% per annum of the market capitalisation up to £600 million, and 0.8% per annum of market capitalisation over £600 million.

The Manager is entitled to receive from the Company an annual fee equal to £165,000 in respect of AIFM Services, paid quarterly in arrears.

The Investment Manager is entitled to be reimbursed by the Company for the fees of HSBC Securities Services (UK) Limited, who have been appointed to provide certain accounting and administrative services.

The Manager is entitled to receive a performance fee, calculated at 15% of any excess of the "Adjusted NAV per Share" above "Target NAV per share".

For the purpose of the above the following expressions shall have the following meanings:

"Target NAV per Share" means (i) in respect of the Initial Performance Period, 77p; or (ii) in respect of each subsequent Performance Period, the Adjusted Closing NAV per Share plus 10%;

"Initial Performance Period" means the period which began on 13 December 2019 and ends on the final day of the first accounting period after 31 December 2022 when the Adjusted NAV Per Share on the final day of such accounting period exceeds the Target NAV per Share.

"Performance Period" means the Initial Performance Period and each subsequent period commencing on the day following the final day of the previous Performance Period and ending on the final day of an accounting period where Adjusted NAV per Share exceeds Target NAV per Share.

Details of all amounts payable to the Manager are set out in note 15 to the accounts on page 66.

The Board has reviewed the performance of the Manager for the year under review. The Board is satisfied that the Manager has the appropriate depth and quality of resource to deliver good returns over the longer term and that the continued appointment of the Manager on the terms agreed is in the best interest of the Company and its shareholders.

Depositary

HSBC Bank plc, which is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority, carries out certain duties of a depositary specified in the AIFM Directive including, in relation to the Company:

- safekeeping of the assets of the Company which are entrusted to it;
- cash monitoring and verifying the Company's cash flows; and
- oversight of the Company and the Manager.

The Company, the Manager and the depositary may terminate the depositary agreement at any time by giving 90 days' notice in writing. The depositary may only be removed from office when a new depositary is appointed by the Company.

Registrar

Equiniti's services to the Company include share register maintenance (including the issuance, transfer and cancellation of shares as necessary), acting as agent for the payment of any dividends, management of company meetings (including the registering of proxy votes and scrutineer services as necessary), handling shareholder queries and correspondence and processing corporate actions.

Share capital and substantial share interests

During the year under review the Company repurchased a total of 42,868,001 shares for cancellation. As at 31 December 2024, the Company had 814,492,025 ordinary shares of 1p in issue.

Since the year end, a further 5,909,126 shares have been repurchased for cancellation and as at 27 March 2025, the Company had 808,582,899 ordinary shares of 1p in issue. No shares are held in treasury. Accordingly, the total number of voting rights in the Company as at 27 March 2025 was 808,582,899. Details of changes to the Company's share capital during the year under review are given in note 11 to the accounts. All shares in issue rank equally with respect to voting, dividends and any distribution on winding up.

As at 31 December 2024, the Company has received notifications in accordance with the FCA Disclosure Guidance and Transparency Rule 5.1.2R of the below interests in 3% or more of the voting rights attaching to the Company's issued share capital. The Company is reliant on investors to comply with these regulations, and certain investors may be exempted from providing these. As such, this should not be relied on as an exhaustive list of shareholders holding above 3% of the Company's voting rights.

	Number of shares held[1]	% of total voting rights[1]
City of London Investment Management Company Ltd	**121,581,316**	**14.82**
Momentum Global Investment Management Ltd	**74,075,854**	**8.21**
First Equity Limited	**50,050,000**	**6.09**

[1] As at date of notification.

Following the year end and at the date of this report, City of London Investment Management Company Ltd has advised that it holds 119,431,316 shares representing 14.77% of the Company's total voting rights. First Equity Limited also advised that it holds 56,280,000 shares representing 6.96% of the Company's total voting rights.

Dividends

The Directors do not propose the payment of a dividend in respect of the year ended 31 December 2024 (2023: nil).

Provision of information to the Auditor

The Directors at the date of approval of this report confirm that, so far as each of them is aware, there is no relevant audit information of which the Company's Auditor is unaware; and each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Directors' and Officers' liability insurance and indemnities

Directors' and Officers' liability insurance cover was in place for the Directors throughout the period. The Company's articles of association provide, subject to the provisions of UK legislation, an indemnity for Directors in respect of costs which they may incur relating to the defence of any proceedings brought against them arising out of their positions as Directors, in which they are acquitted or judgment is given in their favour by the court. This indemnity is a qualifying third party indemnity policy and was in place throughout the year under review for each Director and to the date of this report.

By order of the Board

Schroder Investment Management Limited
Company Secretary

27 March 2025

Audit, Risk and Valuation Committee Report

The responsibilities and work carried out by the Audit, Risk and Valuation Committee during the year under review are set out in the following report. The duties and responsibilities of the Committee, which include monitoring the integrity of the Company's financial reporting and internal controls, are set out in further detail below, and may be found in the terms of reference which are set out on the Company's web pages, www.schroders.com/inov.

All Directors are members of the Committee. Stephen Cohen is the Chair of the Committee. The Board has satisfied itself that at least one of the Committee's members has recent and relevant financial experience and that the Committee as a whole has competence relevant to the sector in which the Company operates. The AIC Code permits the Chair of the Board to be a member of the Committee, but not its chair, provided that they were independent upon appointment. Given the Board's size, the Directors believe it is appropriate for the Chair of the Board, who was independent on appointment, to remain a member of the Committee and continue to benefit from his experience and knowledge.

Approach

Risk management and internal controls	Financial reports and valuation	Audit
Principal and emerging risks and uncertainties To establish a process for identifying, assessing, managing and monitoring principal and emerging risks and uncertainties of the Company, and an explanation of how these are being managed or mitigated. The Committee is responsible for reviewing the adequacy and effectiveness of the Company's internal controls and the whistleblowing procedures operated by the AIFM and other services providers.	**Financial statements** To monitor the integrity of the financial statements of the Company and any formal announcements relating to the Company's financial performance and valuation.	**Audit results** To discuss any matters arising from the audit and recommendations made by the Auditor.
	Going concern and viability To review the position and make recommendations to the Board in relation to whether it considers it appropriate or not to adopt the going concern basis of accounting in preparing its annual and half-year report and financial statements. The Committee is also responsible for reviewing the disclosures made by the Company in the viability statement.	**Auditor appointment, independence and performance** To make recommendations to the Board, in relation to the appointment, re-appointment, effectiveness, and any non-audit services by the Auditor and removal of the external Auditor. To review their independence, and to approve their remuneration and terms of engagement. To review the audit plan and engagement letter.

The Committee had four scheduled meetings during the year under review with additional meetings scheduled to review the quarterly NAV. The table below sets out how the Committee discharged its duties during the year under review and up until the approval of this report. Further details on attendance can be found on page 37. Significant issues identified during the year under review and key matters communicated by the Auditor during its reporting are included below.

Application during the year

Risk management and internal controls	Financial reports and valuation	Audit
Principal and emerging risks and uncertainties Reviewed the principal and emerging risks and uncertainties faced by the Company together with the systems, processes and oversight in place to manage and mitigate them, particularly in light of any new risk associated with the managed wind-down of the Company. **Service provider controls** Consideration of the operational controls reports issued on the Manager, depositary and registrar.	**Valuation and existence of holdings** The Company's assets are principally invested in quoted and unquoted equities. The Committee reviewed internal control reports from the AIFM in the year, reporting on the systems and controls around the pricing and valuation of securities. The Committee notes that quoted investments are valued using stock exchange prices provided by third-party financial data vendors, unless trading volume would indicate that price is not a reliable valuation. In such cases, the asset will be subject to fair value as if it were an unquoted holding. In respect of the unquoted holdings, at quarterly meetings the Committee reviews a report on the revaluations undertaken on the unquoted holdings during the period and challenges the considerations and key assumptions made where appropriate, to ensure that the valuations are reliable. During the year under review, the Committee has also reviewed the process in place to ensure the accurate valuation of unquoted holdings on an ongoing basis. The Committee has also considered the work of the AIFM's Fair Value Pricing Committee, which takes inputs from the Investment Manager and Kroll who acts as independent valuation adviser, which considers the pricing of the unquoted holdings on a case-by-case basis.	**Meetings with the Auditor** The Auditor attended meetings to present their audit plan and the findings of the audit. Prior to attending the meeting the Audit Partner met with the Audit Chair to discuss in advance. The Committee met the Auditor without representatives of the Manager present. **Effectiveness of the independent audit process and Auditor performance** Evaluated the effectiveness of the independent audit firm and process. Evaluated the Auditor's performance against agreed criteria including: qualification; knowledge, expertise and resources; independence policies; effectiveness of audit planning; adherence to auditing standards; and overall competence was considered, alongside feedback from the Manager on the audit process. Professional scepticism of the Auditor was questioned and the Committee was satisfied with the Auditor's replies.
Internal controls and risk management Consideration of several key aspects of internal control and risk management operating within the Manager, depositary and registrar, including assurance reports and presentations on these controls.	**Calculation of the investment management fee and performance fee** Consideration of methodology used to calculate the fees, matched against the criteria set out in the AIFM agreement.	**Auditor independence** Ernst & Young LLP has provided audit services to the Company since it was appointed on 21 June 2023. This is the second year that Ernst & Young LLP will be undertaking the Company's audit. The Auditor is required to rotate the senior statutory auditor every five years. This is the second year that the senior statutory auditor, Denise Davidson, has conducted the audit of the Company's financial statements. There are no contractual obligations restricting the choice of external auditor. The Committee was satisfied that there were no circumstances that affected the independence or objectivity of the Auditor.

Risk management and internal controls	Financial reports and valuation	Audit
Compliance with the investment trust qualifying rules in S1158 of the Corporation Tax Act 2010 Consideration of the Manager's report confirming compliance.	**Overall accuracy of the report and accounts** Consideration of the annual report and financial statements and the letter from the Manager in support of the letter of representation to the Auditor.	**Audit results** Met with and reviewed a comprehensive report from the Auditor which detailed the results of the Audit, compliance with regulatory requirements, safeguards that have been established, and on their own internal quality control procedures.
	Fair, balanced and understandable Reviewed the annual report and financial statements to advise the Board whether it was fair, balanced and understandable. Reviewed whether performance measures were reflective of the business, whether there was adequate commentary on the Company's strengths and weaknesses and that the annual report and financial statements, taken as a whole was consistent with the Board's view of the operation of the Company.	**Provision of non-audit services by the Auditor** Reviewed the FRC's Guidance on Audit Committees and has formulated a policy on the provision of non-audit services by the Company's Auditor. The Committee has determined that the Company's appointed Auditor will not be considered for the provision of certain non-audit services, such as accounting and preparation of the financial statements, internal audit and custody. The Auditor may, if required, provide other non-audit services which will be judged on a case-by-case basis. The Auditor did not provide any non-audit services to the Company during the year under review.
	Going concern and viability Reviewed the impact of risks on going concern and longer-term viability, as described further on page 32.	**Consent to continue as Auditor** Ernst & Young LLP indicated to the Committee its willingness to continue to act as Auditor.

Recommendations made to, and approved by, the Board:

- The Committee recommended that the Board approve the quarterly valuations, the half year report and the annual report and financial statements.
- As a result of the work performed, the Committee has concluded that the annual report and financial statements for the year ended 31 December 2024, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy, and has reported on these findings to the Board. The Board's conclusions in this respect are set out in the Statement of Directors' Responsibilities on page 48.
- Having reviewed the performance of the Auditor as described above, the Committee considered it appropriate to recommend the Auditor's re-appointment. Resolutions to re-appoint Ernst & Young LLP as Auditor to the Company, and to authorise the Directors to determine their remuneration will be proposed at the forthcoming AGM.

Stephen Cohen
Audit, Risk and Valuation Committee Chair
27 March 2025

Management Engagement Committee Report

The Management Engagement Committee is responsible for (1) the monitoring and oversight of the Investment Manager and Manager's performance and fees, and confirming the Investment Manager and Manager's ongoing suitability, and (2) reviewing and assessing the Company's other service providers, including reviewing their fees. All Directors are members of the Committee. Jane Tufnell is the Chair of the Committee. Its terms of reference are available on the Company's web pages, www.schroders.com/inov.

Approach

Oversight of the Manager

The Committee:

- reviews the Investment Manager and Manager's performance, over the short and long term, against a peer group and the market;
- considers the reporting it has received from the Investment Manager and Manager throughout the reporting period, and the reporting from the Investment Manager to the shareholders;
- assesses management fees including the performance fee on an absolute and relative basis, receiving input from the Company's broker, including peer group and industry figures, as well as the structure of the fees;
- reviews the appropriateness of the Manager's contract, including terms such as notice period; and
- assesses whether the Company receives appropriate administrative, accounting, company secretarial and marketing support from the Manager.

Oversight of other service providers

The Committee reviews the performance and competitiveness of the following service providers on at least an annual basis:

- Depositary and custodian;
- Corporate broker; and
- Registrar.

The Committee receives a report from the Company Secretary on ancillary service providers, and considers any recommendations.

The Committee notes the Audit, Risk and Valuation Committee's review of the Auditor.

Application during the year

The Committee undertook a review of the Investment Manager and Manager's performance and agreed that it has the appropriate depth and quality of resource to deliver superior returns over the longer term.

The Committee also reviewed the terms of the AIFM agreement, including the fee structure and agreed they remain fit for purpose.

The Committee reviewed the other services provided by the Manager and agreed they were satisfactory.

The annual review of each of the service providers was satisfactory.

The Committee noted that the Audit, Risk and Valuation Committee had undertaken an evaluation of the internal controls of the Manager, registrar, depositary and custodian.

Recommendations made to, and approved by, the Board:

- That the ongoing appointment of the Manager on the terms of the AIFM agreement, including the fee, was in the best interests of shareholders as a whole.
- That the Company's service providers' performance remained satisfactory.

Nomination and Remuneration Committee Report

The Nomination and Remuneration Committee is responsible for: (1) the recruitment, selection and induction of Directors; (2) their assessment during their tenure; (3) Directors' fees; and (4) the Board's succession. All Directors are members of the Committee. Jane Tufnell is the Chair of the Committee. Its terms of reference are available on the Company's web pages, www.schroders.com/inov.

Oversight of Directors

Approach

Selection and induction

- Committee prepares a job specification for each role, and considers the use of an independent recruitment firm. For the Chair and the Chairs of the Committees, the Committee considers current Board members too.
- Job specification outlines the knowledge, professional skills, personal qualities and experience requirements.
- Potential candidates assessed against the Company's diversity policy.
- Committee discusses the long list, invites a number of candidates for interview and makes a recommendation to the Board.
- Committee reviews the induction and training of new Directors.

Board evaluation and Directors' fees

- Committee assesses each Director annually, and considers if an external evaluation is appropriate.
- Evaluation focuses on whether each Director continues to demonstrate commitment to their role and provides a valuable contribution to the Board during the reporting period, taking into account time commitment, independence, conflicts and training needs.
- Following the evaluation, the Committee provides a recommendation to shareholders with respect to the annual re-election of Directors at the AGM.
- All Directors retire at the AGM and their re-election is subject to shareholder approval.
- Committee reviews Directors' fees, taking into account comparative data and reports to shareholders.
- Any proposed changes to the remuneration policy for Directors discussed and reported to shareholders.

Succession

- Taking into consideration diversity and the need for regular refreshment, the Board's policy is that Directors' tenure, including the Chair of the Board, will be for no longer than nine years, except in exceptional circumstances, and that each Director will be subject to annual re-election at the AGM.
- Committee reviews the Board's current and future needs at least annually. Should any need be identified the Committee will initiate the selection process, however this is not anticipated given the current status of the Company.
- Committee oversees the handover process for retiring Directors.

Application during the year (see overleaf)

Selection and induction

Board evaluation and Directors' fees

- The annual Board evaluation, including evaluation of its Committees, was undertaken in November 2024 and concluded that the Board and its Committees functioned well, with the right balance of membership, skills and experience.. For the year under review, the evaluation was undertaken internally by the completion of questionnaires.
- The Committee also reviewed each Director's time commitment and independence by reviewing a complete list of appointments, including *pro bono* not for profit roles, to ensure that each Director remained free from conflict and had sufficient time available to discharge each of their duties effectively. The Committee was also mindful of the concept of 'overboarding' and considered the time, nature and complexity of each Directors' other roles and concluded that it does not believe that any of the Directors are currently overboarded. All Directors were considered to be independent in character and judgement. The Committee reviews this information annually.
- The Committee considered each Director's contributions, and noted that in addition to extensive experience as professionals and non-executive Directors, each Director had valuable skills and experience, as detailed in their biographies on pages 34 and 35.
- Based on its assessment, the Committee provided individual recommendations for each Director's re-election, with the exception of Lamia Baker, who in light of the managed wind-down, has agreed to step down and will not seek re-election.
- The Committee reviewed Directors' fees, using external benchmarking, and recommended that Directors' fees should remained unchanged for the period to 31 December 2025. Further details are provided in the Directors' Remuneration Report.

Succession

- The Committee believes it is important for the Board to have the appropriate skills and diversity and has reviewed composition and succession plans with these in mind.
- The Committee reviewed the succession policy noting that, given the current status of the Company, it was unlikely that any further director recruitment would be required.

Recommendations made to, and approved by, the Board:

- That all Directors continue to demonstrate commitment to their roles, provide a valuable contribution to the deliberations of the Board, remuneration of the Directors remains appropriate and Directors remain free from conflicts with the Company and its Directors contribute to the long-term sustainable success of the Company, and save for Lamia Baker who will be stepping down, should all be recommended for re-election by shareholders at the AGM.
- The Director's Remuneration Report and Remuneration Policy be put to shareholders as ordinary resolutions at the forthcoming AGM.
- That the Director's fees remained unchanged for the forthcoming financial year.

Introduction

The following remuneration policy is currently in force and is subject to a binding vote every three years. The next vote will take place at the forthcoming AGM and the current policy provisions will apply until that date. An ordinary resolution to approve the Directors' remuneration policy will be put to shareholders at the AGM (no changes are proposed). The Directors' report on remuneration, set out below, is subject to an annual advisory vote. An ordinary resolution to approve this report will be put to shareholders at the forthcoming AGM.

At the AGM held on 18 May 2022, 99.74% of the votes cast in respect of approval of the Directors' Remuneration Policy were in favour, while 0.26% were against and 258,195 votes were withheld.

At the AGM held on 22 May 2024, 99.44% of the votes cast in respect of approval of the Directors' Remuneration Report for the year ended 31 December 2023 were in favour, while 0.56% were against and 602,565 votes were withheld.

Directors' remuneration policy

The determination of the Directors' fees is a matter dealt with by the Board and the Nomination and Remuneration Committee.

It is the Board's policy to determine the level of Directors' remuneration having regard to amounts payable to non-executive Directors in the industry generally, the role that individual Directors fulfil in respect of Board and Committee responsibilities, and time committed to the Company's affairs, taking into account the aggregate limit of fees set out in the Company's articles of association. This aggregate level of Directors' fees is currently set at £500,000 per financial year and any increase in this level requires approval by the Board and the Company's shareholders.

The Chair of the Board, the Chair of the Audit, Risk and Valuation Committee and the Senior Independent Director each receive fees at a higher rate than the other Directors to reflect their additional responsibilities. Directors' fees are set at a level to recruit and retain individuals of sufficient calibre, with the level of knowledge, experience and expertise necessary, and to promote the success of the Company in reaching its short and long-term strategic objectives.

The Board and its Committees exclusively comprise of non-executive Directors. No Director past or present has an entitlement to a pension from the Company and the Company has not, and does not intend, to operate a share scheme for Directors or to award any share options or long- term performance incentives to any Director. No Director has a service contract with the Company; however Directors have a letter of appointment. Directors do not receive exit payments and are not provided with any compensation for loss of office.

Any Director who performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid additional remuneration to be determined by the Directors, subject to the previously mentioned fee cap and in accordance with the Company's articles of association. No other payments are made to Directors other than the reimbursement of reasonable out-of-pocket expenses incurred in attending to the Company's business.

Implementation of policy

The terms of the Directors' letters of appointment are available for inspection at the Company's registered office address during normal business hours and during the AGM at the location of such meeting.

The Board did not seek the views of shareholders in setting this remuneration policy. Any comments on the policy received from shareholders would be considered on a case by case basis.

As the Company does not have any employees, no employee pay and employment conditions were taken into account when setting this remuneration policy and no employees were consulted in its construction.

Directors' fees are reviewed annually and take into account research from third parties on the fee levels of directors of peer group companies, inflation, as well as industry norms and factors affecting the time commitment expected of the Directors. New Directors are subject to the provisions set out in this remuneration policy.

Directors' report on remuneration

This report sets out how the remuneration policy was implemented during the year ended 31 December 2024.

Fees paid to Directors

The following amounts were paid by the Company to Directors for their services in respect of the year ended 31 December 2024 and the preceding financial year. Directors' remuneration is all fixed; they do not receive any variable remuneration. The performance of the Company over the financial year is presented on page 1, under the heading "Performance Summary".

	Fees		Change in annual fee over years ended 31 December				
Director	**2024 £**	**2023 £**	**2024 %**	**2023 %**	**2022 %**	**2021 %**	**2020 %**
Tim Edwards (Chair)	**52,240**	49,752	5.0	4.6	38.8[1]	N/A	N/A
Raymond Abbott[2]	**N/A**	17,956	N/A	(41.7)	2.6	N/A	N/A
Lamia Baker[3]	**33,744**	16,159	108.8	N/A	N/A	N/A	N/A
Scott Brown[4]	**13,325**	32,137	(58.5)	4.4	2.6	N/A	N/A
Stephen Cohen	**44,991**	42,849	5.0	4.4	2.6	(20.0)[4]	24.0
Jane Tufnell	**39,368**	37,493	5.0	4.4	2.6	N/A	N/A
	183,668	196,346					

[1] Appointed as a Director on 26 February 2021. Appointed Chair on 4 June 2021.
[2] Retired as a Director on 21 June 2023.
[3] Appointed as a Director on 22 June 2023.
[4] Retired as a Director on 22 May 2024.
[N/A] Directors were not appointed during these periods.

The Directors' fees in the above table have been audited.

Consideration of matters relating to Directors' remuneration

Directors' remuneration was last reviewed by the Nomination and Remuneration Committee and the Board in November 2024. The members of the Board at the time that remuneration levels were considered are as set out on pages 34 and 35.

Although no external advice was sought in considering the levels of Directors' fees, information on fees paid to Directors of other investment companies managed by Schroders, peer group companies and the latest inflation rates was taken into consideration together with independent third party research.

It was agreed that Director fees would remain unchanged for the upcoming financial year.

The maximum level of fees payable, in aggregate, to the Directors of the Company is currently £500,000 per annum.

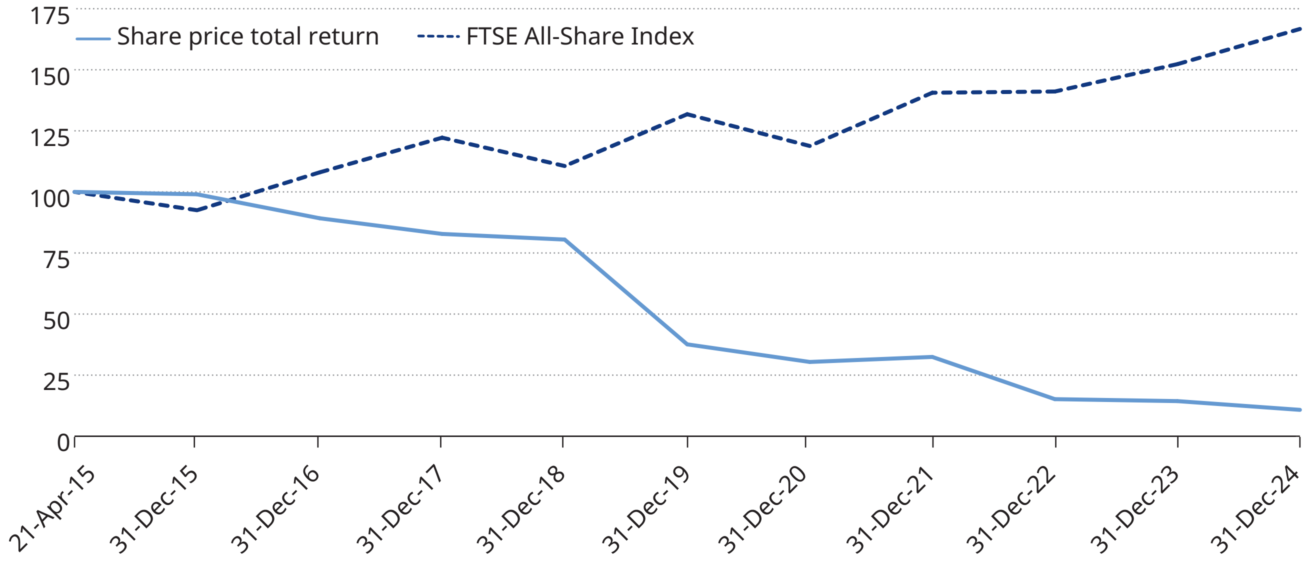
Distributions to shareholders vs Directors' remuneration

The table below compares the remuneration payable to Directors, to distributions made to shareholders during the year under review and the prior year. In considering these figures, shareholders should take into account the Company's investment objective.

	Year ended 31 December 2024 £'000	**Year ended 31 December 2023 £'000**	**% Change**
Remuneration payable to Directors	**184**	196	(6.1)
Distributions paid to shareholders			
– Dividends paid during the year	**–**	–	–
– Share buybacks	**5,286**	7,060	(25.1)
Total distributions paid to shareholders	**5,286**	7,060	(25.1)

Performance graph since 21 April 2015 (launch date)

Share price total return versus FTSE All-Share Index total return for the period from 21 April 2015 to 31 December 2024.



Schroder Investment Management Limited took over investment management responsibilities in December 2019.
Source: Morningstar/Thomson Reuters. Rebased to 100 at 21 April 2015.

Directors' share interests

The Company's articles of association do not require Directors to own shares in the Company. The interests of Directors, including those of connected persons, at the beginning and end of the financial year under review, are set out below.

	At 31 December 2024[1]	At 1 January 2024[1]
Tim Edwards	**210,230**	210,230
Lamia Baker	**Nil**	Nil
Scott Brown	**N/A**[2]	78,269
Stephen Cohen	**309,737**	309,737
Jane Tufnell	**500,000**	500,000

[1] Ordinary shares of 1p each.
[2] Mr Brown retired from the Board on 22 May 2024.

Since the year ended 31 December 2024, there have been no notified changes to Directors' interests in the shares of the Company.

The information in the above table has been audited.

On behalf of the Board

Jane Tufnell
Senior Independent Director
27 March 2025

Directors' responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard (FRS) 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the return or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business. For the reasons stated in the Strategic Report and Note 1(a), the financial statements have not been prepared on a going concern basis.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Manager is responsible for the maintenance and integrity of the web pages dedicated to the Company. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' statement

Each of the Directors, whose names and functions are listed on pages 34 and 35, confirm that to the best of their knowledge:

- the financial statements, which have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), give a true and fair view of the assets, liabilities, financial position and net return of the Company;
- the annual report and financial statements includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces; and
- the annual report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

On behalf of the Board

Tim Edwards
Chair

27 March 2025

Financial

Financial

Opinion

We have audited the financial statements of Schroders Capital Global Innovation Trust plc (the 'Company') for the year ended 31 December 2024 which comprise the Income Statement, the Statement of Changes in Equity, the Statement of Financial Position, the Cash Flow Statement and the related notes 1 to 21, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's 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.

Emphasis of Matter – Financial Statements prepared on a basis other than going concern

We draw attention to Note 1(a) to the financial statements which explains that on 27 February 2025, the shareholders approved a change in investment objective and investment policy allowing the company to undergo an orderly realisation of assets, returning capital to shareholders. The company is therefore preparing its financial statements on a basis other than going concern due to the Company being in a managed wind-down. Our opinion is not modified in respect of this matter.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of Company in conducting the audit.

Overview of our audit approach

Key audit matters	–	Risk of incorrect valuation or ownership of the investment portfolio
Materiality	–	Overall materiality of £1.62 million which represents 1% of shareholder's funds.

An overview of the scope of our audit

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the Company and effectiveness of controls, the potential impact of climate change and changes in the business environment when assessing the level of work to be performed.

Climate change

There has been increasing interest from stakeholders as to how climate change will impact companies. The Company has determined that the impact from climate change could affect the Company's investments and overall investment process. This is explained in the principal and emerging risks and uncertainties section on page 31, which forms part of the "Other information," rather than the audited financial statements. Our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated.

Our audit effort in considering climate change was focused on the adequacy of the Company's disclosures in the financial statements as set out in Note 1(a) and conclusion that there was no further impact of climate change to be taken into account. The quoted investments are valued based on market pricing as required by FRS 102 and the unquoted investments are valued using a variety of techniques consistent with the recommendations set out in the International Private Equity and Venture Capital (IPEV) guidelines which also reflect each investment's exposure to climate change risk. We also challenged the Directors' considerations of climate change in their assessment of viability and associated disclosures.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit, Risk and Valuation Committee
Incorrect valuation or ownership of the investment portfolio (as described on page 40 in the Audit, Risk and Valuation Committee Report and as per the accounting policy set out on page 59). Incorrect valuation or ownership of the investment portfolio (as described on page 40 in the Audit, Risk and Valuation Committee Report and as per the accounting policy set out on page 59). The valuation of the investment portfolio at 31 December 2024 was £161.10 million (2023: £210.09 million) consisting of Level 1 and Level 2 investments with an aggregate value of £32.76 million (2023: £64.33 million) and Level 3 investments with an aggregate value of £128.34 million (2023: £145.76 million). The valuation of the investments held by the Company is the key driver of the Company's net asset value and total return. Incorrect investment pricing, or a failure to maintain proper legal title to the investments held by the Company could have a significant impact on the net asset value and the return generated for shareholders. The fair value of Level 1 and Level 2 investments is determined by reference to bid prices which are at close of business on the reporting date. The fair value of Level 3 investments is determined by reference to principles consistent with the International Private Equity and Venture Capital Valuation guidelines ('IPEV'). The valuation of the Level 3 investments, and the resultant impact on the unrealised gains/(losses), is the area requiring the most significant judgement and estimation in the preparation of the financial statements.	**We performed the following procedures:** We obtained an understanding of the processes surrounding the valuation of investments and legal title by performing walkthrough procedures. For all Level 1 and Level 2 investments, we verified the market prices and exchange rates applied to an independent pricing vendor and recalculated the investment valuations as at the year end. We confirmed that there were no Level 1 and Level 2 investments with stale prices as at the year end and therefore no stale pricing report was produced by the administrator. We obtained the market prices, from an independent pricing vendor, for five business days pre and post the year end date, and calculated the day-on-day movement and confirmed there are no stale prices. For a sample of Level 3 investments, we engaged our team of valuation specialists to review the valuations which included completing the following procedures: – Reviewing the valuation papers for the year ended 31 December 2024 to gain an understanding of and to review the valuation methodologies and assumptions used; – Assessing whether the valuations have been performed in line with general valuation approaches as set out in UK GAAP and the IPEV guidelines; – Assessing the appropriateness of data inputs and challenging the assumptions used to support the valuations; – Assessing other facts and circumstances, such as market movements and comparative Company information, that have an impact on the fair market value of the investments; and – Performing comparative calculations, where appropriate, to assess whether the valuation conclusions are reasonable and within an independently calculated acceptable valuation range. For the remaining Level 3 investments, we performed an analytical review of the movements during the year, reviewing for any contradictory evidence.	The results of our procedures identified no material misstatements in relation to the risk of incorrect valuation or ownership of the investment portfolio.

Risk	Our response to the risk	Key observations communicated to the Audit, Risk and Valuation Committee
	We recalculated the unrealised gains/losses on Level 3 investments as at the year-end using the book-cost reconciliation and reviewed the fair value hierarchy disclosure for consistency with our understanding of the investments held. For all new purchases of unquoted investments made during the year, we obtained supporting documents and agreed these to the purchase cost per the accounting records and to bank statements. We agreed a sample of inputs used in the valuation to underlying supporting information. We compared the Company's quoted and unquoted investment holdings at 31 December 2024 to an independent confirmation received directly from the Company's Custodian and Depositary. All investments were confirmed by the Company's Custodian and Depositary.	

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Company to be £1.62 million (2023: £2.17 million) which is 1% (2023: 1%) of shareholders' funds. We believe that shareholders' funds provides us with materiality aligned to the key measurement of the Company's performance.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 75% (2023: 50%) of our planning materiality, namely £1.22 million (2023: £1.09 million). We have set performance materiality at this percentage due to our past experience of working with the Company which therefore indicates a lower risk of misstatements, both corrected and uncorrected.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit, Risk and Valuation Committee that we would report to them all uncorrected audit differences in excess of £0.08 million (2023: £0.11 million), which is set at 5% of planning materiality (2023: 5%), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

– the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

– the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

– adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

– the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or

– certain disclosures of directors' remuneration specified by law are not made; or

– we have not received all the information and explanations we require for our audit.

Corporate Governance Statement

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

– Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 32;

– Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 32;

– Director's statement on whether it has a reasonable expectation that the Company will be able to continue in operation and meets its liabilities set out on page 32;

– Directors' statement on fair, balanced and understandable set out on page 48;

– Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 28 to 32;

– The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 39 to 41; and;

– The section describing the work of the Audit, Risk and Valuation Committee set out on pages 39 to 41.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 48, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 directors are responsible for assessing the Company'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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

– We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are UK GAAP, the Companies Act 2006, the UK Listing Rules, the UK Corporate Governance Code, the Statement of Recommended Practice for the Financial Statements of Investment Trust Companies as issued by the Association of Investment Companies, Section 1158 of the Corporation Tax Act 2010 and The Companies (Miscellaneous Reporting) Regulations 2018.

- We understood how the Company is complying with those frameworks through discussions with the Audit, Risk and Valuation Committee and Company Secretary, review of Board and committee minutes and review of papers provided to the Audit, Risk and Valuation Committee.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. We identified a fraud risk with respect to the incorrect valuation of the unquoted investments and the resulting impact on unrealised gains/(losses). Further discussion of our approach is set out in the section on key audit matters above which include our response to the fraud risk and other areas of audit focus.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Company.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters we are required to address

- Following the recommendation from the Audit, Risk and Valuation Committee, we were appointed by the Company on 21 June 2023 to audit the financial statements for the year ending 31 December 2023 and subsequent financial periods.
- The period of total uninterrupted engagement including previous renewals and reappointments is two years, covering the years ending 31 December 2023 to 31 December 2024.
- The audit opinion is consistent with the additional report to the Audit, Risk and Valuation Committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Denise Davidson
(Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

27 March 2025

Income Statement
for the year ended 31 December 2024

	Note	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000
Losses on investments held at fair value through profit or loss		–	(47,267)	(47,267)	–	(32,015)	(32,015)
Net foreign currency (losses)/gains		–	(17)	(17)	–	42	42
Income from investments	2	195	–	195	784	–	784
Gross return/(loss)		**195**	**(47,284)**	**(47,089)**	**784**	**(31,973)**	**(31,189)**
Management fee	3	(893)	–	(893)	(1,252)	–	(1,252)
Administrative expenses	4	(1,351)	–	(1,351)	(1,341)	–	(1,341)
Net loss before finance costs and taxation		**(2,049)**	**(47,284)**	**(49,333)**	**(1,809)**	**(31,973)**	**(33,782)**
Finance costs	5	–	–	–	(16)	–	(16)
Net loss before taxation		**(2,049)**	**(47,284)**	**(49,333)**	**(1,825)**	**(31,973)**	**(33,798)**
Taxation	6	–	–	–	–	–	–
Net loss after taxation		**(2,049)**	**(47,284)**	**(49,333)**	**(1,825)**	**(31,973)**	**(33,798)**
Loss per share (pence)	7	**(0.25)**	**(5.69)**	**(5.94)**	**(0.20)**	**(3.57)**	**(3.77)**

The "Total" column of this statement is the profit and loss account of the Company. The "Revenue" and "Capital" columns represent supplementary information prepared under guidance issued by The Association of Investment Companies. The Company has no other items of other comprehensive income, and therefore the net loss on ordinary activities after taxation is also the total comprehensive income for the year, therefore no separate Statement of Comprehensive Income has been prepared.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the year.

The notes on pages 59 to 72 form an integral part of these accounts.

Statement of Changes in Equity
for the year ended 31 December 2024

	Note	Called-up share capital	Share premium	Capital redemption reserve	Special reserve	Capital reserves	Revenue reserve	Total
At 31 December 2022		**9,042**	**891,017**	**44**	**–**	**(615,003)**	**(27,178)**	**257,922**
Cancellation of share premium[1]		–	(891,017)	–	891,017	–	–	–
Repurchase and cancellation of the Company's own shares		(469)	–	469	(7,872)	812	–	(7,060)
Net loss after taxation		–	–	–	–	(31,973)	(1,825)	(33,798)
At 31 December 2023	11,12	**8,573**	**–**	**513**	**883,145**	**(646,164)**	**(29,003)**	**217,064**
Repurchase and cancellation of the Company's own shares		(428)	–	428	(5,286)	–	–	(5,286)
Net loss after taxation		–	–	–	–	(47,284)	(2,049)	(49,333)
At 31 December 2024	11,12	**8,145**	**–**	**941**	**877,859**	**(693,448)**	**(31,052)**	**162,445**

[1] Following an application to the Court on 18 July 2023, the Company has cancelled its share premium and converted it to a distributable reserve.

The notes on pages 59 to 72 form an integral part of these accounts.

Statement of Financial Position
at 31 December 2024

	Note	2024 £'000	2023 £'000
Fixed assets			
Investments held at fair value through profit or loss	8	161,097	210,093
Current assets			
Debtors	9	298	5,511
Cash and cash equivalents	9	1,948	2,913
		2,246	**8,424**
Current liabilities			
Creditors: amounts falling due within one year	10	(898)	(1,453)
Net current assets		**1,348**	**6,971**
Total assets less current liabilities		**162,445**	**217,064**
Net assets		**162,445**	**217,064**
Capital and reserves			
Called-up share capital	11	8,145	8,573
Capital redemption reserve	12	941	513
Special reserve	12	877,859	883,145
Capital reserves	12	(693,448)	(646,164)
Revenue reserve	12	(31,052)	(29,003)
Total equity shareholders' funds		**162,445**	**217,064**
Net asset value per share (pence)	13	**19.94**	**25.32**

These accounts were approved and authorised for issue by the Board of Directors on 27 March 2025 and signed on its behalf by:

Tim Edwards
Chair

The notes on pages 59 to 72 form an integral part of these accounts.

Registered in England and Wales as a public company limited by shares
Company registration number: 09405653

Cash Flow Statement
for the year ended 31 December 2024

	2024 £'000	2023 £'000
Operating activities		
Net loss before finance costs and taxation	**(49,333)**	**(33,782)**
Adjustments for		
Capital loss before taxation	47,284	31,973
(Increase)/decrease in debtors	(4)	(134)
Increase/(decrease) in creditors	(501)	514
Net cash inflow/(outflow) from operating activities	**(2,554)**	**(1,429)**
Investing activities		
Purchases of investments	(55,220)	(35,999)
Sales of investments	62,166	31,178
Net cash (outflow)/inflow from investing activities	**6,946**	**(4,821)**
Financing activities		
Repurchase and cancellation of the Company's own shares	(5,340)	(6,985)
Finance costs	–	(16)
Net cash outflow from financing activities	**(5,340)**	**(7,001)**
Change in cash and cash equivalents	**(948)**	**(13,251)**
Cash and cash equivalents at the beginning of the year	2,913	16,122
Exchange movements	(17)	42
Cash and cash equivalents at the end of the year	**1,948**	**2,913**

Dividends received during the year amounted to £nil (2023: £311,000), interest from debt securities amounted to £129,000 (2023: £nil) and deposit interest receipts amounted to £72,000 (2023: £376,000).

The notes on pages 59 to 72 form an integral part of these accounts.

1. Accounting Policies

(a) Basis of accounting

Schroders Capital Global Innovation Trust plc ("the Company") is registered in England and Wales as a public company limited by shares. The Company's registered office is 1 London Wall Place, London EC2Y 5AU.

The financial statements are prepared in accordance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice ("UK GAAP"), in particular in accordance with Financial Reporting Standard (FRS) 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and with the Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" (the "SORP") issued by the Association of Investment Companies in July 2022, except for certain financial information required by paragraph 82(c) regarding unquoted holdings with a value greater than 5% of the portfolio or included in the top 10, where information is not publicly available. All of the Company's operations are of a continuing nature.

The Directors, as at the date of this report, are required to consider whether they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Following the General Meeting held on 27 February 2025 at which shareholders voted in favour of a change in the Company's Objective and Investment Policy in order to facilitate a managed wind down, the process for an orderly realisation of the Company's assets and a return of capital to shareholders has begun. The Company is therefore preparing its financial statements on a basis other than going concern due to the Company being in a managed wind-down.

The Board will endeavour to realise all of the Company's investments in a manner that achieves a balance between maximising the net value received from those investments and making timely returns to Shareholders. Further details on the future plans and actions of the Company along with the feasibility of these plans can be found in the Chair's report on pages 4 and 5.

Whilst the Directors are satisfied that the Company has adequate resources to continue in operation throughout the winding down period and to meet all liabilities as they fall due, given the Company is now in a managed wind-down the Directors considered it appropriate to adopt a basis other than a going concern in preparing the financial statements. No material adjustments to accounting policies or the valuation basis have arisen as a result of ceasing to apply the going concern basis. All of the balance sheet items have been recognised on a recoverable basis, which is not different from the carrying amount.

In preparing these financial statements the Directors have considered the impact of climate change on the value of the Company's investments. The Board has concluded that, for investments which are valued using quoted bid prices in active markets, the fair value reflects market participants' view of climate change risk. Unquoted investments are valued in accordance with the policy detailed below, using techniques which also reflect each investment's exposure to climate change risk.

The Company has adopted the provisions of Sections 11 and 12 of FRS 102 for measuring and disclosing its financial instruments.

The financial statements are presented in sterling and amounts have been rounded to the nearest thousand.

The accounting policies applied to these financial statements are consistent with those applied in the financial statements for the year ended 31 December 2023.

Significant judgements, estimates and assumptions have been required in valuing the Company's investments and these are detailed below.

(b) Use of judgements, estimates and assumptions

The preparation of the accounts requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The resulting accounting judgements, estimates and assumptions will, by definition, seldom equal the related actual results.

Judgements, estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The key estimates in the accounts are the determination of the fair values of the unquoted investments by the Investment Manager for consideration by the Directors.

These estimates are key, as they significantly impact the valuation of the unquoted investments at the year end. The fair valuation process involves estimation using subjective inputs that are unobservable (for which market data is unavailable). The key judgements, estimates and assumptions are described in note 17 on pages 66 and 67.

Fair value estimates are cross-checked to alternative estimation methods where possible to improve the robustness of the estimates. The risk of an over or under estimation of fair values is greater when methodologies are applied using more subjective inputs.

(c) Valuation of investments

Investments that are quoted on an exchange are valued using closing bid prices. If there has been no material trading in an investment, it will be valued using the process for unquoted investments, described below.

Investments in shares that are not quoted on any Stock Exchange (unquoted investments) represent a significant part of the Company's portfolio. Such investments are held at fair value, which requires significant estimation in concluding on their fair value. The Company's AIFM conducts valuations for the portfolio holdings on a quarterly basis. Each quarter, the Audit, Risk and Valuation Committee reviews a report on the revaluations undertaken on the unquoted holdings during the period and challenges the considerations and key assumptions made, where appropriate, to ensure that the valuations are reliable. Investments in shares that are not quoted on any stock exchange (unquoted investments) represent a significant part of the Company's portfolio and may include common stock, preferred stock, warrants and other option-like instruments. Those investments are carried at their estimated fair values, consistent with the UK accounting convention FRS 102 and the recommendations on best practices of the International Private Equity and Venture Capital ("IPEV") guidelines issued in December 2023. The following factors will be considered in determining the fair value of an unquoted asset:

1. Accounting Policies continued

(c) Valuation of investments continued

(i) Investments which are not traded in an active market are valued using the price of a recent investment, where there are no factors observed to suggest a material change in fair value.

(ii) Where (i) is no longer considered appropriate, investments are valued at the price used in a material arm's length transaction by an independent third party, and where there is no impact on the rights of existing shareholders.

(iii) In the absence of (ii), one of the following methods may be used:

a. Revenue, Gross Profit or EBITDA multiples, based on listed investments and private market transactions in the relevant sector, adjusted for differences such as lack of marketability, size and growth profile.

b. Recent transaction prices adjusted for the company's performance against key milestones and the complexity of the capital structure.

c. Probability-weighted expected return scenarios, discounted at a risk-adjusted rate of return.

d. Discounted cash flows analyses based on estimate future cash flows with an appropriate discount rate.

e. Option price modelling.

(iv) Investments in funds (which are invariably comprised of unquoted investments) are valued using the NAV per unit with an appropriate discount or premium applied to arrive at a unit price.

Where models are used in valuing an investment, significant judgements are made in estimating the various inputs into the models and recognising the sensitivity of such estimates, especially in early-stage pre-revenue enterprises. Examples of the factors where significant judgement is made include, but are not limited to – the probability assigned to the relative success or failure of an enterprise; the probable future outcome paths; discount rates; growth rates; terminal value; selection of appropriate market comparable companies, the reliability of future revenue and growth forecasts and the likely exit scenarios for the investor company, for example, IPO or trade sale. In making judgements in regard to the probability of an investee outcome, it must be noted that due to the nature of the investee company's activity, its future outcome may, to a greater or lesser extent, be binary, for example, if an investee company is developing one particular drug and that fails its required trials then the outcome may be terminal for that enterprise. It should be noted that the most significant event that will drive valuation change in investee companies are company-specific events that would give rise to a valuation inflexion point (known also as a 'triggering event'). An example of a material inflexion point in a bio-pharma company would be the successful completion of a drug trial or its approval by a regulatory authority.

These valuation methods may lead to a company being valued on a suitable price-earnings ratio to that company's historic, current or forecast post-tax earnings before interest and amortisation. The ratio used will be based on a comparable sector but the resulting value will be adjusted to reflect points of difference identified when compared to the market sector (in which the investment would reside if it were it listed) including, inter alia, a lack of marketability.

(d) Accounting for reserves

Gains and losses on sales of investments are included in the Income Statement and in capital reserves within "Gains and losses on sales of investments". Increases and decreases in the valuation of investments held at the year end are included in the Income Statement and in capital reserves within "Holding gains and losses on investments".

Foreign exchange gains and losses on cash and deposit balances are included in the Income Statement and in capital reserves.

Revenue reserve

The revenue reserve reflects all income and expenditure recognised in the revenue column of the Income Statement and any surplus is distributable by way of dividend.

(e) Income

Dividends receivable are included in revenue on an ex-dividend basis except where, in the opinion of the board, the dividend is capital in nature, in which case it is included in capital.

Overseas dividends are included gross of any withholding tax.

Deposit interest outstanding at the year end is calculated and accrued on a time apportionment basis using market rates of interest.

Income arising from fixed interest securities is recognised in accordance with the effective interest rate method. This approach allocates interest income, including premiums, discounts, and directly attributable transaction costs, over the relevant period so as to reflect a constant rate of return on the carrying amount of the security.

(f) Expenses

All expenses are accounted for on an accruals basis. Expenses are allocated wholly to revenue, except that:

– Any performance fee is charged wholly to capital.

– Expenses incidental to the purchase or sale of an investment are charged to capital. These expenses are commonly referred to as transaction costs and mainly comprise brokerage commission. Details of transaction costs are given in note 8 on page 64.

(g) Finance costs

Finance costs, comprising loan and overdraft interest, are charged wholly to revenue.

(h) Financial instruments

Cash and cash equivalents may comprise cash and demand deposits which are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value.

Other debtors and creditors do not carry any interest, are short-term in nature and are accordingly stated at nominal value, with debtors reduced by appropriate allowances for estimated irrecoverable amounts.

(i) Taxation

The tax charge for the year includes a provision for all amounts expected to be received or paid. Deferred tax is provided on all timing differences that have originated but not reversed by the accounting date. Deferred tax liabilities are recognised for all taxable timing differences but deferred tax assets are only recognised to the extent that it is probable that taxable profits will be available against which those timing differences can be utilised. Deferred tax is measured at the tax rate which is expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates that have been enacted or substantively enacted at the balance sheet date and is measured on an undiscounted basis.

(j) Value added tax (“VAT”)

Expenses are disclosed inclusive of any related irrecoverable VAT.

(k) Foreign currency

In accordance with FRS 102, the Company is required to determine a functional currency, being the currency in which the Company predominantly operates. The board, having regard to the currency of the Company’s share capital and the predominant currency in which its shareholders operate, has determined that sterling is the functional currency and the currency in which the accounts are presented.

Transactions denominated in foreign currencies are converted at actual exchange rates as at the date of the transaction. Monetary assets, liabilities and equity investments held at fair value, denominated in foreign currencies at the year end are translated at the rates of exchange prevailing at close of business on the accounting date.

(l) Share issues

Shares issued are recognised based on the proceeds or fair value received, with the excess of the amount received over their nominal value being credited to the share premium account. Direct issue costs are deducted from share premium.

(m) Repurchases of shares for cancellation

The cost of repurchasing the Company’s own shares including the related stamp duty and transactions costs is charged to the “Special reserve”. Share repurchase transactions are accounted for on a trade date basis. The nominal value of share capital repurchased and cancelled is transferred out of “Called-up share capital” and into “Capital redemption reserve”.

2. Income

	2024 £’000	2023 £’000
Income from investments		
UK dividends	–	256
Interest from debt securities	123	166
Bank interest	72	362
	195	**784**

3. Management fee

	2024 £’000	2023 £’000
Management fee	893	1,252
	893	**1,252**

Under the terms of the AIFM agreement, the Manager is entitled to a management fee and a performance fee, subject to achieving performance targets. Details of these calculations are set out in the Directors’ Report on pages 37. No performance fee is payable for the current or prior year and no provision is required at 31 December 2024.

Details of all transactions with the Manager are given in note 15 on page 66.

4. Administrative expenses

	2024 £’000	2023 £’000
Other administration expenses	680	632
Legal and professional fees	232	304
Valuation fees	21	21
Directors’ fees[1]	184	196
Auditor’s remuneration for the audit of the Company’s annual accounts[2]	234	188
	1,351	**1,341**

[1] Details payable to the Directors are given in the Remuneration Report on pages 45 to 47.

[2] No amounts are payable to the auditor for non-audit services. The current year fee is estimated at £210,000. The prior year fee was under estimated at the year end by £23,720, the revised fee increase has been recognised in the current year.

5. Finance costs

	2024 £'000	2023 £'000
Interest on bank loans and overdrafts	–	16
	–	**16**

6. Taxation

(a) Analysis of tax charge for the year

	2024			2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Taxation on ordinary activities	–	–	–	–	–	–

The Company has no corporation tax liability for the year ended 31 December 2024 (2023: nil).

(b) Factors affecting tax charge for the year

	2024			2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net loss on ordinary activities before taxation	(2,049)	(47,284)	(49,333)	(1,825)	(31,973)	(33,798)
Net loss on ordinary activities before taxation multiplied by the Company's applicable rate of corporation tax for the year of 25% (2023: 23.5%)	(512)	(11,821)	(12,333)	(429)	(7,514)	(7,943)
Effects of:						
Capital loss on investments	–	11,821	11,821	–	7,514	7,514
UK dividends which are not taxable	–	–	–	(60)	–	(60)
Disallowed expenses	15	–	15	7	–	7
Unrelieved management expenses	497	–	497	482	–	482
Taxation on ordinary activities	**–**	**–**	**–**	**–**	**–**	**–**

(c) Deferred taxation

The Company has an unrecognised deferred tax asset £8,539,000 (2023: £8,042,000) arising from unutilised tax losses of £34,158,000 (2023: £32,169,000) based on a prospective corporation tax rate of 25.0% (2023: 25%). In its 2021 budget, the government announced that the main rate of corporation tax would increase to 25% for the fiscal year beginning on 1 April 2023.

The deferred tax asset has arisen due to the cumulative excess of deductible expenses over taxable income. Given the composition of the Company's portfolio, it is not likely that this asset will be utilised in the foreseeable future and therefore no asset has been recognised in the accounts.

Given the Company's intention to meet the conditions required to retain its status as an Investment Trust Company, no provision has been made for deferred tax on any capital gains or losses arising on the revaluation or disposal of investments.

7. Return/(loss) per share

	2024 £'000	2023 £'000
Revenue loss	(2,049)	(1,825)
Capital loss	(47,284)	(31,973)
Total loss	**(49,333)**	**(33,798)**
Weighted average number of shares in issue during the year	831,534,516	895,075,078
Revenue loss per share	(0.25)	(0.20)
Capital loss per share	(5.69)	(3.57)
Loss per share (pence)	**(5.94)**	**(3.77)**

The basic and diluted loss per share is the same because there are no dilutive instruments in issue.

8. Investments held at fair value through profit or loss

(a) Movement in investments

	2024 £'000	2023 £'000
Opening book cost	553,693	581,253
Opening investment holding losses	(343,600)	(338,749)
Opening fair value	210,093	242,504
Purchases at cost	55,220	35,999
Sales proceeds	(56,949)	(36,395)
Losses on investments held at fair value through profit or loss	(47,267)	(32,015)
Closing fair value	161,097	210,093
Closing book cost	528,514	553,693
Closing investment holding losses	(367,417)	(343,600)
Closing fair value	**161,097**	**210,093**

The Company received £56,949,000 (2023: £36,395,000) from investments sold in the year. The book cost of the investments when they were purchased was £80,399,000 (2023: £63,560,000). These investments have been revalued over time and, until they were sold, any unrealised gains/losses were included in the fair value of the investments.

(b) Unquoted investments, including investments quoted in inactive markets

Material revaluations of unquoted investments during the year 2024

	Opening valuation at 31 December 2023 £'000	Valuation adjustment £'000	Purchases/ (disposals) £'000	Closing valuation at 31 December 2024 £'000
Revolut LLP	7,888	6,689	–	**14,577**
Salica Environmental Technologies Fund	10,918	(2,750)	–	**8,168**
Ada Health	9,638	(5,390)	–	**4,248**
MMC SPV 3 LP	1,651	1,669	–	**3,320**
Bizongo	5,585	(4,946)	–	**639**
Reaction Engines	10,625	(10,625)	–	**–**
OcuTerra	4,804	(4,804)	–	**–**

Material revaluations of unquoted investments during the year 2023

	Opening valuation at 31 December 2022 £'000	Valuation adjustment £'000	Purchases/ (disposals) £'000	Closing valuation at 31 December 2023 £'000
Atom Bank	31,686	(8,581)	–	**23,105**
Ada Health	7,122	2,516	–	**9,638**
Revolut LLP	5,436	2,452	–	**7,888**
Federated Wireless	11,227	(4,835)	–	**6,392**
Kymab	1,831	4,539	–	**6,370**
Genomics	8,854	(3,715)	–	**5,139**
BenevolentAI	11,935	(9,679)	(80)	**2,176**
AMO Pharma	16,408	(15,058)	–	**1,350**

Material disposals of unquoted investments during the year 2024

	Book cost £'000	Carrying value at 31 December 2023 £'000	Sales Proceeds £'000	Gain/(loss) on carrying value at 31 December 2024 £'000
Kymab	–	4,539	4,539	**–**
Carmot Therapeutics	1,358	4,262	3,148	**(1,114)**

8. Investments held at fair value through profit or loss continued

(b) Unquoted investments, including investments quoted in inactive markets continued

Material disposals of unquoted investments during the year 2023

	Book cost £'000	Carrying value at 31 December 2022 £'000	Sales Proceeds £'000	Gain based on carrying value at 31 December 2023 £'000
Tessian	4,806	3,928	5,217	**1,289**

(c) Transaction costs

The following transaction costs, comprising stamp duty and brokerage commission, were incurred in the year:

	2024 £'000	2023 £'000
On acquisitions	–	–
On disposals	13	10
	13	**10**

9. Current assets

Debtors	2024 £'000	2023 £'000
Securities sold awaiting settlement	–	5,217
Dividends and interest receivable	184	191
Other debtors	114	103
	298	**5,511**

The Directors consider that the carrying amount of accrued income and debtors approximate to their fair value.

Cash and cash equivalents

The carrying amount of cash, amounting to £1,948,000 (2023: £2,913,000) represents its fair value.

10. Creditors: amounts falling due within one year

Creditors: amounts falling due within one year	2024 £'000	2023 £'000
Repurchase and cancellation of the Company's own shares awaiting settlement	21	75
Management fee payable	208	633
Other creditors and accruals	669	745
	898	1,453

The Directors consider that the carrying amount of creditors falling due within one year approximates to their fair value.

11. Called-up share capital

	2024 £'000	2023 £'000
Ordinary shares of 1p each allotted, called up and fully paid:		
Opening balance of 857,360,026 (2023: 904,219,238) shares	8,573	9,042
Repurchase and cancellation of 42,868,001 (2023: 46,859,212) shares	(428)	(469)
Closing balance of 814,492,025 (2023: 857,360,026) shares	8,145	8,573

During the year, the Company made market purchases of 42,868,001 of its own shares, nominal value £428,000, for cancellation, representing 5.0% of the shares outstanding at the beginning of the year. The total consideration paid for these shares amounted to £5,286,000. The reason for these purchases was to seek to manage the volatility of the share price discount to NAV per share.

12. Reserves

	Share premium[1] £'000	Capital redemption[2] £'000	Capital reserves: Special reserve[3] £'000	Capital reserves: Losses on sales of investments[4] £'000	Capital reserves: Investment holding losses[5] £'000	Revenue reserve[6] £'000
At 31 December 2023	**–**	**513**	**883,145**	**(301,904)**	**(344,260)**	**(29,003)**
Losses on sales of investments based on historic cost	–	–	–	(23,450)	–	–
Net movement in investment holding gains and losses	–	–	–	–	(23,817)	–
Repurchase and cancellation of the Company's own shares	–	428	(5,286)	–	–	–
Exchange gains	–	–	–	(17)	–	–
Retained revenue loss for the year	–	–	–	–	–	(2,049)
At 31 December 2024	**–**	**941**	**877,859**	**(325,371)**	**(368,077)**	**(31,052)**

	Share premium[1] £'000	Capital redemption[2] £'000	Capital reserves: Special reserve[3] £'000	Capital reserves: Losses on sales of investments[4] £'000	Capital reserves: Investment holding losses[5] £'000	Revenue reserve[6] £'000
At 31 December 2022	**891,017**	**44**	**–**	**(275,594)**	**(339,409)**	**(27,178)**
Losses on sales of investments based on historic cost	–	–	–	(27,164)	–	–
Net movement in investment holding gains and losses	–	–	–	–	(4,851)	–
Repurchase and cancellation of the Company's own shares	–	469	(7,872)	812	–	–
Exchange gains	–	–	–	42	–	–
Cancellation of share premium	(891,017)	–	891,017	–	–	–
Retained revenue loss for the year	–	–	–	–	–	(1,825)
At 31 December 2023	**–**	**513**	**883,145**	**(301,904)**	**(344,260)**	**(29,003)**

The Company's articles of association permit dividend distributions out of realised capital profits.

[1] The share premium reserve is a non distributable reserve and represents the amount by which the fair value of the consideration received from shares issued exceeds the nominal value of shares issued. Following an application to the Court on 18 July 2023, the Company has cancelled its share premium reserve and transferred amounts to the special reserve which was converted to a distributable reserve.

[2] The capital redemption reserve represents the accumulated nominal value of shares repurchased for cancellation. This reserve is not distributable.

[3] This is a distributable capital reserve arising from the cancellation of the share premium, and may be distributed as dividends or used to repurchase the Company's own shares.

[4] This is a realised (distributable) capital reserve and a positive balance may be used to repurchase the Company's own shares or distributed as dividends. However, the Company is not currently in a position to make such a distribution as the balance is negative.

[5] This reserve may include some holding gains on liquid investments (which may be deemed to be realised) and other amounts which are unrealised. An analysis has not been made between those amounts that are realised (and may be distributed as dividends or used to repurchase the Company's own shares) and those that are unrealised. The Company is not currently in a position to make any distributions due to total net negative balances on its capital and revenue reserves.

[6] A positive balance on the revenue reserve may be distributed as dividends or used to repurchase the Company's own shares.

13. Net asset value per share

	2024	2023
Net assets (£'000)	162,445	217,064
Shares in issue at the year end	814,492,025	857,360,026
Net asset value per share (pence)	19.94	25.32

14. Uncalled capital commitments

At 31 December 2024, the Company had uncalled capital commitments amounting to £1,049,000 (2023: £3,275,000) in respect of follow-on investments, which may be called by investee companies, subject to their achievement of certain milestones and objectives.

15. Transactions with the Manager and Alternative Investment Fund Manager (AIFM)

Under the terms of the AIFM Agreement, the Manager is entitled to receive a management fee and a company secretarial fee. Details of the basis of the management fee calculation are given in the Directors' Report on page 37. A management fee amounting to £893,000 (2023: £1,252,000) is payable to Schroder Investment Management Limited for the year ended 31 December 2024, of which £208,000 (2023: £633,000) was outstanding at the year end.

Fees amounting to £165,000 (2023: £165,000) were payable to Schroder Unit Trusts Limited for services as AIFM, following its appointment as AIFM with effect from 1 October 2022, of which £41,000 (2023: £206,000) was outstanding at the year end.

Under the terms of the Alternative Investment Management Agreement dated 29 September 2022, Schroder Unit Trusts Limited may reclaim from the Company certain expenses which it has paid on behalf of the Company to HSBC in connection with accounting and administrative services provided to the Company. These charges amounted to £118,000 (2023: £128,000), of which £177,000 (2023: £60,000) was outstanding at the year end.

No Director of the Company served as a Director of any member of the Schroder Group or its affiliates at any time during the year.

16. Related party transactions

Details of the remuneration payable to Directors are given in the Directors' Remuneration Report on page 46 and details of Directors' shareholdings are given in the Directors' Remuneration Report on page 47. Details of transactions with the Manager, the AIFM and its associated companies are given in note 15 above. There have been no other transactions with related parties during the year (2023: nil).

17. Disclosures regarding financial instruments measured at fair value

The Company's financial instruments within the scope of FRS 102 that are held at fair value comprise its investment portfolio and derivative financial instruments.

FRS 102 requires that financial instruments held at fair value are categorised into a hierarchy consisting of the three levels below. A fair value measurement is categorised in its entirety on the basis of the lowest level input that is significant to the fair value measurement.

Level 1 – valued using unadjusted quoted prices in active markets for identical assets.

Level 2 – valued using observable inputs other than quoted prices included within Level 1.

Level 3 – valued using inputs that are unobservable.

Details of the Company's policy for valuing investments and derivative instruments are given in note 1(c) on pages 59 to 60 and 1(g) on page 60. Level 3 investments have been valued in accordance with note 1(c)(i) - (iv).

The primary technique for investments with no expected short-term earnings or where the investment outcome is based on a discrete set of (often binary) scenarios and for which investments are funded for, is the milestone approach. This is typically the case for pre-revenue and clinical life science investments. The milestone approach is based on a set of agreed milestones at the time of the initial investment. These include various measurements depending on the type of investment, the industry as well as the key drivers of the investment company. Progress against these milestones is measured at each valuation date and drives fair value changes. If a milestone event was achieved or if it was failed to achieve, a variety of valuation techniques may be used to quantify the resulting fair value impact.

The primary technique for investments that are producing either maintainable revenues or earnings is the market approach. This approach determines the fair value of a company based on the market price of selected comparable companies or recent transactions (or a combination of both) and its relationship to relevant performance measures with the assumption that the relationship between the market price and the financial performance of the comparable company is similar. The relevant multiples can be subject to adjustments for general qualitative differences between the underlying portfolio company and the comparable companies. These adjustments may include, but are not limited to, differences due to size, marketability, growth profile or the market size of end-markets.

The primary technique for investments that have not yet or have just commenced to produce revenues and that possess material future earnings potential is the Probability-Weighted-Expected-Return-Method ("PWERM"). It involves estimating the expected cash flows of the company under different scenarios, such as best-case, base-case, and worst-case scenarios. Each scenario is assigned a probability based on the likelihood of its occurrence. The expected cash flows are then discounted back to their present value using an appropriate discount rate, which reflects the risk and uncertainty associated with each scenario. The PWERM approach also considers other factors such as changes in market conditions, industry trends, competitive landscape, regulatory changes, and other macroeconomic factors. Adjustments are made to the cash flow projections and discount rates to reflect these factors and their potential impact on the company's value.

Once a company's value is established, it is allocated to the company's various share classes. Early-stage, venture and growth investments typically possess complex capital structures with varying rights and economic preferences attached to each share class. To assess the relative value of these individual share classes, either a qualitative scenario-analysis of the expected ultimate pay-off profile of each share class, or an option pricing model is utilised. The relative value of each share class is dependent on the expected time to exit, volatility, and other relevant quantitative or qualitative parameters.

The following table provides an overview of the select (primary) valuation techniques:

Valuation techniques	Key input	2024 Range of metric utilised	2024 % of unquoted portfolio	2023 Range of metric utilised	2023 % of unquoted portfolio
Market approach					
Adjusted transaction price	Premium/(discount) to last Adjusted transaction price	(39.5)% to 0.0%	35.0	(33.9)% to 7.3%	37.9
Multiples-based	Multiple of Sales Multiple of Gross Profit	5.7x to 17.7x 9.0x to 15.2x	22.0 15.3	7.0x to 9.5x 9.0x to 13.6x	33.3
Milestone approach Probability-weighted-expected return	Discount rate[1]	0% to 35.0% 20.0% to 30.0%	4.8 16.5	17.5% to 35.0%	8.3 13.5
Third-party fund NAV	N/A	N/A	6.4	N/A	7.5

[N/A] No range utilised.

[1] The Discount rate is the Key input for the Milestone approach and the Probability-weighted-expected return valuation techniques.

At 31 December, the Company's investment portfolio and any derivative financial instruments were categorised as follows:

	2024 Level 1 £'000	2024 Level 2 £'000	2024 Level 3 £'000	2024 Total £'000
Investments in equities – quoted	3,125	29,635	902	33,662
– unquoted	–	–	127,435	127,435
Total	**3,125**	**29,635**	**128,337**	**161,097**

The Level 2 asset relates to the holding in Schroders Special Situations - Sterling Liquidity Plus Fund. BenevolentAI is quoted, but the market is inactive. Thus its valuation has been determined in accordance with the process followed for unquoted assets and included in Level 3 above.

	2023 Level 1 £'000	2023 Level 2 £'000	2023 Level 3 £'000	2023 Total £'000
Investments in equities – quoted	54,603	9,733	2,176	66,512
– unquoted	–	–	143,581	143,581
Total	**54,603**	**9,733**	**145,757**	**210,093**

Movements in fair value measurements included in Level 3 during the year are as follows:

	2024 £'000	2023 £'000
Opening book cost	473,660	458,690
Opening investment holding losses	(327,903)	(299,897)
Opening valuation	145,757	158,793
Purchases at cost	19,039	22,759
Sales proceeds	(10,507)	(6,056)
Transfer between Level 3 and Level 1	–	–
Net movement in investment holding gains and losses	(25,952)	(29,739)
Closing valuation	**128,337**	**145,757**
Closing book cost	487,324	473,660
Closing investment holding losses	(358,987)	(327,903)
Total level 3 investments held at fair value through profit or loss	**128,337**	**145,757**

The company received £10,507,000 (2023: £6,056,000) from Level 3 investments sold in the year. The book cost of the investments when they were purchased was £5,375,000 (2023: £7,789,000). These investments have been revalued over time and, until they were sold, any unrealised gains/losses were included in the fair value of the investments.

18. Financial instruments' exposure to risk and risk management policies

The investment objective is set out on the inside front cover of this report. In pursuing this objective, the Company is exposed to a variety of financial risks that could result in a reduction in the Company's net assets or a reduction in the profits available for dividends. These financial risks include market risk (comprising currency risk, interest rate risk and market price risk), liquidity risk and credit risk. The Directors' policy for managing these risks is set out below. The board coordinates the Company's risk management policy.

The objectives, policies and processes for managing the risks and the methods used to measure the risks that are set out below, have not changed from those applying in the comparative year.

The Company's classes of financial instruments may comprise the following:

– investments in shares of quoted and unquoted companies which are held in accordance with the Company's investment objective;

– short-term debtors, creditors and cash arising directly from its operations; and

– forward foreign currency contracts, the purpose of which is to manage the currency risk arising from the Company's investment activities.

(a) Market risk

The fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements: currency risk, interest rate risk and other price risk. Information to enable an evaluation of the nature and extent of these three elements of market risk is given in parts (i) to (iii) of this note, together with sensitivity analyses where appropriate. The board reviews and agrees policies for managing these risks and these policies have remained unchanged from those applying in the comparative year. The Manager assesses the exposure to market risk when making each investment decision and monitors the overall level of market risk on the whole of the investment portfolio on an ongoing basis.

(i) Currency risk

Certain of the Company's assets, liabilities and income are denominated in currencies other than sterling, which is the Company's functional currency and the presentational currency of the accounts. As a result, movements in exchange rates will affect the sterling value of those items.

Management of currency risk

The AIFM monitors the Company's exposure to foreign currencies on a daily basis and reports to the Board, which meets on at least four occasions each year. The Manager measures the risk to the Company of the foreign currency exposure by considering the effect on the Company's net asset value and income of a movement in the rates of exchange to which the Company's assets, liabilities, income and expenses are exposed.

Income denominated in foreign currencies is converted into sterling on receipt

It is currently not the Company's policy to hedge against currency risk, but the Manager may, with the board's consent and oversight, hedge against specific currencies, depending on their longer term view.

Foreign currency exposure

The fair value of the Company's monetary items that have foreign currency exposure at 31 December are shown below.

	2024				
	Euro £'000	Norwegian Krone £'000	Swiss Francs £'000	US Dollars £'000	Total £'000
Cash and cash equivalents	17	–	1	7	25
Investments held at fair value through profit or loss	16,277	–	8,515	1,731	86,523
Total net foreign currency exposure	**16,294**	**–**	**8,516**	**61,738**	**86,548**

	2023				
	Euro £'000	Norwegian Krone £'000	Swiss Francs £'000	US Dollars £'000	Total £'000
Cash and cash equivalents	11	–	3	583	597
Investments held at fair value through profit or loss	22,051	–	6,997	70,255	99,303
Total net foreign currency exposure	**22,062**	**–**	**7,000**	**70,838**	**99,900**

The above year end amounts are broadly representative of the exposure to foreign currency risk during the current and comparative year.

Foreign currency sensitivity

The following tables illustrate the sensitivity of net profit for the year and net assets with regard to the Company's monetary financial assets and financial liabilities and exchange rates. The sensitivity analysis is based on the Company's foreign and non-monetary currency financial instruments held at each accounting date and assumes a 10% (2023: 10%) appreciation or depreciation in sterling against all the currencies to which the Company is exposed, which is considered to be a reasonable illustration based on the volatility of exchange rates during the year.

If sterling had weakened by 10% this would have had the following effect:

	2024 £'000	2023 £'000
Income Statement – return after taxation		
Revenue return	12	17
Capital return	8,655	9,990
Total return after taxation	**8,667**	**10,007**
Net assets	**8,667**	**10,007**

Conversely if sterling had strengthened by 10% this would have had the following effect:

	2024 £'000	2023 £'000
Income Statement – return after taxation		
Revenue return	(12)	(17)
Capital return	(8,655)	(9,990)
Total return after taxation	**(8,667)**	**(10,007)**
Net assets	**(8,667)**	**(10,007)**

In the opinion of the Directors, the above sensitivity analysis is broadly representative of the whole of the current and comparative year.

(ii) Interest rate risk

Interest rate movements may affect the level of income receivable on cash balances and the interest payable on the bank overdraft when interest rates are re-set.

Management of interest rate risk

Liquidity and borrowings are managed with the aim of increasing returns to shareholders. The board would not normally expect gearing to exceed 20% where gearing is defined as borrowings used for investment purposes, less cash, expressed as a percentage of net assets.

Interest rate exposure

The exposure of financial assets and financial liabilities to floating interest rates, giving cash flow interest rate risk when rates are re-set, is shown below:

	2024 £'000	2023 £'000
Exposure to floating interest rates:		
Cash and cash equivalents	**1,948**	**2,913**

The floating rate assets comprise cash deposits on call. Sterling cash deposits at call earn interest at floating rates based on Sterling Overnight Index Average rates ("SONIA").

The above year end amount may not be representative of the exposure to interest rates during the year, due to fluctuating cash balances.

Interest rate sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to a 1.5% (2023: 1.5%) increase or decrease in interest rates in regards to the Company's monetary financial assets and financial liabilities. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on the Company's monetary financial instruments which are exposed to interest rate changes held at the accounting date, with all other variables held constant.

	2024		2023	
	1.5% increase in rate £'000	1.5% decrease in rate £'000	1.5% increase in rate £'000	1.5% decrease in rate £'000
Income statement – return after taxation				
Revenue return	29	(29)	44	(44)
Capital return	–	–	–	–
Total return after taxation	29	(29)	44	(44)
Net assets	29	(29)	44	(44)

18. Financial instruments' exposure to risk and risk management policies continued

(a) Market risk continued

(iii) Market price risk

Market price risk includes changes in market prices, other than those arising from interest rate risk, which may affect the value of investments.

Management of market price risk

The Board meets on at least four occasions each year to consider the asset allocation of the portfolio and the risk associated with particular countries and industry sectors. The investment management team has responsibility for monitoring the portfolio, which is selected in accordance with the Company's investment objective and seeks to ensure that individual stocks meet an acceptable risk/reward profile. The Board may authorise the Manager to enter derivative transactions for the purpose of protecting the portfolio against falls in market prices.

Market price risk exposure

The Company's total exposure to changes in market prices at 31 December comprises the following:

	2024 £'000	2023 £'000
Investments held at fair value through profit or loss	**161,097**	**210,093**

The above data is broadly representative of the exposure to market price risk during the year.

Market price risk sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to an increase or decrease of 20% (2023: 20%) in the fair values of the Company's investments. This level of change is considered to be a reasonable illustration based on observation of current market conditions.

	2024		2023	
	20% increase in fair value £'000	20% decrease in fair value £'000	20% increase in fair value £'000	20% decrease in fair value £'000
Income statement – return after taxation				
Revenue return	–	–	–	–
Capital return	32,219	(32,219)	42,019	(42,019)
Total return after taxation and net assets	32,219	(32,219)	42,019	(42,019)
Percentage change in net asset value	**19.8**	**(19.8)**	**19.4**	**(19.4)**

(b) Liquidity risk

This is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management of the risk

The Company's assets include readily realisable securities amounting to £32,760,000 (2023: £64,336,000), which can be sold to meet ongoing funding requirements. Additionally, the Company has level 3 investments valued at £128,337,000 (2023: £145,757,000) which are illiquid, but could be sold if required.

Liquidity risk exposure

Contractual maturities of financial liabilities, based on the earliest date on which payment can be required are as follows:

	2024				2023			
	Three months or less £'000	More than three months but not more than one year £'000	More than one year £'000	Total £'000	Three months or less £'000	More than three months but not more than one year £'000	More than one year £'000	Total £'000
Creditors: amounts falling due within one year								
Other creditors and accruals	898	–	–	**898**	1,453	–	–	**1,453**
Uncalled capital commitments	–	1,049	–	**1,049**	549	1,328	1,398	**3,275**
	898	**1,049**	**–**	**1,947**	**2,002**	**1,328**	**1,398**	**4,728**

(c) Credit risk

Credit risk is the risk that the failure of the counterparty to a transaction to discharge its obligations under that transaction could result in loss to the Company.

Management of credit risk

This risk is not significant and is managed as follows:

Portfolio dealing

The credit ratings of broker counterparties is monitored by the AIFM and limits are set on exposure to any one broker.

Exposure to the custodian

The custodian of the Company's assets is HSBC Bank plc which has Long-Term Credit Ratings of AA- with Fitch and A1 with Moody's. The Company's investments are held in accounts which are segregated from the custodian's own trading assets. If the custodian were to become insolvent, the Company's right of ownership of its investments is clear and they are therefore protected. However the Company's cash balances are all deposited with the custodian as banker and held on the custodian's balance sheet. Accordingly, in accordance with usual banking practice, the Company will rank as a general creditor to the custodian in respect of cash balances.

Credit risk exposure

The amounts shown in the balance sheet under debtors and cash at bank and in hand represent the maximum exposure to credit risk at the current and comparative year ends. No debtors are past their due date and none have been provided for. There has been no stock lending during the year, or prior year.

(d) Fair values of financial assets and financial liabilities

All financial assets and liabilities are either carried in the balance sheet at fair value, or the balance sheet amount is a reasonable approximation of fair value.

19. Analysis of changes in net debt

	At 31 December 2023 £'000	Cashflows £'000	At 31 December 2024 £'000
Cash and cash equivalents			
Cash and cash equivalents	**2,913**	(965)	**1,948**

20. Capital management policies and procedures

The Company's capital is represented by its net assets and borrowings, which are managed to achieve the Company's investment objective, as set out on page 22. The Board, with the assistance of the Manager, monitors and reviews the broad structure of the Company's capital on an ongoing basis. The Board has now concluded the capital discipline policy, and it is unlikely share buybacks will occur in the future. Instead, the Board will be prioritising the return of capital to shareholders, as announced in the Circular published on 31 January 2025.

The Company's debt and capital structure comprises the following:

	2024 £'000	2023 £'000
Equity		
Called-up share capital	8,145	8,573
Reserves	154,300	208,491
Total equity	**162,445**	217,064

21. Post balance sheet events

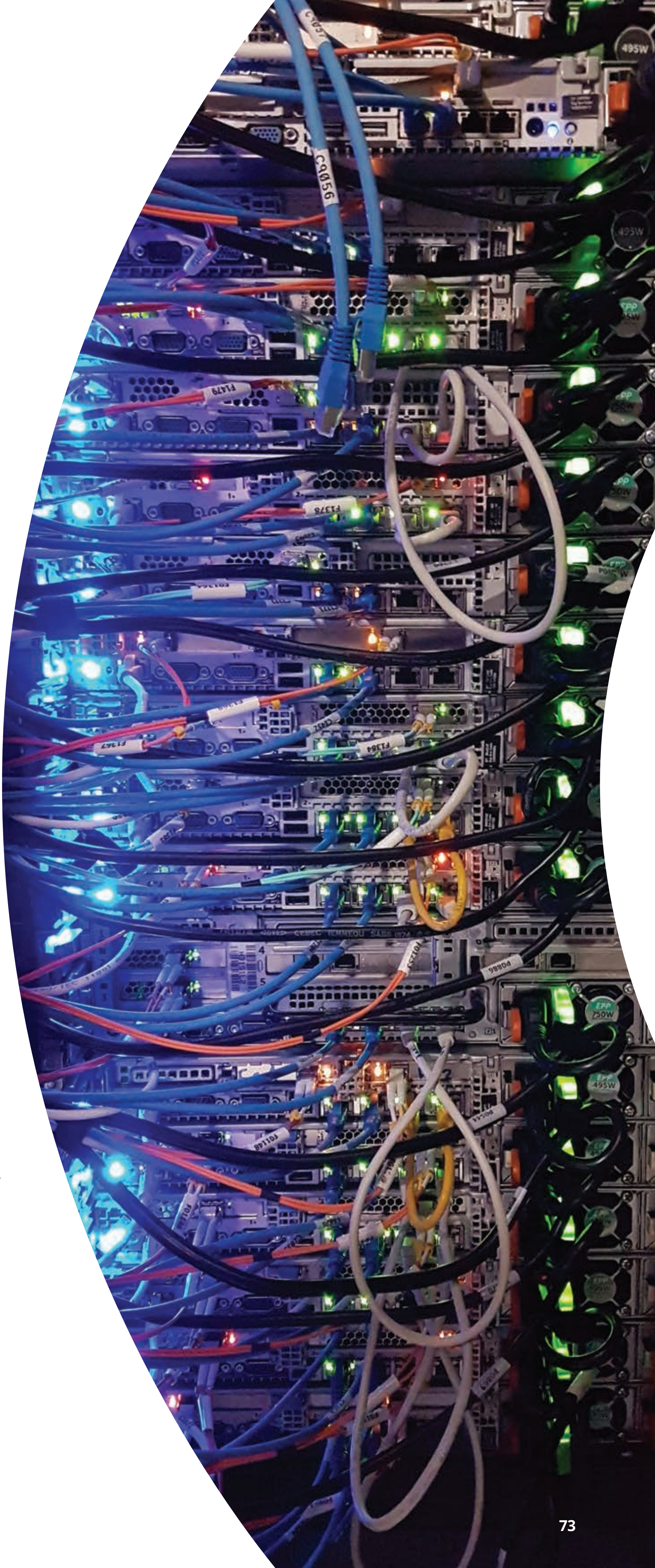
On 11 February 2025 Novartis, a publicly-listed company, announced the acquisition of Anthos Therapeutics, one of the Company's biotechnology investments, for a total purchase consideration of$925.0 million in cash, alongside potential future milestone and contingency payments of up to $2.15 billion. Upon reviewing all relevant facts and circumstances, the Company considers this a non-adjusting event for these financial statements. The Company currently projects a positive revaluation adjustment of £0.7 million, reflecting an approximate increase of 0.43% to the net asset value as of 31 December 2024.

On 13 March 2025, BenevolentAI, a public holding of the Company, delisted from the Euronext Amsterdam exchange following a successful merger with Osaka Holdings S.a.r.l. In line with the Company's valuation policy, this holding has been assessed using the procedures applicable to private holdings, given BenevolentAI's lack of trading liquidity. Based on the last closing price on 12 March 2025, prior to the delisting, the Company estimates a negative revaluation impact of £0.6 million, which corresponds to approximately 36 basis points on the net asset value as of 31 December 2024.

On 17 March 2025 Taiho Pharmaceutical, a subsidiary of the publicly-listed conglomerate Otsuka Holdings, acquired Araris Biotech AG, another investment within the Company's biotechnology portfolio, at a purchase price of $400.0 million upfront, with the potential for additional milestone payments of up to $740.0 million. After evaluating all pertinent facts and circumstances, the Company also regards this as a non-adjusting event for these financial statements. Based on the valuation implied by the up-front purchase consideration, near-term milestone potential and accounting for specific closing adjustments according to the Company's valuation policy, the estimated value of its holding would approximately be £19.5 million. This represents a positive valuation revision of £16.7 million, amounting to a positive increase of approximately 10.1% to the net asset value as of 31 December 2024.

All unquoted holdings, including the investments mentioned above, will undergo further evaluation and final determination in accordance with the Company's valuation policy as part of the publication of the quarterly net asset value for 31 March 2025.

Other Information (Unaudited)



Other Information (Unaudited)

The Annual General Meeting ("AGM") of the Company will be held on Wednesday, 21 May 2025 at 12.30 pm. The formal Notice of Meeting is set out on page 75.

The following information is important and requires your immediate attention. If you are in any doubt about the action you should take, you should consult an independent financial adviser, authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all of your ordinary shares in the Company, please forward this document with its accompanying form of proxy at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

Ordinary business

Resolutions 1 to 9 are all ordinary resolutions. Resolution 1 is a required resolution. Resolution 2 and 3 concern the Directors' Remuneration Report and Directors' remuneration policy, which is set out on pages 45 to 47. Resolutions 4 to 6 invite shareholders to re-elect the Directors for another year following the recommendations of the Nomination and Remuneration Committee, set out on pages 43 and 44 (the Directors' biographies are set out on pages 34 and 35). Resolutions 7 and 8 concern the re-appointment and remuneration of the Company's Auditor, discussed in the Audit, Risk and Valuation Committee Report on pages 39 to 41.

Special business

Resolution 9: Directors' authority to allot shares (ordinary resolution) and resolution 10: power to disapply pre-emption rights (special resolution)

The Directors are seeking authority to allot a limited number of unissued ordinary shares for cash without first offering them to existing shareholders in accordance with statutory pre-emption procedures.

Appropriate resolutions will be proposed at the forthcoming AGM and are set out in full in the Notice of AGM. An ordinary resolution will be proposed to authorise the Directors to allot shares up to a maximum aggregate nominal amount of £808,582.90 (being 10% of the issued share capital (excluding any shares held in treasury) as at the date of the Notice of AGM).

A special resolution will be proposed to authorise the Directors to allot shares up to a maximum aggregate nominal amount of £808,582.90 (being 10% of the issued share capital as at the date of the Notice of AGM) on a non pre-emptive basis. This authority includes shares that the Company sells or transfers that have been held in treasury. The Directors do not intend to allot ordinary shares or sell treasury shares, on a non-pre-emptive basis, pursuant to this authority other than to take advantage of opportunities in the market as they arise and only if they believe it to be advantageous to the Company as a whole. Shares issued or treasury shares reissued, under this authority, will be at a price that is equal to or greater than the Company's NAV per share, plus any applicable costs, as at the latest practicable date before the allotment of such shares.

If approved, both of these authorities will expire at the conclusion of the AGM in 2026 unless renewed, varied or revoked earlier.

Resolution 11: authority to make market purchases of the Company's own shares (special resolution)

At the AGM held on 22 May 2024, the Company was granted authority to make market purchases of up to 125,895,017 ordinary shares of 1p each for cancellation or holding in treasury. 24,457,127 shares have been bought back under this authority and the Company therefore has remaining authority to purchase up to 101,437,890 ordinary shares. This authority will expire at the forthcoming AGM.

The Directors believe it is in the best interests of the Company and its shareholders to have a general authority for the Company to buy back its ordinary shares in the market as they keep under review the share price discount to NAV. A special resolution will be proposed at the forthcoming AGM to give the Company authority to make market purchases of up to 14.99% of the ordinary shares in issue as at the date of the Notice of AGM (excluding treasury shares). The Directors will exercise this authority to buy back shares only when the share price is at a discount to the Company's NAV and only if the Directors consider that any purchase would be for the benefit of the Company and its shareholders, taking into account relevant factors and circumstances at the time. Any shares so purchased would be cancelled or held in treasury for potential reissue.

If renewed, this authority will lapse at the conclusion of the AGM in 2026 unless renewed, varied or revoked earlier.

Resolution 12: notice period for general meetings (special resolution)

Resolution 12 set out in the Notice of AGM is a special resolution and will, if passed, allow the Company to hold general meetings (other than Annual General Meetings) on a minimum notice period of 14 clear days, rather than 21 clear days as required by the Companies Act 2006. The approval, if granted, will be effective until the Company's next AGM to be held in 2026. The Directors will only call general meetings on 14 clear days' notice when they consider it to be in the best interests of the Company's shareholders and will only do so if the Company offers facilities for all shareholders to vote by electronic means and when the matter needs to be dealt with expediently.

Recommendations

The Board considers that the resolutions relating to the above items of business are in the best interests of shareholders as a whole. Accordingly, the Board unanimously recommends to shareholders that they vote in favour of the resolutions to be proposed at the forthcoming AGM, as they intend to do in respect of their own beneficial holdings.

Notice of Annual General Meeting

Notice is hereby given that the AGM of Schroders Capital Global Innovation Trust plc ("the Company") will be held at 12.30 pm on Wednesday, 21 May 2025 at 1 London Wall Place, London EC2Y 5AU to consider the following resolutions, of which resolutions 1 to 9 will be proposed as ordinary resolutions, and resolutions 10 to 12 will be proposed as special resolutions:

1. To receive the Directors' Report and the audited financial statements for the year ended 31 December 2024.
2. To approve the Directors' Remuneration Report for the year ended 31 December 2024.
3. To approve the Directors' remuneration policy set out on page 45 of the Directors' Remuneration Report.
4. To re-elect Tim Edwards as a Director of the Company.
5. To re-elect Stephen Cohen as a Director of the Company.
6. To re-elect Jane Tufnell as a Director of the Company.
7. To re-appoint Ernst & Young LLP as Auditor to the Company.
8. To authorise the Directors to determine the remuneration of Ernst & Young LLP as Auditor to the Company.
9. To consider, and if thought fit, pass the following resolution as an ordinary resolution:

   "THAT in substitution for all existing authorities the Directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot relevant securities (within the meaning of section 551 of the Act) up to an aggregate nominal amount of £808,582.90 (being 10% of the issued ordinary share capital at the date of this Notice) for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the Annual General Meeting of the Company in 2026, but that the Company may make an offer or agreement which would or might require relevant securities to be allotted after expiry of this authority and the Board may allot relevant securities in pursuance of that offer or agreement."

10. To consider and, if thought fit, to pass the following resolution as a special resolution:

    "THAT, subject to the passing of Resolution 9 set out above, the Directors be and are hereby empowered, pursuant to Section 571 of the Act, to allot equity securities (including any shares held in treasury) (as defined in section 560(1) of the Act) pursuant to the authority given in accordance with section 551 of the Act by the said Resolution 9 and/or where such allotment constitutes an allotment of equity securities by virtue of section 560(2) of the Act as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £808,582.90 (representing 10% of the aggregate nominal amount of the share capital in issue at the date of this Notice); and where equity securities are issued pursuant to this power they will only be issued at a price which is equal or greater than the Company's NAV per share as at the latest practicable date before the allotment; and provided that this power shall expire at the conclusion of the next Annual General Meeting of the Company but so that this power shall enable the Company to make offers or agreements before such expiry which would or might require equity securities to be allotted after such expiry."

11. To consider and, if thought fit, to pass the following resolution as a special resolution:

    "THAT the Company be and is hereby generally and unconditionally authorised in accordance with Section 701 of the Companies Act 2006 (the "Act") to make market purchases (within the meaning of Section 693 of the Act) of ordinary shares of 1p each in the capital of the Company ("Share") at whatever discount the prevailing market price represents to the prevailing net asset value per Share provided that:

    (a) the maximum number of Shares which may be purchased is 121,206,576 representing 14.99% of the Company's issued ordinary share capital as at the date of this Notice;

    (b) the maximum price (exclusive of expenses) which may be paid for a Share shall not exceed the higher of;

      i) 105% of the average of the middle market quotations for the Shares as taken from the London Stock Exchange Daily Official List for the five business days preceding the date of purchase; and

      ii) the higher of the last independent bid and the highest current independent bid on the London Stock Exchange;

    (c) the minimum price (exclusive of expenses) which may be paid for a Share shall be 1p, being the nominal value per Share;

    (d) this authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company in 2026 (unless previously renewed, varied or revoked by the Company prior to such date);

    (e) the Company may make a contract to purchase Shares under the authority hereby conferred which will or may be executed wholly or partly after the expiration of such authority and may make a purchase of Shares pursuant to any such contract; and

    (f) any Shares so purchased will be cancelled or held in treasury."

To consider, and if thought fit, to pass the following resolution as a special resolution:

12. "THAT a general meeting, other than an Annual General Meeting, may be called on not less than 14 clear days' notice."

By order of the Board

Schroder Investment Management Limited
Company Secretary

27 March 2025

Registered Office:

1 London Wall Place,
London EC2Y 5AU

Registered Number: 09405653

1. Ordinary shareholders are entitled to attend, ask questions and vote at the meeting and to appoint one or more proxies, who need not be a shareholder, as their proxy to exercise all or any of their rights to attend, speak and vote on their behalf at the meeting.

   In order to be valid an appointment of proxy must be returned by one of the following methods:

   – online by following the instructions for the Equiniti's website Shareview, by either logging in or creating an online portfolio at www.shareview.co.uk.

   – in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below,

   – Institutional investors may be able to use the Proxymity platform, please visit www.proxymity.io for further details.

   If you wish to receive a hard copy paper proxy form, please contact Equiniti Limited via one of the following methods:

   – Shareholder helpline: +44 (0) 800 032 0641 calls to 0800 are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom are charged at the applicable international rate. If calling from outside the UK, please ensure the country code is used. Lines are open between 8.30 am – 5.30 pm, Monday to Friday, excluding public holidays in England and Wales; or

   – in writing to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA United Kingdom.

   Completion of a form of proxy will not preclude a member from attending the Annual General Meeting and voting in person. If you wish to appoint a person other than the Chair as your proxy, please insert the name of your chosen proxy holder in the space provided at the top of the proxy form. If the proxy is being appointed in relation to less than your full voting entitlement, please enter in the box next to the proxy holder's name the number of shares in relation to which they are authorised to act as your proxy. If left blank your proxy will be deemed to be authorised in respect of your full voting entitlement (or if this proxy form has been issued in respect of a designated account for a shareholder, the full voting entitlement for that designated account).

   A proxy form must be signed and dated by the shareholder or his or her attorney duly authorised in writing. In the case of joint holdings, any one holder may sign this form. The vote of the senior joint holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder and for this purpose seniority will be determined by the order in which the names appear on the Register of Members in respect of the joint holding. To be valid, proxy form(s) must be completed and returned to the Company's Registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, in the enclosed envelope together with any power of attorney or other authority under which it is signed or a copy of such authority certified notarially, to arrive no later than 48 hours before the time fixed for the meeting, or an adjourned meeting, excluding non-working days.

   On a vote by show of hands, every ordinary shareholder who is present in person has one vote and every duly appointed proxy who is present has one vote. On a poll vote, every ordinary shareholder who is present in person or by way of a proxy has one vote for every share of which he/she is a holder. Voting will be by poll.

   The "Vote Withheld" option on the proxy form is provided to enable you to abstain on any particular resolution. However it should be noted that a "Vote Withheld" is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.

   Shareholders are encouraged to register their appointment of proxy electronically via the internet and can do so through Equiniti's website Shareview, by either logging in or creating an online portfolio at www.shareview.co.uk and following the on-screen instructions. A proxy appointment made electronically will not be valid if sent to any other address other then those provided or if received after 12.30 pm on 19 May 2025 (excluding any parts of the day that is not a business day). If you have any difficulties with online voting, you should contact the shareholder helpline on +44 (0) 800 032 0641.

   Alternatively, shareholders who have already registered with Equiniti's Shareview service can appoint a proxy by logging onto their portfolio at www.shareview.co.uk using their user ID and password. Once logged in simply click "View" on the "My Investments" page, click on the link to vote then follow the on-screen instructions. The on-screen instructions give details on how to complete the appointment process. Please note that to be valid, your proxy instructions must be received by Equiniti no later than 12.30 pm. on 19 May 2025. If you have any difficulties with online voting, you should contact the shareholder helpline on +44 (0) 800 032 0641.

   If an ordinary shareholder submits more than one valid proxy appointment, the appointment received last before the latest time for receipt of proxies will take precedence.

   Shareholders may not use any electronic address provided either in this Notice of Annual General Meeting or any related documents to communicate with the Company for any purposes other than expressly stated.

   Representatives of shareholders that are corporations will have to produce evidence of their proper appointment when attending the Annual General Meeting.

2. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him or her and the shareholder by whom he or she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he or she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

   The statement of the rights of ordinary shareholders in relation to the appointment of proxies in note 1 above does not apply to Nominated Persons. The rights described in that note can only be exercised by ordinary shareholders of the Company.

3. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company has specified that only those shareholders registered in the Register of members of the Company at 6.30 p.m. on 19 May 2025, or 6.30 p.m. two days prior to the date of an adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to the Register of Members after 6.30 p.m. on 19 May 2025 shall be disregarded in determining the right of any person to attend and vote at the meeting.

4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST manual. The CREST manual can be viewed at www.euroclear.com. A CREST message appointing a proxy (a "CREST proxy instruction") regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction previously given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time for receipt of proxy appointments. If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12.30 pm on 19 May 2025 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

5. Copies of the terms of appointment of the non-executive Directors and a statement of all transactions of each Director and of their family interests in the shares of the Company, will be available for inspection by any member of the Company at the registered office of the Company during normal business hours on any weekday (English public holidays excepted) and at the Annual General Meeting by any attendee, for at least 15 minutes prior to, and during, the Annual General Meeting. None of the Directors has a contract of service with the Company.

6. The biographies of the Directors offering themselves for re-election are set out on pages 34 and 35 of the Company's annual report and financial statements for the year ended 31 December 2024.

7. As at 27 March 2025, 808,582,899 ordinary shares of 1 pence each were in issue, no ordinary shares were held in treasury. Therefore the total number of voting rights of the Company as at 27 March 2025 was 808,582,899.

8. A copy of this Notice of meeting, which includes details of shareholder voting rights, together with any other information as required under Section 311A of the Companies Act 2006, is available from the Company's web pages: www.schroders.com/inov.

9. Pursuant to Section 319A of the Companies Act 2006, the Company must cause to be answered at the Annual General Meeting any question relating to the business being dealt with at the Annual General Meeting which is put by a member attending the meeting, except in certain circumstances, including if it is undesirable in the interests of the Company or the good order of the meeting that the question be answered or if to do so would involve the disclosure of confidential information.

10. Members satisfying the thresholds in section 527 of the Companies Act 2006 can require the Company to publish a statement on its web pages setting out any matter relating to:

    (a) the audit of the Company's Accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the Meeting; or

    (b) any circumstance connected with an auditor of the Company ceasing to hold office since the last AGM, that the members propose to raise at the Meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required to publish on its web pages.

11. The Company's privacy policy is available on its web pages: www.schroders.com/inov. Shareholders can contact Equiniti for details of how Equiniti processes their personal information as part of the Annual General Meeting.

The terms and performance measures below are those commonly used by investment companies to assess values, investment performance and operating costs. Numerical calculations are given where relevant. Some of the financial measures below are classified Alternative Performance Measures ("APMs") as defined by the European Securities and Markets Authority. Under this definition, APMs include a financial measure of historical financial performance or financial position, other than a financial measure defined or specified in the applicable financial reporting framework. APMs have been marked with an asterisk.

Net asset value ("NAV") per share

The NAV per share of 19.94p (2023: 25.32p) represents the net assets attributable to equity shareholders of £162,445,000 (2023: £217,064,000) divided by the number of shares in issue of 814,492,025 (2023: 857,360,026).

The change in the NAV amounted to –21.2% (2023: –11.2%) over the year.

Total return*

The combined effect of any dividends paid, together with the rise or fall in the share price or NAV per share. Total return statistics enable the investor to make performance comparisons between investment companies with different dividend policies. Any dividends received by a shareholder are assumed to have been reinvested in either the assets of the Company at its NAV per share at the time the shares were quoted ex-dividend (to calculate the NAV per share total return) or in additional shares of the Company (to calculate the share price total return). The Company has not declared a dividend in either 2023 or 2024.

The NAV total return for the year ended 31 December 2024 is calculated as follows:

Opening NAV at 31/12/23	25.32p
Closing NAV at 31/12/24	19.94p
NAV total return, being the closing NAV, expressed as a percentage change in the opening NAV:	–21.2%

The NAV total return for the year ended 31 December 2023 is calculated as follows:

Opening NAV at 31/12/22	28.52p
Closing NAV at 31/12/23	25.32p
NAV total return, being the closing NAV, expressed as a percentage change in the opening NAV:	–11.2%

The share price total return for the year ended 31 December 2023 is calculated as follows:

Opening share price at 31/12/23	14.65p
Closing share price at 31/12/24	11.00p
Share price total return, being the closing share price, expressed as a percentage change in the opening share price:	–24.9%

The share price total return for the year ended 31 December 2023 is calculated as follows:

Opening share price at 31/12/22	15.47p
Closing share price at 31/12/23	14.65p
Share price total return, being the closing share price, expressed as a percentage change in the opening share price:	–5.3%

Discount/premium*

The amount by which the share price of an investment trust is lower (discount) or higher (premium) than the NAV per share. If shares are trading at a discount, investors would be paying less than the value attributable to the shares by reference to the underlying assets. A premium or discount is generally the consequence of supply and demand for the shares on the stock market. The discount or premium is expressed as a percentage of the NAV per share. The discount at the year end amounted to 44.8% (2023: 42.1%), as the closing share price at 11.00p (2023: 14.65p) was 44.8% (2023: 42.1%) lower than the closing NAV of 19.94p (2023: 25.32p).

(Net cash)/gearing*

The gearing percentage reflects the amount of borrowings (i.e. bank loans or overdrafts) which the Company has drawn down and invested in the market. This figure is indicative of the extra amount by which shareholders' funds would move if the Company's investments were to rise or fall. This represents borrowings used for investment purposes, less cash, expressed as a percentage of net assets. If the figure so calculated is negative, this is shown as a "Net cash" position. The gearing figure at the year end is calculated as follows:

	2024 £'000	2023 £'000
Borrowings used for investment purposes, less cash	(1,948)	2,913
Net assets	162,445	217,064
(Net cash)/gearing (%)	(1.2)	(1.3)

Ongoing charges*

The ongoing charges figure is a measure of the ongoing operating cost of the Company. It is calculated in accordance with the AIC's recommended methodology and represents the management fee and all other operating expenses excluding finance costs, transaction costs and any performance fee payable, amounting to £2,244,000 (2023: £2,593,000), expressed as a percentage of the average daily net asset values during the year of £183,165,000 (2023: £239,109,000).

	2024 £'000	2023 £'000
Management fee and all other operating expenses excluding finance costs, transaction costs and any performance fee payable	2,244	2,593
Average daily net asset values during the year	183,165	239,109
Ongoing charges ratio	1.23	1.08

*Alternative Performance Measure.

Leverage*

For the purpose of the Alternative Investment Fund Managers (AIFM) Directive, leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. Higher Leverage numbers are thus indicative of higher market risk. Leverage is expressed as the ratio of the Company's exposure to its net asset value and is required to be calculated both on a "Gross" and a "Commitment" method. Under the Gross method, exposure represents the sum of the absolute values of all positions, so as to give an indication of overall exposure. Under the Commitment method, exposure is calculated in a similar way, but after netting off hedges which satisfy certain strict criteria.

The Company's leverage policy and details of its leverage ratio calculation and exposure limits as required by the AIFMD are published on the Company's webpages and within this report. The Company is also required to periodically publish its actual leverage exposures. As at 31 December 2024 these were:

	2024		2023	
	% of net asset value		% of net asset value	
Leverage exposure	Maximum	Actual	Maximum	Actual
Gross method	310	98.9	310	97.1
Commitment method	120	100.0	120	100.0

The AIF is permitted to be leveraged and the table below sets out the current maximum permitted and actual leverage at 31 December 2024. An unleveraged position would be stated as 100%.

Web pages and share price information

The Company has dedicated web pages, which may be found at www.schroders.com/inov. The web pages are the Company's primary method of electronic communication with shareholders. They contain details of the Company's ordinary share price and copies of the annual report and financial statements and other documents published by the Company as well as information on the Directors, terms of reference of committees and other governance arrangements. In addition, the web pages contain links to announcements made by the Company to the market and Schroders' website.

The Company releases its NAV per share on both a cum and ex-income basis to the market on a quarterly basis.

Share price information may also be found in the Financial Times and on the Company's web pages.

Association of Investment Companies

The Company is a member of the Association of Investment Companies. Further information on the Association can be found on its website, www.theaic.co.uk.

Individual Savings Account ("ISA") status

The Company's shares are eligible for stocks and shares ISAs.

Non-Mainstream Pooled Investments status

The Company currently conducts its affairs so that its shares can be recommended by IFAs to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The Company's shares are excluded from the FCA's restrictions which apply to non- mainstream investment products because they are shares in an investment trust.

Financial calendar

Annual General Meeting	May
Half year end	30 June
Half-year results announced	September
Financial-year end	31 December
Annual results announced	March

AIFM Directive

The AIFM Directive, as transposed into the FCA Handbook in the UK, requires that certain pre-investment information be made available to investors in Alternative Investment Funds (such as the Company) and also that certain regular and periodic disclosures are made. This information and these disclosures may be found either below, elsewhere in this annual report and financial statements, or in the Company's AIFM Directive information disclosure document published on the Company's web pages.

Remuneration disclosures

Quantitative remuneration disclosures to be made in this annual report in accordance with FCA Handbook rule FUND3.3.5 may also be found in the Company's AIFMD information disclosure document published on the Company's web pages.

Publication of Key Information Document ("KID") by the AIFM

Pursuant to the Packaged Retail and Insurance-based Products Regulation, the Manager, as the Company's AIFM, is required to publish a short KID on the Company. KIDs are designed to provide certain prescribed information to retail investors, including details of potential returns under different performance scenarios and a risk/reward indicator. The Company's KID is available on its web pages.

Complaints

The Company has adopted a policy on complaints and other shareholder communications which ensures that shareholder complaints and communications addressed to the Company Secretary, the Chair or the Board are, in each case, considered by the Chair and the Board.

Warning to shareholders

Companies are aware that their shareholders have received unsolicited telephone calls or correspondence concerning investment matters. These are typically from overseas-based 'brokers' who target UK shareholders, offering to sell them what often turn out to be worthless or high risk shares or investments.

These operations are commonly known as 'boiler rooms'. These 'brokers' can be very persistent and extremely persuasive.

Shareholders are advised to be wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports. If you receive any unsolicited investment advice:

- Make sure you get the correct name of the person and organisation
- Check that they are properly authorised by the FCA before getting involved by visiting https://register.fca.org.uk
- Report the matter to the FCA by calling 0800 111 6768 or visiting https://fca.org.uk/consumers/report-scam-unauthorised-firm
- Do not deal with any firm that you are unsure about

If you deal with an unauthorised firm, you will not be eligible to receive payment under the Financial Services Compensation Scheme.

The FCA provides a list of unauthorised firms of which it is aware, which can be accessed at https://www.fca.org.uk/consumers/unauthorised-firms-individuals#list.

More detailed information on this or similar activity can be found on the FCA website at https://www.fca.org.uk/consumers/protect-yourself-scams.

Information about the Company

www.schroders.com/inov

Directors

Tim Edwards (Chair)
Lamia Baker
Stephen Cohen
Jane Tufnell

Registered office

1 London Wall Place
London EC2Y 5AU
Tel: +44 (0) 20 7658 6000

Advisers and service providers

Alternative Investment Fund Manager

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU

Investment Manager

Schroder Investment Management Limited
1 London Wall Place
London EC2Y 5AU

Schroders Capital Management (Switzerland) AG
Talstrasse 11 (Schanzenhof), CH-8001
Zurich, Switzerland

Company Secretary

Schroder Investment Management Limited
1 London Wall Place
London EC2Y 5AU
Email: amcompanysecretary@schroders.com

Depositary and Custodian

HSBC Bank plc
8 Canada Square
London E14 5HQ

Corporate broker

Winterflood Securities Limited
Riverbank House
2 Swan Lane
London EC4R 3GA

Legal adviser

Stephenson Harwood LLP
1 Finsbury Circus
London EC2M 7SH

Independent Auditor

Ernst & Young LLP
25 Churchill Place
London E14 5EY

Registrar

Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA

Shareholder Helpline:
0800 032 0641[1]
Website: www.shareview.co.uk

[1]Calls to this number are free of charge from UK landlines.

Communications with shareholders are mailed to the address held on the register. Any notifications and enquiries relating to shareholdings, including a change of address or other amendment should be directed to Equiniti Limited at the address above.

Other information

Company number

09405653

Shareholder enquiries

General enquiries about the Company should be addressed to the Company Secretary at the Company's Registered Office.

Dealing codes

SEDOL:	BVG1CF2
ISIN:	GB00BVG1CF25
Ticker:	INOV

Global Intermediary Identification Number (GIIN)

U73RHA.99999.SL.826

Legal Entity Identifier (LEI)

2138008X94M7OVE73I77

Privacy notice

The Company's privacy notice is available on its web pages.

Schroder Investment Management Limited
1 London Wall Place, London EC2Y 5AU, United Kingdom
T +44 (0) 20 7658 6000

schroders.com
@schroders