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

# Fund Information

## Investment objective and policy

Schroder High Yield Opportunities Fund (the 'Fund') aims to provide income and capital growth of between 4.5% and 6.5% per annum (after fees have been deducted) over a three to five year period by investing in fixed and floating rate securities worldwide. This cannot be guaranteed and your capital is at risk.

The Fund is actively managed and invests at least 80% of its assets in fixed and floating rate securities (denominated in or hedged back into Sterling) issued by governments, government agencies, supra-nationals and companies worldwide.

The Fund invests at least 50% of its assets in Pan-European fixed and floating rate securities.

The Fund invests at least 80% of its assets in below investment grade securities (as measured by Standard & Poor's or any other equivalent credit rating agencies) or in unrated securities.

The Fund may also invest directly or indirectly in other securities (including in other asset classes), countries, regions, industries or currencies, collective investment schemes (including Schroder funds), warrants and money market instruments, and hold cash.

The Fund may use derivatives with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently (for more information please refer to section 6 of Appendix I of the Prospectus). The Fund may use leverage and take short positions.

## Fund characteristics

The Fund's performance should be assessed against the income and capital growth target of between 4.5% and 6.5% per year, and compared against the Investment Association High Yield Investment 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 27.1.23 £000's	For the year to 27.7.22 £000's
Total purchases	87,257	207,419
Total sales	91,702	235,679

# Fund Performance

	Number of units in issue 27.1.23	Net asset value per unit 27.1.23	Net asset value per unit 27.7.22
A Accumulation units	10,974,833	145.12p	139.98p
A Income units	70,496,143	38.05p	38.16p
S Accumulation units	131,069	51.31p	50.00p <sup>1</sup>
X Accumulation units	1,988	61.89p	59.28p
Z Accumulation units	235,104,989	91.44p	87.92p
Z Income units	406,263,954	44.56p	44.54p

1 S Accumulation units launched on 7 September 2022.

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 also be assessed against the income and capital growth target of between 4.5% and 6.5% per annum (after fees) over a 3 to 5 year period. From 27 July 2022 to 27 January 2023, the price of Z Accumulation units on a dealing price basis rose by 3.62%. In comparison, the Investment Association Sterling High Yield Sector Average generated a total return of 3.43%<sup>1</sup> in sterling terms.**

The third quarter saw big drawdowns for credit and continued volatility. There were further inflation concerns for Europe, which lagged behind the US. Europe's proximity to the Russia/Ukraine war had led to fears over future energy supplies as well as the increased volatility and uncertainty surrounding shifting central bank policy. September saw credit spreads tighten across global credit markets as expectations for higher future rate hikes tapered off, benefitting both investment grade and high yield. Towards the latter end of the fourth quarter, signs emerged that there may be some respite as European indicators signalled slowing headline inflation. This was helped by falling energy price pressures. The start of 2023 saw bond markets rally across the board. Increasing evidence of a 'soft landing' and signs that central banks were coming towards the end of their rate hiking cycles, created a positive outlook for credit going into the rest of the year.

Exposure to European services and USD-denominated energy were the main contributors to performance. European healthcare, consumer cyclicals and technology also contributed positively. GBP-denominated telecommunications and European real estate were the largest detractors over the period. This was followed by allocations to USD-denominated telecommunications.

Over the period we reduced exposure to telecommunications, real estate and basic industry. Simultaneously, we increased exposure to high beta industries towards the end of 2022 through European services, technology and senior banking.

**Fund Manager:  
Daniel Pearson**



Daniel Pearson joined Schroders in 2013 following the acquisition of Cazenove Capital

He focused on Investment grade and High Yield Auto, Business services and Property sectors. Prior to this he worked as a high yield credit analyst

He previously worked at 3i Group plc where he initially worked as a portfolio manager in restructuring/SME team before moving to the European buyout team and focused on all aspects of new investments – origination, appraisal, structuring and debt arrangement. From 1990 to 2002 he worked at Hambros plc

BSc in Business Administration from Bath University and an ACCA qualification

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

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

# Risk Profile

## Risk and reward indicator



The risk category is based upon the Fund’s risk target and there is no guarantee that the Fund will achieve it. The Fund’s risk category is not guaranteed to remain fixed and may change over time. A Fund in the lowest category does not mean a risk-free investment.

For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website [www.schroders.com](http://www.schroders.com).

# Statement of the Manager's Responsibilities

The Financial Conduct Authority's Collective Investment Schemes sourcebook requires the Manager to prepare accounts for each annual and half yearly accounting period, in accordance with United Kingdom Generally Accepted Accounting Practice, which give a true and fair view of the financial position of the Fund and of its net revenue and the net capital gains on the property of the Fund for the period. In preparing the accounts the Manager is required to:

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

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

The Manager's report and accounts for the period ended 27 January 2023 were signed on 21 March 2023 on behalf of the Manager by:

**P. Chislett**  
Directors

**P. Truscott**

# Portfolio Statement

	Holding at 27.1.23	Market Value £000's	% of net assets
<b>Corporate Bonds 93.07% (93.62%)</b>			
<b>Belgium 0.46% (0.42%)</b>			
LSF XI Magpie Bidco 7.25% 30/06/2027	2,500,000	2,035	0.46
		<b>2,035</b>	<b>0.46</b>
<b>Bermuda 1.59% (2.19%)</b>			
Digicel 6.75% 01/03/2023	9,050,000	2,851	0.65
Digicel 6.75% 01/03/2023	2,500,000	787	0.18
Lancashire Holdings FRN 5.625% 18/09/2041	4,964,000	3,334	0.76
		<b>6,972</b>	<b>1.59</b>
<b>Brazil 0.36% (0.36%)</b>			
Prumo Participacoes e Investimentos 7.5% 31/12/2031	2,052,132	1,598	0.36
		<b>1,598</b>	<b>0.36</b>
<b>Cayman Islands 2.01% (0.85%)</b>			
Global Aircraft Leasing 6.5% 15/09/2024	6,372,443	4,693	1.07
Avolon Holdings Funding 2.528% 18/11/2027	1,990,000	1,379	0.31
Avolon Holdings Funding 2.75% 21/02/2028	4,000,000	2,758	0.63
		<b>8,830</b>	<b>2.01</b>
<b>Chile 0.41% (0.78%)</b>			
Agrosuper 4.6% 20/01/2032	2,464,000	1,786	0.41
		<b>1,786</b>	<b>0.41</b>
<b>Denmark 0.77% (0.75%)</b>			
DKT Finance 9.375% 17/06/2023	3,120,000	2,520	0.57
DKT Finance 7% 17/06/2023	1,000,000	878	0.20
		<b>3,398</b>	<b>0.77</b>
<b>Finland 0.33% (0.33%)</b>			
PHM Group Holding 4.75% 18/06/2026	1,889,000	1,454	0.33
		<b>1,454</b>	<b>0.33</b>
<b>France 4.65% (5.18%)</b>			
La Financiere Atalian 4% 15/05/2024	5,500,000	4,246	0.97
La Financiere Atalian 6.625% 15/05/2025	2,961,000	1,942	0.44
La Financiere Atalian 5.125% 15/05/2025	2,000,000	1,175	0.27
Iliad Holding 6.5% 15/10/2026	1,245,000	951	0.22
Kapla Holding FRN 0% 15/07/2027	664,000	580	0.13

	Holding at 27.1.23	Market Value £000's	% of net assets
Emeria 3.375% 31/03/2028	8,785,000	6,565	1.49
Iliad Holding 7% 15/10/2028	913,000	691	0.16
Electricite de France FRN 6% Perpetual	2,500,000	2,313	0.53
Electricite de France FRN 3.375% Perpetual	2,800,000	1,945	0.44
		<b>20,408</b>	<b>4.65</b>
<b>Germany 6.81% (7.80%)</b>			
Tele Columbus 3.875% 02/05/2025	5,026,000	3,516	0.80
ProGroup 3% 31/03/2026	100,000	82	0.02
Douglas 6% 08/04/2026	890,000	675	0.15
Standard Profil Automotive 6.25% 30/04/2026	6,000,000	3,259	0.74
Nidda Healthcare Holding 7.5% 21/08/2026	4,913,000	4,224	0.96
Gruenthal 3.625% 15/11/2026	1,393,000	1,122	0.26
WEPA Hygiene- produkte 2.875% 15/12/2027	3,953,000	2,888	0.66
Cheplapharm Arzneimittel 5.5% 15/01/2028	4,142,000	2,958	0.67
Gruenthal 4.125% 15/05/2028	2,665,000	2,136	0.49
Ctec II 5.25% 15/02/2030	3,650,000	2,640	0.60
Deutsche Bank FRN 4.625% 31/12/2164	2,800,000	1,996	0.46
Deutsche Bank FRN 6.75% 31/12/2164	200,000	164	0.04
Infineon Technologies FRN 2.875% Perpetual	3,100,000	2,583	0.59
Infineon Technologies FRN 3.625% Perpetual	2,000,000	1,621	0.37
		<b>29,864</b>	<b>6.81</b>
<b>Gibraltar 0.14% (0.00%)</b>			
888 Acquisitions 7.558% 15/07/2027	777,000	634	0.14
		<b>634</b>	<b>0.14</b>
<b>Greece 0.94% (1.05%)</b>			
Piraeus Bank FRN 3.875% 03/11/2027	4,650,000	3,548	0.81
Piraeus Financial Holdings FRN 8.75% 31/12/2164	803,000	582	0.13
		<b>4,130</b>	<b>0.94</b>

# Portfolio Statement (continued)

	Holding at 27.1.23	Market Value £000's	% of net assets
<b>Hungary 0.16% (0.17%)</b>			
OTP Bank FRN 4.734% Perpetual	1,000,000	714	0.16
		<b>714</b>	<b>0.16</b>

<b>Ireland 0.78% (0.11%)</b>			
Bank of Ireland Group FRN 7.594% 06/12/2032	2,850,000	2,932	0.67
Bank of Ireland Group FRN 6.75% 01/03/2033	517,000	476	0.11
		<b>3,408</b>	<b>0.78</b>

<b>Israel 1.15% (1.31%)</b>			
Energear Israel Finance 4.5% 30/03/2024	1,367,000	1,079	0.25
Energear Israel Finance 4.875% 30/03/2026	1,757,000	1,336	0.30
Energear Israel Finance 5.375% 30/03/2028	2,223,000	1,665	0.38
Energear Israel Finance 5.875% 30/03/2031	1,320,000	969	0.22
		<b>5,049</b>	<b>1.15</b>

<b>Italy 5.83% (4.66%)</b>			
Intesa Sanpaolo 7% 21/11/2025	442,000	368	0.08
EVOCA FRN 5.891% 01/11/2026	1,227,000	927	0.21
Marcolin 6.125% 15/11/2026	14,539,000	10,900	2.48
Superstrada Pedemontana Veneta 8% 30/06/2027	5,192,000	4,646	1.06
Limacorporate FRN 0% 01/02/2028	2,305,000	1,931	0.44
Telecom Italia 6.875% 15/02/2028	1,765,000	1,542	0.35
Intesa Sanpaolo 8.505% 20/09/2032	1,816,000	1,887	0.43
Intesa Sanpaolo FRN 8.248% 21/11/2033	450,000	395	0.09
UniCredit FRN 5.459% 30/06/2035	1,910,000	1,345	0.31
UnipolSai Assicurazioni FRN 6.375% Perpetual	2,069,000	1,650	0.38
		<b>25,591</b>	<b>5.83</b>

<b>Jersey 3.63% (3.73%)</b>			
AA Bond 6.5% 31/01/2026	1,719,000	1,435	0.33
Galaxy Bidco 6.5% 31/07/2026	500,000	440	0.10
Petrofac 9.75% 15/11/2026	3,409,000	1,800	0.41
Kane Bidco 6.5% 15/02/2027	6,554,000	5,676	1.29

	Holding at 27.1.23	Market Value £000's	% of net assets
Galaxy Finco 9.25% 31/07/2027	8,000,000	6,568	1.50
		<b>15,919</b>	<b>3.63</b>

<b>Luxembourg 11.24% (12.18%)</b>			
Trafigura Funding 5.875% 23/09/2025	2,200,000	1,747	0.40
Garfunkelux Holdco 3 7.75% 01/11/2025	3,595,000	2,734	0.62
Garfunkelux Holdco 3 6.75% 01/11/2025	2,000,000	1,342	0.30
Odyssey Europe Holdco 9% 31/12/2025	5,411,000	4,462	1.02
Atento Luxco 1 8% 10/02/2026	4,751,000	2,080	0.47
Kleopatra Finco 4.25% 01/03/2026	5,321,000	3,913	0.89
Signa Development Finance 5.5% 23/07/2026	1,000,000	618	0.14
Ideal Standard International 6.375% 30/07/2026	5,338,000	2,224	0.51
Albion Financing 1 5.25% 15/10/2026	5,071,000	3,988	0.91
Albion Financing 1 6.125% 15/10/2026	1,750,000	1,275	0.29
ADLER Group 2.75% 13/11/2026	1,500,000	518	0.12
ADLER Group 2.25% 27/04/2027	2,400,000	790	0.18
Cidron Aida Finco 6.25% 01/04/2028	1,625,000	1,369	0.31
Cidron Aida Finco 5% 01/04/2028	1,671,000	1,317	0.30
Herens Holdco 4.75% 15/05/2028	4,932,000	3,233	0.74
ADLER Group 2.25% 14/01/2029	1,400,000	442	0.10
BK LC Lux Finco1 5.25% 30/04/2029	3,057,000	2,360	0.54
Herens Midco 5.25% 15/05/2029	5,100,000	3,088	0.70
Altice Financing 5.75% 15/08/2029	1,044,000	710	0.16
Altice Financing 4.25% 15/08/2029	595,000	423	0.10
MC Brazil Downstream Trading 7.25% 30/06/2031	6,484,514	4,552	1.04
Telecom Italia Capital 7.2% 18/07/2036	833,000	570	0.13
Eurofins Scientific FRN 6.75% 31/12/2164	1,943,000	1,726	0.39
CPI Property Group FRN 4.875% Perpetual	3,500,000	1,445	0.33
CPI Property Group FRN 5.8% Perpetual	3,000,000	874	0.20



# Portfolio Statement (continued)

	Holding at 27.1.23	Market Value £000's	% of net assets
CPI Property Group FRN 4.875% Perpetual	1,844,000	785	0.18
CPI Property Group FRN 3.75% Perpetual	1,735,000	731	0.17
		<b>49,316</b>	<b>11.24</b>
<b>Mexico 3.17% (4.20%)</b>			
Petroleos Mexicanos 3.75% 21/02/2024	1,100,000	955	0.22
Total Play Teleco- municaciones 7.5% 12/11/2025	8,757,000	6,618	1.51
Petroleos Mexicanos 3.75% 16/11/2025	1,494,000	1,358	0.31
Cemex 7.375% 05/06/2027	1,225,000	1,015	0.23
Total Play Telecomu- nicaciones 6.375% 20/09/2028	779,000	527	0.12
Sitios Latinoamerica 5.375% 04/04/2032	3,316,000	2,495	0.57
Petroleos Mexicanos 7.69% 23/01/2050	1,500,000	920	0.21
		<b>13,888</b>	<b>3.17</b>
<b>Netherlands 7.60% (7.41%)</b>			
Schoeller Packaging 6.375% 01/11/2024	5,559,000	3,267	0.74
Teva Pharmaceutical Finance Netherlands II 4.5% 01/03/2025	2,152,000	1,853	0.42
Kongsberg Actuation Systems 5% 15/07/2025	727,273	595	0.14
IPD 3 5.5% 01/12/2025	742,000	632	0.14
Compact Bidco 5.75% 01/05/2026	2,716,000	1,644	0.37
Sigma Holdco 5.75% 15/05/2026	1,200,000	795	0.18
Sigma Holdco 7.875% 15/05/2026	3,000,000	1,833	0.42
Q-Park Holding I 2% 01/03/2027	5,000,000	3,724	0.85
Teva Pharmaceutical Finance Netherlands II 3.75% 09/05/2027	1,332,000	1,059	0.24
Teva Pharmaceutical Finance Netherlands III 4.75% 09/05/2027	2,375,000	1,788	0.41
United Group 4% 15/11/2027	10,945,000	7,656	1.75
Villa Dutch Bidco 9% 03/11/2029	4,987,000	4,195	0.96
Wintershall Dea Finance 2 FRN 3% 31/12/2164	200,000	140	0.03
Abertis Infraestruc- turas Finance FRN 3.248% Perpetual	1,600,000	1,275	0.29

	Holding at 27.1.23	Market Value £000's	% of net assets
Wintershall Dea Finance 2 FRN 2.499% Perpetual	3,800,000	2,880	0.66
		<b>33,336</b>	<b>7.60</b>
<b>Portugal 0.69% (0.70%)</b>			
Banco Espirito Santo 4% 21/01/2019+	1,200,000	147	0.03
Novo Banco 0% 03/04/2048	12,129,000	2,886	0.66
		<b>3,033</b>	<b>0.69</b>
<b>Spain 0.59% (1.01%)</b>			
Banco de Credito Social Cooperativo FRN 8% 22/09/2026	1,300,000	1,172	0.27
Grifols 2.25% 15/11/2027	1,850,000	1,412	0.32
		<b>2,584</b>	<b>0.59</b>
<b>Supranational 2.74% (0.00%)</b>			
Highlands Holdings Bond Issuer 7.625% 15/10/2025	8,526,062	6,408	1.46
ATP Tower Holdings 4.05% 27/04/2026	544,000	393	0.09
Ardagh Metal Packaging Finance USA 6% 15/06/2027	590,000	475	0.11
Canpack 2.375% 01/11/2027	843,000	614	0.14
Allied Universal Holdco 4.875% 01/06/2028	4,966,000	4,114	0.94
		<b>12,004</b>	<b>2.74</b>
<b>Sweden 0.49% (0.98%)</b>			
Heimstaden 4.25% 09/03/2026	2,300,000	1,413	0.32
Verisure Holding 7.125% 01/02/2028	850,000	748	0.17
		<b>2,161</b>	<b>0.49</b>
<b>Switzerland 0.56% (0.11%)</b>			
Credit Suisse Group FRN 7.75% 01/03/2029	1,624,000	1,484	0.34
Aryzta FRN 6.989% Perpetual	630,000	448	0.10
Credit Suisse Group FRN 7.5% Perpetual	693,000	535	0.12
		<b>2,467</b>	<b>0.56</b>
<b>Turkey 1.10% (1.05%)</b>			
Ulker Biskuvi Sanayi 6.95% 30/10/2025	1,500,000	1,083	0.25
Limak Iskenderun Uluslararası Liman Isletmeciligi 9.5% 10/07/2036	5,298,355	3,757	0.85
		<b>4,840</b>	<b>1.10</b>
<b>United Kingdom 20.98% (22.33%)</b>			
Saga 3.375% 12/05/2024	4,436,000	4,081	0.93

# Portfolio Statement (continued)

	Holding at 27.1.23	Market Value £000's	% of net assets		Holding at 27.1.23	Market Value £000's	% of net assets
Energia Group NI FinanceCo 4.75% 15/09/2024	3,730,000	3,590	0.82	Phoenix Group Holdings 5.867% 13/06/2029	713,000	680	0.16
TalkTalk Telecom Group 3.875% 20/02/2025	12,787,000	10,557	2.41	Virgin Media Secured Finance 4.25% 15/01/2030	2,188,000	1,781	0.41
Neptune Energy Bondco 6.625% 15/05/2025	4,500,000	3,569	0.81	Barclays FRN 6.369% 31/01/2031	2,270,000	2,342	0.53
Energia Group NI FinanceCo 4% 15/09/2025	1,299,000	1,118	0.26	Berkeley Group 2.5% 11/08/2031	878,000	636	0.15
Pinewood Finance 3.25% 30/09/2025	1,464,000	1,363	0.31	Greene King Finance 5.318% 15/09/2031	914,960	865	0.20
Metro Bank FRN 9.5% 08/10/2025	4,002,000	3,230	0.74	Utmost Group 4% 15/12/2031	2,062,000	1,545	0.35
INEOS Quattro Finance 2 2.5% 15/01/2026	1,642,000	1,284	0.29	Quilter FRN 8.625% 18/04/2033	1,400,000	1,420	0.32
Jerrold Finco 4.875% 15/01/2026	3,472,000	3,029	0.69	NatWest Group FRN 7.416% 06/06/2033	2,349,000	2,460	0.56
Merlin Entertainments 5.75% 15/06/2026	622,000	479	0.11	Mitchells & Butlers Finance FRN 5.805% 15/06/2036	2,215,000	1,706	0.39
Punch Finance 6.125% 30/06/2026	1,725,000	1,500	0.34	abrdn FRN 5.25% 31/12/2164	397,000	326	0.07
Saga 5.5% 15/07/2026	4,965,000	3,922	0.89	Just Group FRN 5% 31/12/2164	660,000	480	0.11
PeopleCert Wisdom Issuer 5.75% 15/09/2026	507,000	417	0.10	NatWest Group FRN 5.125% 31/12/2164	1,400,000	1,249	0.28
Endeavour Mining 5% 14/10/2026	10,242,000	7,430	1.69	OSB Group FRN 6% 31/12/2164	1,981,000	1,546	0.35
Harbour Energy 5.5% 15/10/2026	2,678,000	1,988	0.45	BUPA Finance FRN 4% Perpetual	3,420,000	2,383	0.54
Harbour Energy 5.5% 15/10/2026	6,178,000	4,587	1.05	Investec FRN 6.75% Perpetual	668,000	613	0.14
SIG 5.25% 30/11/2026	3,750,000	3,008	0.69	National Express Group FRN 4.25% Perpetual	907,000	799	0.18
Jerrold Finco 5.25% 15/01/2027	3,181,000	2,692	0.61	Standard Chartered FRN 4.75% Perpetual	1,122,000	773	0.18
Virgin Media Secured Finance 5% 15/04/2027	2,000,000	1,834	0.42		<b>92,048</b>	<b>20.98</b>	
Rolls-Royce 5.75% 15/10/2027	407,000	318	0.07	<b>United States of America 13.89% (13.96%)</b>			
Pinewood Finance 3.625% 15/11/2027	2,262,000	2,024	0.46	Arrow Bidco 9.5% 15/03/2024	2,596,000	2,095	0.48
SGS Finance REIT 4.875% 17/03/2028	1,184,035	474	0.11	New Fortress Energy 6.75% 15/09/2025	900,000	700	0.16
Metro Bank FRN 5.5% 26/06/2028	5,169,000	3,205	0.73	Rayonier AM Products 7.625% 15/01/2026	2,094,000	1,572	0.36
BCP V Modular Services Finance II 4.75% 30/11/2028	3,600,000	2,762	0.63	Kosmos Energy 7.125% 04/04/2026	2,700,000	1,979	0.45
BCP V Modular Services Finance II 6.125% 30/11/2028	867,000	750	0.17	Millennium Escrow 6.625% 01/08/2026	4,071,000	2,306	0.52
Vmed O2 UK Financing I 4% 31/01/2029	1,483,000	1,233	0.28	New Fortress Energy 6.5% 30/09/2026	4,254,000	3,207	0.73
				Summer BC Bidco B 5.5% 31/10/2026	1,000,000	664	0.15
				Tidewater 8.5% 16/11/2026	1,500,000	1,232	0.28
				Northwest Fiber 4.75% 30/04/2027	1,957,000	1,435	0.33
				Kosmos Energy 7.75% 01/05/2027	2,235,000	1,604	0.37

# Portfolio Statement (continued)

	Holding at 27.1.23	Market Value £000's	% of net assets
Frontier Communications Holdings 5.875% 15/10/2027	4,406,000	3,383	0.77
MPT Operating Partnership REIT 5% 15/10/2027	1,785,000	1,229	0.28
Bristow Group 6.875% 01/03/2028	2,156,000	1,667	0.38
Kosmos Energy 7.5% 01/03/2028	1,000,000	694	0.16
Organon 4.125% 30/04/2028	5,548,000	4,085	0.93
Consolidated Communications 6.5% 01/10/2028	7,825,000	5,177	1.18
Cloud Software Group Holdings 6.5% 31/03/2029	10,200,000	7,295	1.66
MajorDrive Holdings IV 6.375% 01/06/2029	5,287,000	3,417	0.78
180 Medical 3.875% 15/10/2029	631,000	452	0.10
UGI International 2.5% 01/12/2029	4,000,000	2,844	0.65
Metropolitan Life Global Funding I 5% 10/01/2030	2,048,000	2,094	0.48
MPT Operating Partnership REIT 3.375% 24/04/2030	2,153,000	1,437	0.33
Energy Transfer FRN 6.25% 31/12/2164	13,856,000	10,379	2.36
		<b>60,947</b>	<b>13.89</b>
<b>Corporate Bonds total</b>		<b>408,414</b>	<b>93.07</b>
<b>Convertible Bonds 1.71% (2.09%)</b>			
<b>Austria 1.71% (1.76%)</b>			
ams-OSRAM 0% 05/03/2025	1,800,000	1,296	0.30
ams-OSRAM 2.13% 03/11/2027	9,300,000	6,187	1.41
		<b>7,483</b>	<b>1.71</b>
<b>Germany 0.00% (0.33%)</b>			
<b>Convertible Bonds total</b>		<b>7,483</b>	<b>1.71</b>
<b>Forward Foreign Currency Contracts 0.35% (0.34%)</b>			
Buy EUR 629,683			
Sell GBP 551,471 27/02/2023		3	0.00
Buy EUR 2,898,251			
Sell GBP 2,552,304 27/02/2023		0	0.00
Buy USD 1,628,958			
Sell GBP 1,315,766 27/02/2023		1	0.00
Sell EUR 2,615,000			
Buy GBP 2,310,056 27/02/2023		8	0.00
Sell EUR 3,383,246			
Buy GBP 2,969,247 27/02/2023		(10)	0.00
Sell EUR 101,272,379			
Buy GBP 88,950,366 29/03/2023		(331)	(0.08)
Sell USD 2,718,380			
Buy GBP 2,195,118 27/02/2023		(2)	0.00

	Holding at 27.1.23	Market Value £000's	% of net assets
Sell USD 107,752,846			
Buy GBP 86,680,203 29/03/2023		(334)	(0.08)
Sell EUR 1,428,000			
Buy GBP 1,258,771 27/01/2023		1	0.00
Sell EUR 86,343,806			
Buy GBP 75,273,062 27/01/2023		(753)	(0.17)
Sell SGD 1,621,712			
Buy GBP 992,012 27/01/2023		(6)	0.00
Sell USD 82,536,338			
Buy GBP 69,668,227 27/01/2023		2,974	0.68
<b>Forward Foreign Currency Contracts total</b>		<b>1,551</b>	<b>0.35</b>
<b>Futures (0.01)% (0.00%)</b>			
Long Gilt March 2023	(12)	(40)	(0.01)
<b>Futures total</b>		<b>(40)</b>	<b>(0.01)</b>
<b>Swaps (0.26)% ((0.80)%)</b>			
Credit Default Swap Barclays Buy Republic of China 7.5% 28/10/2027 20/06/2025	14,000,000	(197)	(0.04)
Credit Default Swap Barclays Buy Republic of Korea 2.75% 19/01/2027 20/12/2026	3,336,921	(66)	(0.01)
Credit Default Swap BNP Paribas Buy Republic of Korea 2.75% 19/01/2027 20/12/2026	6,673,843	(132)	(0.04)
Credit Default Swap BNP Paribas Buy Lanxess 1% 07/10/2026 20/12/2027	3,000,000	35	0.01
Credit Default Swap Credit Suisse Sell Boparan Finance 7.625% 30/11/2025 20/06/2024	2,000,000	(231)	(0.05)
Credit Default Swap Citigroup Sell British Telecommunications 5.75% 07/12/2028 20/12/2024	5,000,000	44	0.01
Credit Default Swap Citigroup Sell Atlantia 1.625% 03/02/2025 20/12/2025	5,000,000	(45)	(0.01)
Credit Default Swap Citigroup Sell Ziggo Bond 5.125% 28/02/2030 20/12/2025	694,444	38	0.01
Credit Default Swap Morgan Stanley Sell Ziggo Bond 5.125% 28/02/2030 20/12/2025	1,805,556	99	0.02

# Portfolio Statement (continued)

	Holding at 27.1.23	Market Value £000's	% of net assets		Holding at 27.1.23	Market Value £000's	% of net assets
Credit Default Swap BNP Paribas Sell CMA CGM 6.5% 15/07/2022 20/12/2025	2,000,000	96	0.02	Credit Default Swap Barclays Sell Marks & Spencer 3% 08/12/2023 20/06/2027	4,000,000	(235)	(0.05)
Credit Default Swap Credit Suisse Sell CMA CGM 6.5% 15/07/2022 20/12/2025	3,000,000	144	0.03	Credit Default Swap Barclays Sell Faurecia 3.125% 15/06/2026 20/06/2027	880,000	39	0.01
Credit Default Swap J.P. Morgan Sell CMA CGM 6.5% 15/07/2022 20/12/2025	1,000,000	48	0.01	Credit Default Swap BNP Paribas Sell Faurecia 3.125% 15/06/2026 20/06/2027	1,320,000	59	0.01
Credit Default Swap BNP Paribas Sell TUI Group 5% 16/04/2028 20/06/2026	2,640,910	(130)	(0.03)	Credit Default Swap Morgan Stanley Sell Faurecia 3.125% 15/06/2026 20/06/2027	1,000,000	45	0.01
Credit Default Swap J.P. Morgan Sell TUI Group 5% 16/04/2028 20/06/2026	1,509,090	(75)	(0.02)	Credit Default Swap Credit Suisse Sell Grifols 3.2% 01/05/2025 20/06/2027	2,000,000	(22)	0.00
Credit Default Swap J.P. Morgan Sell CMA CGM 6.5% 15/07/2022 20/06/2026	2,000,000	91	0.02	Credit Default Swap Credit Suisse Sell TUI Group 5% 16/04/2028 20/06/2027	1,000,000	(72)	(0.02)
Credit Default Swap Barclays Sell CMA CGM 7.5% 15/01/2026 20/06/2026	1,600,000	72	0.02	Credit Default Swap Credit Suisse Sell Loxam 6% 19/04/2025 20/06/2027	2,000,000	(113)	(0.03)
Credit Default Swap J.P. Morgan Sell TUI Group 5% 16/04/2028 20/12/2026	2,500,000	(159)	(0.04)	Credit Default Swap Morgan Stanley Sell Boparan Finance 7.625% 30/11/2025 20/06/2027	2,000,000	(460)	(0.10)
Credit Default Swap J.P. Morgan Sell CMA CGM 7.5% 15/06/2026 20/12/2026	1,250,000	53	0.01	Credit Default Swap Citigroup Sell Air France-KLM 1.875% 16/01/2025 20/12/2027	2,000,000	(46)	(0.01)
				<b>Swaps total</b>		<b>(1,120)</b>	<b>(0.26)</b>
				<b>Portfolio of investments</b>		<b>416,288</b>	<b>94.86</b>
				<b>Net other assets</b>		<b>22,539</b>	<b>5.14</b>
				<b>Net assets attributable to unitholders</b>		<b>438,827</b>	<b>100.00</b>

The comparative percentage figures in brackets are as at 27 July 2022.  
Unless otherwise stated, all securities are admitted to official stock exchange listings.

+ Security is currently in default.

## Statement of Total Return (unaudited)

For the six months ended 27 January 2023

	27.1.23	27.1.22
	£000's	£000's
<b>Income</b>		
Net capital gains/(losses)	1,269	(8,542)
Revenue	16,463	15,001
Expenses	(1,698)	(2,153)
Net revenue before taxation	<b>14,765</b>	<b>12,848</b>
Taxation	(18)	(263)
Net revenue after taxation	<b>14,747</b>	<b>12,585</b>
<b>Total return before distributions</b>	<b>16,016</b>	<b>4,043</b>
Distributions	(16,438)	(14,717)
<b>Change in net assets attributable to unitholders from investment activities</b>	<b>(422)</b>	<b>(10,674)</b>

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

For the six months ended 27 January 2023

	27.1.23	27.1.22
	£000's	£000's
Opening net assets attributable to unitholders	434,044 <sup>^</sup>	524,102
Amounts receivable on issue of units	53,106	43,786
Amounts payable on cancellation of units	(56,826)	(63,529)
	<b>(3,720)</b>	<b>(19,743)</b>
Dilution adjustment	359	118
Change in net assets attributable to unitholders from investment activities	(422)	(10,674)
Retained distribution on Accumulation units	8,566	8,082
<b>Closing net assets attributable to unitholders</b>	<b>438,827</b>	<b>501,885<sup>^</sup></b>

<sup>^</sup> 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 27 January 2023

	27.1.23	27.7.22
	£000's	£000's
<b>Assets</b>		
Investments	419,747	418,486
<b>Current assets</b>		
Debtors	7,859	13,861
Cash and bank balances	19,942	11,952
<b>Total assets</b>	<b>447,548</b>	<b>444,299</b>
<b>Liabilities</b>		
Investment liabilities	(3,459)	(5,040)
<b>Creditors</b>		
Distributions payable	(1,497)	(1,266)
Other creditors	(3,765)	(3,949)
<b>Total liabilities</b>	<b>(8,721)</b>	<b>(10,255)</b>
<b>Net assets attributable to unitholders</b>	<b>438,827</b>	<b>434,044</b>

# Notes to the Accounts (unaudited)

## Accounting policies

### Basis of preparation

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

The accounting policies applied are consistent with those of the annual accounts for the year ended 27 July 2022 and are described in those annual accounts.

# General Information

## Manager

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

## Investment Adviser

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

## Trustee

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

## Registrar

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

## Administration Details

Schroders Investor Services  
PO BOX 1402  
Sunderland  
SR43 4AF

## Independent Auditors

PricewaterhouseCoopers LLP  
Atria One  
144 Morrison Street  
Edinburgh EH3 8EX

## Authorisation

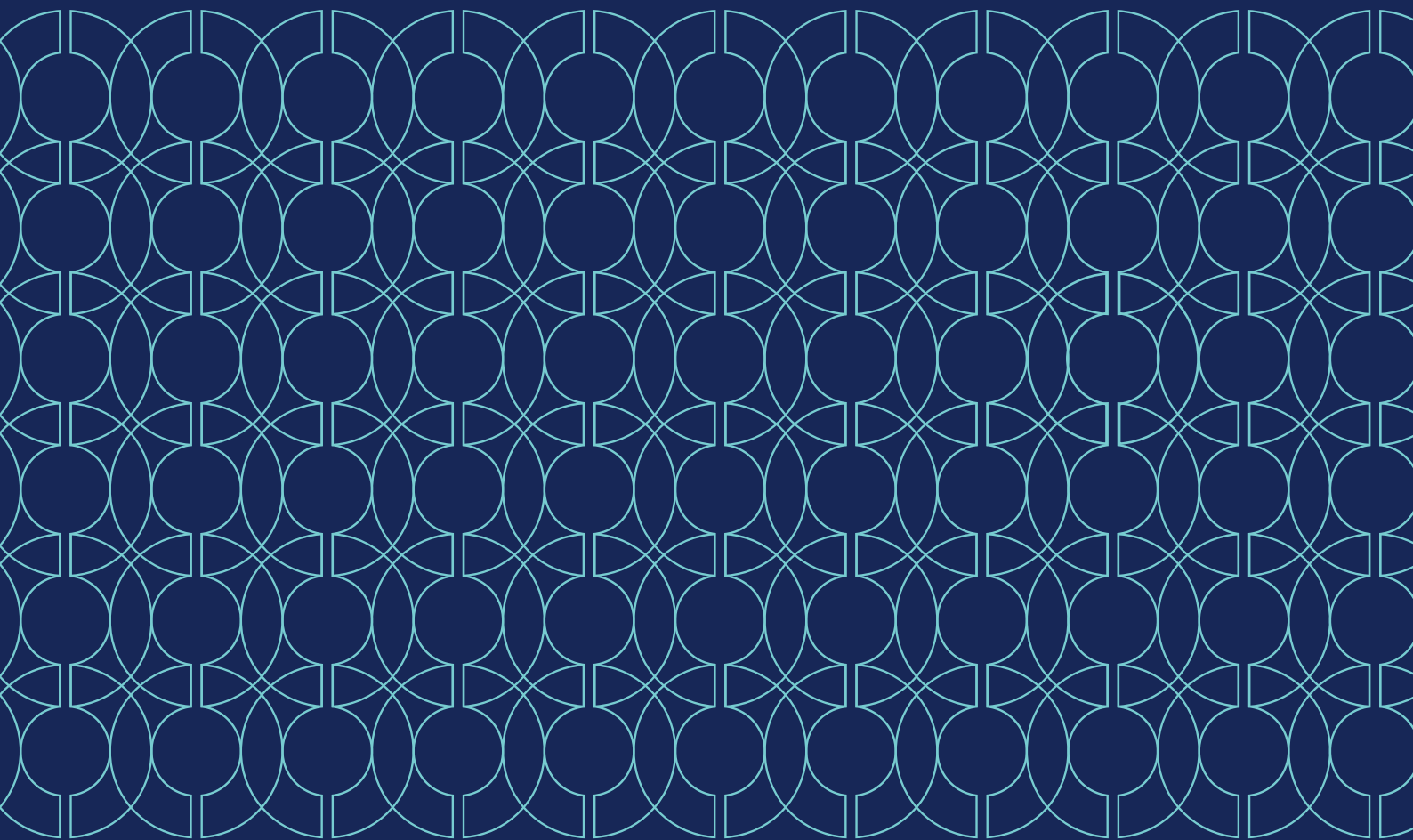
The Fund is an authorised unit trust and is constituted pursuant to the Collective Investment Schemes sourcebook and is structured as a Trust. The Fund is a UCITS scheme for the purpose of the categorisation of the Collective Investment Schemes sourcebook.

## Value Assessment

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

## Other information

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



EST. 1804

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

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