

Contents

Fund Information¹	3
Fund Performance¹	3
Review of Investment Activities¹	4
Risk Profile¹	5
Statement of the Manager's Responsibilities	6
Portfolio Statement¹	7
Financial Statements (unaudited)	9
Notes to the Accounts (unaudited)	10
General Information¹	11

¹ Collectively these comprise the Manager's report.

Fund Information

Investment objective and policy

Schroder Income Portfolio (the 'Fund') aims to provide an income of 3% to 5% per year and capital growth by investing in a diversified range of assets and markets worldwide with a target average annual volatility (a measure of how much the Fund's returns may vary over a year) over a rolling five year period of between 50% to 65% of that of global stock markets (represented by the MSCI All Country World index). This is not guaranteed and could change depending on market conditions.

The Fund is actively managed and invests its assets in collective investment schemes, closed ended investment schemes, real estate investment trusts and exchange traded funds which themselves invest worldwide in any of the following:

- (A) equity or equity related securities;
- (B) fixed income securities (including government bonds and corporate bonds);
- (C) currencies;
- (D) alternative assets; and
- (E) derivatives

Alternative assets may include funds that use absolute return strategies or funds that invest indirectly in real estate, infrastructure and commodities.

The Fund seeks to achieve the target average volatility by varying the weighting of asset types. During the relevant rolling five year period the Fund's volatility may be higher or lower than the target average level if the investment manager believes it is necessary to seek to mitigate potential losses. The Fund's potential gains and losses are likely to be constrained by the aim to achieve its target average volatility.

The Fund invests between 20% and 60% of its assets in equity and equity related securities.

The Fund may invest up to 20% of its assets in Schroder funds. The Fund may also hold cash.

The Fund will not use derivatives directly.

Fund characteristics

The Fund's performance should be assessed against the income target of 3-5% per year, and compared against the Investment Association Mixed Investment 20% to 60% Shares sector average return. The target benchmark has been selected because the target return of the Fund is to deliver or exceed the return of that benchmark as stated in the investment objective. The comparator benchmark has been selected because the investment manager and the manager believe that this benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy.

Total purchases and sales

	For the period to 31.8.24 £000's	For the year to 29.2.24 £000's
Total purchases	15,332	32,543
Total sales	13,233	30,771

Fund Performance

	Number of units in issue 31.8.24	Net asset value per unit 31.8.24	Net asset value per unit 29.2.24
A Accumulation units	40,767	177.49p	169.43p
A Income units	1,306	115.57p	111.90p
S Accumulation units	2,000	69.62p	66.26p
S Income units	2,149,206	52.35p	50.57p
Z Accumulation units	16,102,079	185.21p	176.13p
Z Income units	29,202,416	120.93p	116.80p

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

Review of Investment Activities

The Fund's performance should be assessed against the income target of 3-5% per year. From 29 February 2024 to 30 August 2024, the price of Z Accumulation units on a dealing price basis rose by 4.99%. In comparison, the Investment Association Mixed Investment 20% to 60% Shares sector average generated a total return of 5.36%¹.

The income yield of the portfolio is comprised of dividends from the equity portion and coupons from the fixed income portion. Over the period, the contribution to income from equity holdings has been in line with our expectations. We have also seen increased yields in the fixed income allocation of the portfolio due to the interest rate increases from most global central banks. We expect to see a greater contribution to income from this asset class going forward.

Global stock markets rose over 2024. This was driven predominantly by the US and Emerging Markets. Ongoing enthusiasm around artificial intelligence (AI) continued to boost technology and communication service sectors in the US, with some utilities also benefitting from this theme. The UK stock market was up, with the largest 100 companies reaching an all-time high. Meanwhile, after having suffered a mild recession in the second half of 2023, it was confirmed that the UK economy recorded positive growth in the first quarter of 2024. The likely timing and extent of interest rates cuts continues to be a key focus for markets.

In April 2024, we made changes to our Strategic Asset Allocation. In our most recent return forecast, we increased our expectation for the long-term return on cash. This led us to increase the expected returns for government bonds. We therefore increased this exposure, funded through a reduction in cash. This provides an opportunity to benefit from higher interest payments relative to history. Within equities, the UK allocation was reduced. This was reallocated to the remaining regions with the overall exposure to equities remaining largely unchanged.

Within equities, we expect that quality companies will continue to benefit the portfolios going forward. Examples include Unilever, the British multinational consumer packaged goods company, and Halma, the British global group of safety equipment companies that makes products for hazard detection and life protection. In April, the Man GLG Income Professional Fund was added through a reduction of the City of London Investment Trust. The Fund currently has a dividend yield of approximately 5%. This is an expression of the annual dividends paid out by the Fund. This measure is not an accurate reflection of the actual return that an investor will receive in all cases because stock prices constantly change due to market factors. Please note the actual figure may be revised once the final dividend payments have been declared by the underlying investments.

Within fixed income, we are cautiously positioned within our government bond allocation and maintain a high allocation to investment grade bonds. Investment grade bonds are issued by non-government entities and companies that have been rated as high quality by credit rating agencies.

Diversification of the portfolio is enhanced through an allocation to alternative investments. These investments often have a risk and return profile that is less dependent on traditional market drivers and therefore they may follow a return journey that is less correlated to traditional investments. We are currently focused on risk diversifying strategies which tend not to move in the same direction as other assets. In July, we introduced the Lazard Rathmore Alternative Fund into the portfolio. The Fund aims to generate returns by taking advantage of opportunities and events within the fixed income market, specifically for bonds that have the potential to be converted to stock in the company. The team believe they have a unique approach in analysing these corporate bonds to identify catalysts which affect the market beyond the traditional drivers of bond prices. The allocation was funded through profits from the Schroders GAIA Contour Tech Equity Fund and a reduction in the Fulcrum Equity Dispersion Fund.

Fund Manager:
Ryan Paterson



Ryan joined Schroders in May 2021 and co-manages the Schroder Investment Solutions range of products

He has over 20 years' experience in the investment industry, with previous roles including Research Manager, Proprietary Trader and Investment Analyst

Ryan is a Chartered Financial Analyst (CFA) charterholder and also holds the Investment Management Certificate (IMC)

Fund Manager:
Robert Starkey



Rob joined Schroders in May 2021 and co-manages the Schroder Investment Solutions range of funds and models

He started managing multi-asset model funds in 2013, and has experience in both the South African and UK markets

Robert is a CFA Charterholder, and has passed the CAIA, CIPM, and CFP examinations

He holds degrees in Economics (Cum Laude), Financial Planning (First Class), and a Masters in Investment Management (Distinction)

¹ Source: LSEG Workspace.

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

Risk Profile

Risk and reward indicator



The risk category was calculated using historical performance data and may not be a reliable indicator of the Fund's future risk profile. The Fund's risk category is not guaranteed to remain fixed and may change over time. A Fund in the lowest category does not mean a risk-free investment. For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website- www.schroders.com/en-lu/lu/professional/literature/key-investor-information-documents/.

Statement of the Manager's Responsibilities

The Collective Investment Schemes sourcebook published by the FCA, ("the COLL Rules") require the Manager to prepare financial statements for each annual and interim accounting period which give a true and fair view of the financial position of the Fund and of the net revenue and the net capital gains on the property of the Fund for the period.

In preparing the accounts the Manager is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The Manager is responsible for the management of the Fund in accordance with its Trust Deed, the Prospectus and the COLL Rules.

The Manager is responsible for the maintenance and integrity of the corporate and financial information included on its website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

S. Reedy

Directors

24 October 2024

P. Truscott

Portfolio Statement

	Holding at 31.8.24	Market Value £000's	% of net assets
Collective Investment Schemes 98.67% (97.88%)			
Absolute Return Funds 4.69% (4.93%)			
Amundi Tiedemann Arbitrage Strategy Fund - Class SI GBP	6,064	674	1.02
Brevan Howard Absolute Return Government Bond Fund A2 GBP Cap	8,151	887	1.34
Jupiter Strategic Absolute Return Bond Fund, F2 GBP Hedged Inc	840,094	871	1.31
Landseeram European Equity Focus Long/Short Fund I (GBP) (Accumulation)	4,432	484	0.73
Lazard Rathmore Alternative Fund E Acc GBP Hedged	1,438	194	0.29
		3,110	4.69
Asia Pacific ex Japan Equity Funds 1.16% (0.80%)			
Schroder Asian Income Fund Class L Income GBP	730,556	567	0.86
Schroder Asian Income Maximiser Fund Class L Income GBP	446,763	196	0.30
		763	1.16
Cash Funds 0.00% (1.47%)			
Commodity Funds 1.40% (1.42%)			
L&G Multi- Strategy Enhanced Commodities Fund - Share Class USD Accumulating	44,663	454	0.68
Lumyna - BOFA MLCX Commodity Alpha Fund - GBP E1 (inc)	4,567	480	0.72
		934	1.40
Emerging Markets Equity Funds 4.55% (3.27%)			
JPM Emerging Markets Income Fund C Net Income	4,377,260	3,020	4.55
		3,020	4.55
Europe ex UK Equity Funds 5.38% (4.82%)			
European ex UK Income Fund Class S GBP Distribution Shares	180,203	1,784	2.69
Fidelity Index Europe ex UK Fund P	970,529	1,786	2.69
		3,570	5.38

	Holding at 31.8.24	Market Value £000's	% of net assets
European Fixed Interest Funds 2.71% (3.84%)			
Schroder Strategic Credit Fund Class S Income GBP	3,927,473	1,799	2.71
		1,799	2.71
Global Corporate Bond Funds 0.74% (0.65%)			
Schroder Cat Bond Fund Class PI Distribution GBP Hedged	4,457	491	0.74
		491	0.74
Global Emerging Markets Fixed Interest Funds 1.37% (1.84%)			
M&G Emerging Markets Bond Fund Sterling Class PP - H Income shares	1,117,152	905	1.37
		905	1.37
Global Equity Funds 15.79% (14.84%)			
Fidelity Global Dividend Fund - R Income (monthly) Shares	3,102,341	3,661	5.52
Fulcrum Equity Dispersion Fund Class I (GBP) HSC	2,878	381	0.57
Lazard Global Thematic Focus Fund J Dist GBP	36,219	4,406	6.64
Schroder Global Sustainable Value Equity Fund Class Q1 Income GBP	3,601,565	2,030	3.06
		10,478	15.79
Global Fixed Interest Funds 20.38% (13.16%)			
HSBC Global Government Bond Index Fund Class:S2QHGBP	1,224,076	11,489	17.32
Vanguard Global Short-Term Bond Index Fund GBP Hedged Dist	20,351	2,029	3.06
		13,518	20.38
Hedge Funds 4.11% (4.09%)			
AQR Alternative Trends Fund IDG3 GBP Dis	7,940	954	1.44
MontLake Platform Dunn WMA Institutional Fund GBP Institutional Class B Pooled Shares	7,424	1,025	1.55
Schroder GAIA Contour Tech Equity Fund Class C Accumulation GBP Hedged	5,759	745	1.12
		2,724	4.11

Portfolio Statement (continued)

	Holding at 31.8.24	Market Value £000's	% of net assets
Japanese Equity Funds 4.05% (2.76%)			
Fidelity Index Japan Fund P Income Shares	1,384,055	2,685	4.05
		2,685	4.05
Multi Asset Funds 3.10% (2.69%)			
Schroder SSF Diversified Alternative Assets Fund Class S Distribution GBP	22,296	2,057	3.10
		2,057	3.10
Property Funds 1.58% (2.81%)			
iShares Environment & Low Carbon Tilt Real Estate Index Fund (UK) Class D Income GBP	589,555	1,048	1.58
		1,048	1.58
UK Equity Funds 8.10% (10.77%)			
LF Montanaro UK Income Fund GBP A Income Shares	585,117	527	0.80
Man GLG Income Fund Professional Income Shares (Class D)	1,953,534	2,676	4.03
Schroder UK-Listed Equity Income Maximiser Fund Class Q1 Income GBP	2,881,623	1,627	2.45

	Holding at 31.8.24	Market Value £000's	% of net assets
TB Evenlode Income C	203,588	546	0.82
		5,376	8.10
UK Fixed Interest Funds 9.48% (12.78%)			
Edentree Responsible And Sustainable Short Dated Bond Fund Share Class B	2,793,469	2,682	4.04
Jupiter Strategic Bond Fund Z Class	3,277,685	1,804	2.72
MI TwentyFour Dynamic Bond Fund I Income Shares	18,337	1,805	2.72
		6,291	9.48
US Equity Funds 10.08% (10.94%)			
Fidelity US Quality Income Fund	455,466	3,700	5.58
HSBC American Index Fund Class Income C	35,467	333	0.50
Schroder US Equity Income Maximiser Class L Income GBP	3,587,269	2,654	4.00
		6,687	10.08
Collective Investment Schemes total		65,456	98.67
Portfolio of investments		65,456	98.67
Net other assets		881	1.33
Net assets attributable to unitholders		66,337	100.00

The comparative percentage figures in brackets are as at 29 February 2024.

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

Statement of Total Return (unaudited)

For the six months ended 31 August 2024

	31.8.24		31.8.23	
	£000's	£000's	£000's	£000's
Income				
Net capital gains/(losses)		2,316		(922)
Revenue	1,129		1,024	
Expenses	(72)		(63)	
Net revenue before taxation	1,057		961	
Taxation	(91)		(76)	
Net revenue after taxation		966		885
Total return before distributions		3,282		(37)
Distributions		(1,022)		(935)
Change in net assets attributable to unitholders from investment activities		2,260		(972)

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

For the six months ended 31 August 2024

	31.8.24		31.8.23	
	£000's	£000's	£000's	£000's
Opening net assets attributable to unitholders		62,231 [^]		58,405
Amounts receivable on issue of units	6,514		5,083	
Amounts payable on cancellation of units	(5,128)		(4,266)	
		1,386		817
Dilution adjustment		1		–
Change in net assets attributable to unitholders from investment activities		2,260		(972)
Retained distribution on Accumulation units		459		448
Closing net assets attributable to unitholders		66,337		58,698[^]

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

Balance Sheet (unaudited)

As at 31 August 2024

	31.8.24	29.2.24
	£000's	£000's
Assets		
Investments	65,456	59,998
Current assets		
Debtors	223	649
Cash and bank balances	1,344	1,173
Cash equivalents	–	916
Total assets	67,023	62,736
Liabilities		
Creditors		
Bank overdrafts	–	(5)
Distributions payable	(310)	(229)
Other creditors	(376)	(271)
Total liabilities	(686)	(505)
Net assets attributable to unitholders	66,337	62,231

Notes to the Accounts (unaudited)

Accounting policies

Basis of preparation

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

The Manager has undertaken a detailed assessment of the Fund's ability to meet its liabilities as they fall due, including liquidity, fluctuations in global capital markets and investor redemption levels. Based on this assessment, the Fund continues to be open for trading and the Manager is satisfied the Fund has adequate financial resources to continue in operation for at least the next 12 months after the financial statements are signed and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

The accounting policies applied are consistent with those of the annual accounts for the year ended 29 February 2024 and are described in those annual accounts.

General Information

Manager

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

Investment Adviser

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

Trustee

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

Registrar

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

Administration Details

Schroders Investor Services
PO BOX 1402
Sunderland
SR43 4AF

Independent Auditor

KPMG LLP
319 St Vincent Street
Glasgow G2 5AS

Authorisation

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

Value Assessment

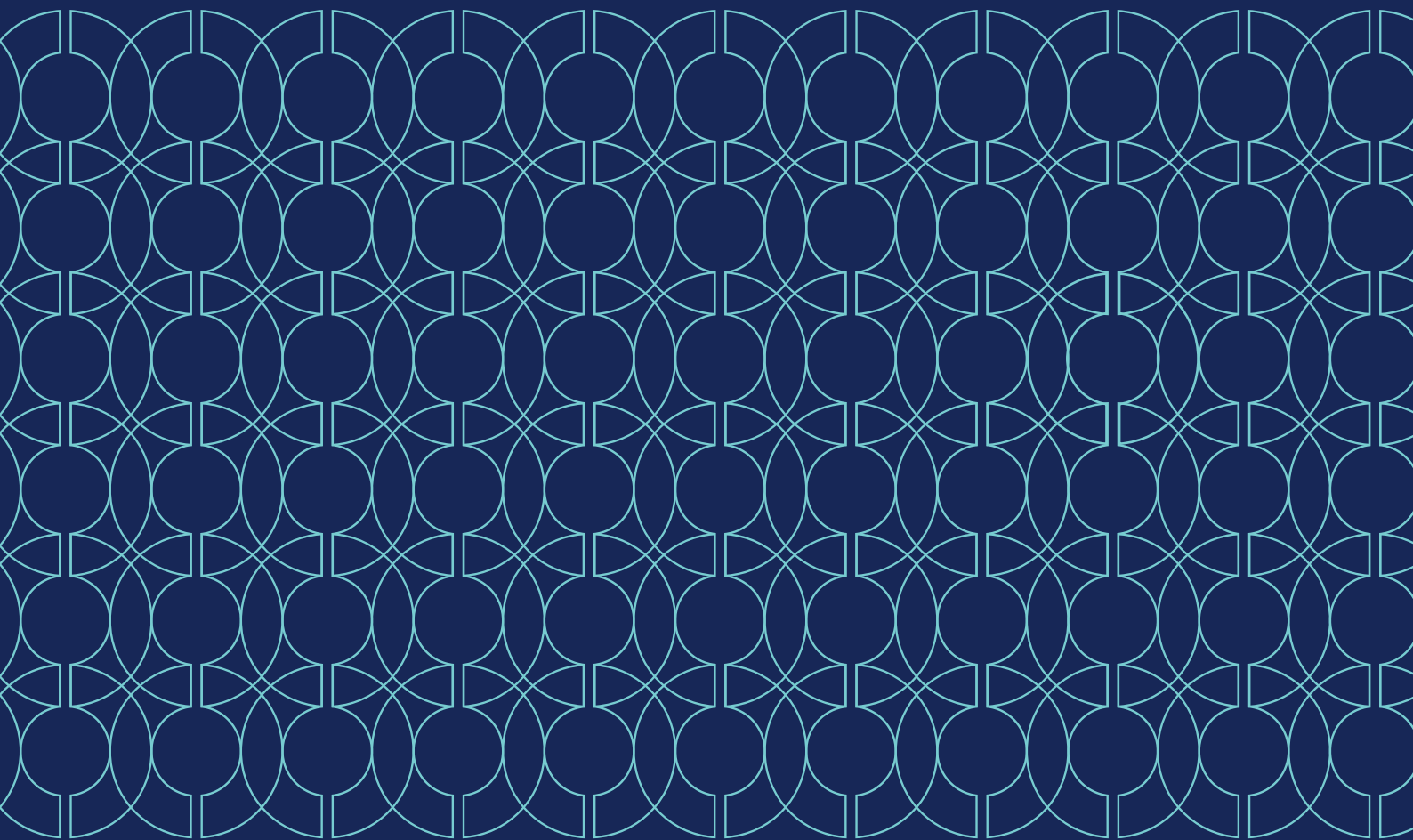
A statement on the Assessment of Value is published on the group website at <https://www.schroders.com/en-gb/uk/intermediary/funds-and-strategies/charges/schroders-assessment-of-value-reports/> within 4 months of the annual 'reference date' 31 December.

Task Force on Climate-Related Financial Disclosures

A statement on the climate related financial disclosures is published at www.schroders.com/en/global/individual/corporate-transparency/tcf-entity-and-product-reports/.

Other information

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



EST. 1804