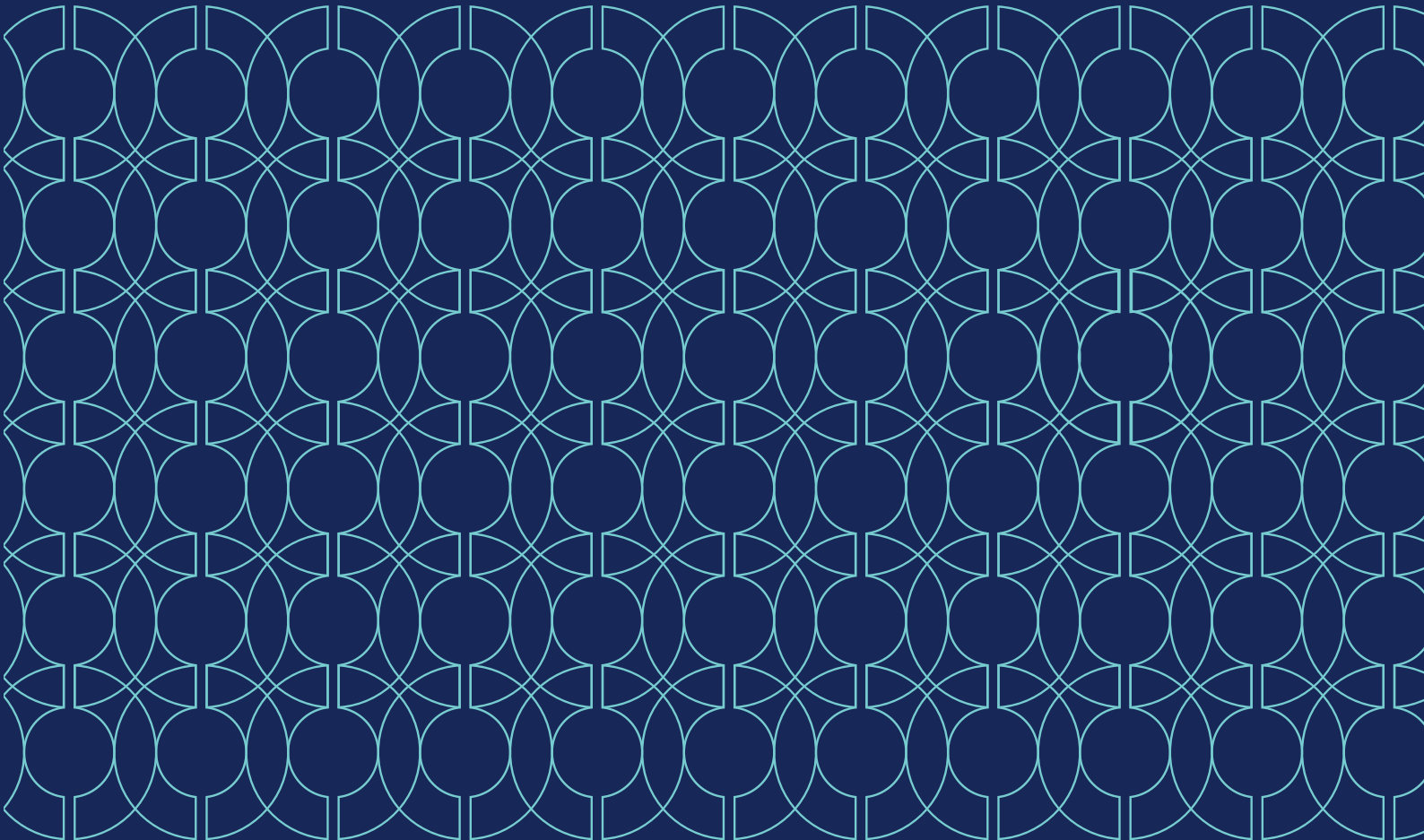


Schroders

Schroder US Smaller Companies
Fund

Final Report and Accounts

April 2021



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¹ Collectively these comprise the Manager's report.

Fund Information

Investment objective and policy

The Schroder US Smaller Companies Fund (the 'Fund') aims to provide capital growth in excess of the Russell 2000 Lagged (Gross Total Return) index (after fees have been deducted) over a three to five year period by investing in equity and equity related securities of small sized US companies.

The Fund is actively managed and invests at least 80% of its assets in equity and equity related securities of small-sized US companies. These are companies that, at the time of purchase, are similar in size to those comprising the bottom 20% by market capitalisation of the North American equity market. The Fund may invest in small-sized Canadian companies.

The small cap universe is an extensive, diverse and constantly changing area of the North American market. The Investment Manager believes smaller companies offer investors exposure to some niche growth areas that, often, cannot be accessed through large companies. They also tend to grow more rapidly than larger companies.

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 reducing risk and managing the Fund more efficiently (for more information please refer to section 6 of Appendix I of the Prospectus).

Fund characteristics

The Fund's performance should be assessed against its target benchmark, being to exceed the Russell 2000 Lagged (Gross Total Return) index, and compared against the Investment Association North American Smaller Companies sector average return. The Investment Manager invests on a discretionary basis and is not limited to investing in accordance with the composition of the benchmark. The target benchmark has been selected because it is representative of the type of investments in which the Fund is likely to invest, and it is, therefore, an appropriate target in relation to the return that the Fund aims to provide. The comparator benchmark has been selected because the Investment Manager and the Manager believe that this benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy.

Significant events

With effect from 1 December 2020, the Manager wishes to pass on some of the benefits of potential savings generated by significant growth in assets under management, by discounting the Annual Management Charge payable by investors in retail classes in the Fund. The applicable discount is determined by the size of the Fund and is capped at 0.05%. For more information on the discount please refer to the Prospectus.

Effective from 1 March 2021 a transparent "all in one" fund management fee was introduced. This is a single percentage based fee to cover certain elements of the separate charges and fees, which were previously charged and are now replaced with a single charge named "Schroders Annual Charge". Previously all expenses were directly charged to each Fund as incurred. This structure consisted of the Annual Management Charge, plus other fees and expenses, including the Trustee fee, Custody fee, Transfer Agent fee, Audit fee and certain costs and administrative expenses paid by the Manager in relation to the management and operation of the funds, as disclosed in the Prospectus.

Review of Investment Activities

From 30 April 2020 to 30 April 2021, the price of Z Accumulation units on a dealing price basis rose 46.03%. In comparison, from 29 April 2020 to 29 April 2021, the Frank Russell 2000 Index¹ generated a total return of 52.16%² in sterling terms. Due to the Fund's valuation point, the performance periods for the Fund and the benchmark are at different dates, however, the information is comparable.

It was a turbulent year that saw the worst quarter in the history of the index (Q1 2020), followed by the second and first strongest quarters, respectively Q2 2020 and Q4 2020. The pandemic was the catalyst for the first quarter's precipitous fall, while the announcement of vaccines in November sparked the explosive fourth quarter of 2020. In the middle, equities rebounded sharply as the Federal Reserve (Fed) flooded the market with liquidity and the federal government began programmes designed to put money in the hands of businesses and workers.

The Fund recorded positive returns but underperformed its benchmark index. The Fund's top contributor was Darling Ingredients, which develops and produces natural ingredients from edible and inedible bio-nutrients. The company performed well due to better results in their food segment combined with a strong performance in their international fuel segment. Cloud data analytics specialist Teradata was another top contributor. The company brought in a new CEO in May 2020 who is making a big push to move their offerings to the cloud, which is gaining interest and helping the group to exceed expectations. Generac, which designs and manufactures power generation equipment, performed well as they saw substantial growth in residential products, coupled with a strong outlook as the work-from-home trends continues.

The most significant detractor was innovative medical device developer and manufacturer, ICU Medical. As a result of the Covid-19 surge, overall hospital admissions were down, reducing demand. Science Applications International provides engineering and IT services primarily to the US government. The company detracted for the period as guidance was below expectations due to a slower ramp-up of the recent seven new large contract wins. Houlihan Lokey, which provides investment banking services, underperformed due to the poor environment for M&A activity and a deterioration in the outlook for the restructuring business.

The manager expects 2021 to be a less turbulent year with significant tailwinds from easy monetary and fiscal policy. After an extended period of economic growth unable to reach "escape velocity", the policy efforts of 2020 are setting up for an environment of unprecedented economic expansion. The broadening growth backdrop should favour our approach. The scarcity value of secular growth stocks at any price will diminish and the opportunity for generating alpha through stock selection should increase. As the year progresses, we expect inflation to become a larger focus, and the Fed will not be able to dodge the taper discussion indefinitely. Coupled with the prospect of tax increases to pay for an infrastructure bill, the equity risk premium may begin to rise and our valuation discipline should pay dividends if the market becomes more discerning on valuations.

The Fund made several changes to the portfolio over this period including selling our holdings in Entegris, Graphic Packaging and Brunswick and initiating new positions in Teradata and Eagle Materials.

Fund Manager:
Robert Kaynor, CFA



Robert Kaynor was appointed as Head of US Small & Mid Cap Equities and sole portfolio manager in April 2019

Prior to this Robert was Co-Portfolio Manager and US Small and Smid Cap Research Director. Along with managing the portfolios his coverage included a variety of industries in the consumer, producer durables and materials sectors. Robert joined Schroders as a Senior Equity Analyst for the US Small and Mid Cap team covering the consumer sector in January 2013 and is based in New York

Prior to joining Schroders, Robert was chief investment officer and managing member of Ballast Capital Group, a fundamental long/short manager. From 2003 to 2010, Robert was a managing director with Ramius Capital Group, a multi-strategy hedge fund focused primarily on non-directional strategies. Robert managed the long short equity strategy for Ramius and grew the product from USD \$100 million to \$700 million during his tenure

Prior to that he was with Barbary Coast Capital Management from 2000 to 2003 and co-managed a long-short equity hedge fund focused on small and mid cap equities

Robert began his career with RCM Capital (1994-2000), working exclusively on a US small cap long-only product. Robert has extensive experience in long only and long/short strategies, with a specific focus on in depth fundamental research. A substantial portion of his career has been spent managing small and mid cap equity portfolios

Qualifications: CFA Charterholder; BSc in Economics with Financial Applications from Southern Methodist University

1 Frank Russell Company is the source and owner of the trademarks, service marks and copyrights, related to the Russell Indexes. Russell® is a trademark of Frank Russell Company.

2 Source: Refinitiv Eikon Datastream.

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

Risk Profile

Risk and reward indicator



The risk category was calculated using historical performance data and may not be a reliable indicator of the Fund's future risk profile. The Fund's risk category is not guaranteed to remain fixed and may change over time. A Fund in the lowest category does not mean a risk-free investment.

The risk and reward indicator changed from 5 to 6 with effect from 6 July 2020.

For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com.

Statement of the Manager's Responsibilities

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

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

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

The Manager's report and accounts for the year ended 30 April 2021 were signed on 9 July 2021 on behalf of the Manager by:

S. Reedy
Directors

J. Rainbow

Report of the Trustee

Statement of the Trustee's responsibilities in respect of the Scheme and report of the Trustee to the unitholders of the Schroder US Smaller Companies Fund ('the Fund') for the year ended 30th April 2021.

The Trustee of the Schroder US Smaller Companies Fund must ensure that the fund is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together 'the regulations'), the Trust Deed and Prospectus (together 'the Scheme documents') as detailed below.

The Trustee must in the context of its role act honestly, fairly, professionally, independently and in the interests of the fund and its investors.

The Trustee is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the fund in accordance with the regulations.

The Trustee must ensure that:

- the fund's cash flows are properly monitored and that cash of the fund is booked in cash accounts in accordance with the regulations;
- the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with the regulations;
- the value of units of the fund are calculated in accordance with the regulations;
- any consideration relating to transactions in the fund's assets is remitted to the fund within the usual time limits;
- the fund's income is applied in accordance with the regulations; and
- the instructions of the Authorised Fund Manager ('the Manager'), which is the UCITS Management Company, are carried out (unless they conflict with the regulations).

The Trustee also has a duty to take reasonable care to ensure that the fund is managed in accordance with the regulations and the Scheme documents of the fund in relation to the investment and borrowing powers applicable to the fund.

Having carried out such procedures as we considered necessary to discharge our responsibilities as Trustee of the fund, it is our opinion, based on the information available to us and the explanations provided, that, in all material respects the fund, acting through the Manager:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the fund's units and the application of the fund's income in accordance with the regulations and the Scheme documents of the fund; and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the fund in accordance with the regulations and the Scheme documents of the fund.

J.P. Morgan Europe Limited

Trustee
Bournemouth
21 May 2021

Independent auditors' report to the Unitholders of Schroder US Smaller Companies Fund

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Schroder US Smaller Companies Fund ("the Fund"):

- give a true and fair view of the financial position of the Fund as at 30 April 2021 and of the net expense and the net capital gains on its scheme property for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

We have audited the financial statements, included within the Final Report and Accounts (the "Annual Report"), which comprise: the Balance Sheet as at 30 April 2021; the Statement of Total Return and the Statement of Change in Net Assets Attributable to Unitholders for the year then ended; the Distribution Table; and the Notes to the Accounts, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

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

Reporting on other information

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

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

Manager's Report

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

Responsibilities for the financial statements and the audit

Responsibilities of the Manager for the financial statements

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

In preparing the financial statements, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to wind up or terminate the Fund, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Independent auditors' report to the Unitholders of Schroder US Smaller Companies Fund (continued)

Based on our understanding of the Fund and its industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Fund and assumptions and judgements made by management in their significant accounting estimates. Audit procedures performed included:

- Discussions with the Manager, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Manager's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the Fund's unitholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
Edinburgh
9 July 2021

Comparative Table

Financial year to 30 April	A Accumulation units			A Income units		
	2021 pence per unit	2020 pence per unit	2019 pence per unit	2021 pence per unit	2020 pence per unit	2019 pence per unit
Change in net asset value						
Opening net asset value	2,739.87	3,122.61	2,796.95	2,739.79	3,122.47	2,796.81
Return before operating charges*	1,383.17	(329.49)	375.79	1,382.36	(329.54)	375.76
Operating charges	(55.41)	(53.25)	(50.13)	(54.63)	(53.14)	(50.10)
Return after operating charges*	1,327.76	(382.74)	325.66	1,327.73	(382.68)	325.66
Distributions ¹	Nil [^]	Nil [^]	Nil [^]	Nil [^]	Nil [^]	Nil [^]
Retained distributions ¹	Nil [^]	Nil [^]	Nil [^]	-	-	-
Closing net asset value	4,067.63	2,739.87	3,122.61	4,067.52	2,739.79	3,122.47
*after direct transaction costs of	(0.67)	(0.96)	(0.60)	(0.66)	(0.96)	(0.60)
Performance						
Return after charges (%)	48.46	(12.26)	11.64	48.46	(12.26)	11.64
Other information						
Closing net asset value (£000's)	215,276	170,785	254,302	8,003	30,223	39,355
Closing number of units	5,292,434	6,233,328	8,143,909	196,755	1,103,130	1,260,366
Operating charges (%)	1.67	1.67	1.66	1.67	1.67	1.66
Direct transaction costs (%)**	0.02	0.03	0.02	0.02	0.03	0.02
Prices						
Highest dealing price	4,153.94p	3,527.00p	3,291.00p	4,153.83p	3,527.00p	3,291.00p
Lowest dealing price	2,558.33p	2,249.00p	2,629.00p	2,558.25p	2,249.00p	2,628.00p

Comparative Table (continued)

Financial year to 30 April	S Accumulation units			S Income units		
	2021 pence per unit	2020 pence per unit	2019 pence per unit	2021 pence per unit	2020 pence per unit	2019 pence per unit
Change in net asset value						
Opening net asset value	91.22	102.79	91.04	88.50	100.56	89.49
Return before operating charges*	46.33	(11.00)	12.28	44.92	(10.76)	12.07
Operating charges	(0.60)	(0.57)	(0.53)	(0.58)	(0.56)	(0.52)
Return after operating charges*	45.73	(11.57)	11.75	44.34	(11.32)	11.55
Distributions ¹	(0.52)	(0.76)	(0.49)	(0.50)	(0.74)	(0.48)
Retained distributions ¹	0.52	0.76	0.49	-	-	-
Closing net asset value	136.95	91.22	102.79	132.34	88.50	100.56
*after direct transaction costs of	(0.02)	(0.03)	(0.02)	(0.02)	(0.03)	(0.02)
Performance						
Return after charges (%)	50.13	(11.26)	12.91	50.10	(11.26)	12.91
Other information						
Closing net asset value (£000's)	2,713	1,996	2,901	6,870	4,833	6,879
Closing number of units	1,980,803	2,188,303	2,822,275	5,191,508	5,461,430	6,840,660
Operating charges (%)	0.54	0.54	0.54	0.54	0.54	0.54
Direct transaction costs (%)**	0.02	0.03	0.02	0.02	0.03	0.02
Prices						
Highest dealing price	139.66p	117.10p	107.50p	135.47p	114.50p	105.70p
Lowest dealing price	85.21p	74.77p	86.19p	82.65p	73.15p	84.72p

Comparative Table (continued)

Financial year to 30 April	Z Accumulation units			Z Income units		
	2021 pence per unit	2020 pence per unit	2019 pence per unit	2021 pence per unit	2020 pence per unit	2019 pence per unit
Change in net asset value						
Opening net asset value	117.45	132.85	118.10	116.26	132.03	117.51
Return before operating charges*	59.53	(14.15)	15.92	58.92	(14.06)	15.83
Operating charges	(1.31)	(1.25)	(1.17)	(1.30)	(1.24)	(1.16)
Return after operating charges*	58.22	(15.40)	14.75	57.62	(15.30)	14.67
Distributions ¹	(0.12)	(0.47)	(0.15)	(0.12)	(0.47)	(0.15)
Retained distributions ¹	0.12	0.47	0.15	-	-	-
Closing net asset value	175.67	117.45	132.85	173.76	116.26	132.03
*after direct transaction costs of	(0.03)	(0.04)	(0.03)	(0.03)	(0.04)	(0.03)
Performance						
Return after charges (%)	49.57	(11.59)	12.49	49.56	(11.59)	12.48
Other information						
Closing net asset value (£000's)	322,107	234,269	285,121	292,003	190,017	222,555
Closing number of units	183,359,471	199,468,155	214,625,708	168,049,096	163,439,330	168,561,990
Operating charges (%)	0.92	0.91	0.91	0.92	0.91	0.91
Direct transaction costs (%)**	0.02	0.03	0.02	0.02	0.03	0.02
Prices						
Highest dealing price	179.23p	150.90p	139.30p	177.41p	149.90p	138.60p
Lowest dealing price	109.70p	96.32p	111.50p	108.58p	95.73p	111.00p

[^] The unit class has made no distribution to date.

¹ These figures have been rounded to 2 decimal places.

** Direct transaction costs have been stated after deducting the proportion of the amounts collected from dilution adjustments.

The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a unit class of a Fund based on the financial year's expenses and may vary from year to year. It includes charges such as the Fund's Annual management charge, Registrar fees, Safe custody fees, Trustee's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are units of another Fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit www.schroders.com.

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

Portfolio Statement

	Holding at 30.4.21	Market Value £000's	% of net assets
Equities 95.32% (96.37%)			
Energy 1.42% (0.70%)			
Cactus A	131,994	2,819	0.33
Delek US Holdings	340,204	5,846	0.69
Solaris Oilfield Infrastructure A	426,337	3,346	0.40
		12,011	1.42
Materials 9.29% (8.63%)			
Ardagh Group	304,824	5,855	0.69
Ashland Global Holdings	150,046	9,323	1.10
Atotech	612,894	9,832	1.16
Balchem	106,870	9,801	1.16
Compass Minerals International	142,714	7,009	0.83
Eagle Materials	109,036	10,902	1.29
Element Solutions	490,346	7,679	0.90
Neenah	139,159	5,260	0.62
Valvoline	577,390	13,045	1.54
		78,706	9.29
Industrials 16.94% (13.84%)			
Albany International A	134,733	8,646	1.02
ASGN	235,758	17,697	2.09
Comfort Systems USA	175,098	10,378	1.22
Custom Truck One Source	453,652	3,362	0.40
EnPro Industries	136,106	8,357	0.99
ESCO Technologies	125,699	9,841	1.16
Gibraltar Industries	131,370	8,702	1.03
Hexcel	191,801	7,630	0.90
KAR Auction Services	98,039	1,049	0.12
Maxar Technologies	344,822	9,545	1.13
McGrath RentCorp	143,362	8,443	1.00
RESTAURANT AND GAMING	793,287	1,191	0.14
Simpson Manufacturing	100,406	8,068	0.95
Standex International	150,093	10,208	1.20
TPI Composites	112,965	4,382	0.52
Univar Solutions	762,958	12,741	1.50
Valmont Industries	75,597	13,265	1.57
		143,505	16.94
Consumer Discretionary 9.08% (10.70%)			
Asbury Automotive Group	67,540	9,626	1.14
Cavco Industries	62,728	9,521	1.12
Cracker Barrel Old Country Store	59,904	7,171	0.85
Gentherm	87,104	4,493	0.53
Oxford Industries	199,130	13,007	1.53
Skyline Champion	288,391	9,182	1.08
Steven Madden	405,928	11,759	1.39

	Holding at 30.4.21	Market Value £000's	% of net assets
Terminix Global Holdings	333,847	12,168	1.44
		76,927	9.08
Consumer Staples 3.58% (4.10%)			
Darling Ingredients	203,385	10,224	1.21
Performance Food Group	244,283	10,260	1.21
Primo Water	821,250	9,862	1.16
		30,346	3.58
Health Care 12.25% (11.68%)			
AdaptHealth	185,809	3,933	0.46
Aerie Pharmaceuticals	216,591	2,699	0.32
Catalent	82,092	6,655	0.79
Envista Holdings	443,557	13,804	1.63
Evolus	426,302	2,788	0.33
FibroGen	153,705	2,492	0.29
ICU Medical	75,224	11,307	1.34
Intra-Cellular Therapies	205,180	5,117	0.60
LiveNova	168,981	10,390	1.23
Mesa Laboratories	46,468	8,314	0.98
Natera	82,071	6,427	0.76
Pacira BioSciences	86,798	4,002	0.47
Progyny	137,490	5,749	0.68
Sientra	798,425	3,966	0.47
Syneos Health	263,531	16,121	1.90
		103,764	12.25
Financials 18.35% (19.90%)			
Axis Capital Holdings	247,685	9,947	1.17
Cambridge Bancorp	61,174	3,818	0.45
Compass Diversified Holdings	567,638	10,417	1.23
Fintech Acquisition Corp IV	534,982	4,203	0.50
First BanCorp	1,167,111	10,595	1.25
First Interstate BancSystem A	314,097	10,635	1.25
First Merchants	341,910	11,317	1.34
Heritage Financial	342,535	6,934	0.82
Houlihan Lokey	180,786	8,641	1.02
James River Group Holdings	279,674	9,469	1.12
Kemper	127,881	7,182	0.85
Lakeland Financial	119,437	5,573	0.66
OceanFirst Financial	441,742	7,125	0.84
Palomar Holdings	81,373	3,997	0.47
Reinsurance Group of America	98,277	9,249	1.09
Seacoast Banking Corp. of Florida	318,645	8,286	0.98
Selectquote	266,603	6,014	0.71
South State	145,422	8,778	1.04
Trean Insurance Group	404,383	5,046	0.60

Portfolio Statement (continued)

	Holding at 30.4.21	Market Value £000's	% of net assets
United Community Banks	348,228	8,166	0.96
		155,392	18.35
Information Technology 16.22% (16.19%)			
Allegro			
MicroSystems	343,146	6,139	0.72
Ciena	245,686	8,966	1.06
LiveRamp Holdings	252,801	8,948	1.06
Lumentum Holdings	117,817	7,331	0.87
MACOM Technology Solutions Holdings	239,068	9,608	1.13
ON Semiconductor	408,404	11,526	1.36
Perficient	250,194	11,677	1.38
Plantronics	306,738	8,973	1.06
Sabre	651,444	7,004	0.83
Science Applications International	177,642	11,385	1.34
Semtech	203,960	10,014	1.18
Teradata	385,312	13,802	1.63
Viavi Solutions	814,768	9,644	1.14
WNS Holdings ADR	238,746	12,374	1.46
		137,391	16.22
Communication Services 2.69% (2.19%)			
John Wiley & Sons A	212,970	8,777	1.03

	Holding at 30.4.21	Market Value £000's	% of net assets
Madison Square Garden Entertainment	145,320	9,461	1.12
MDC Partners A	1,422,584	4,546	0.54
		22,784	2.69
Utilities 2.50% (3.51%)			
Avista	105,462	3,489	0.41
Chesapeake Utilities	66,177	5,608	0.66
IDACORP	92,532	6,769	0.80
SJW Group	113,007	5,289	0.63
		21,155	2.50
Real Estate 3.00% (4.93%)			
Douglas Emmett	298,077	7,157	0.85
Kennedy-Wilson Holdings	576,397	8,505	1.00
Terreno Realty	209,918	9,723	1.15
		25,385	3.00
Equities total		807,366	95.32
Collective Investment Scheme 0.00% (1.29%)			
Cash Funds 0.00% (1.29%)			
Portfolio of investments		807,366	95.32
Net other assets		39,606	4.68
Net assets attributable to unitholders		846,972	100.00

The comparative percentage figures in brackets are as at 30 April 2020.

Unless otherwise stated, all securities are admitted to official stock exchange listings.

Statement of Total Return

For the year ended 30 April 2021

	Notes	2021		2020	
		£000's	£000's	£000's	£000's
Income					
Net capital gains/(losses)	2		293,486		(87,940)
Revenue	3	8,451		11,800	
Expenses	4	(8,288)		(9,136)	
Net revenue before taxation		163		2,664	
Taxation	5	(1,153)		(1,476)	
Net (expense)/revenue after taxation			(990)		1,188
Total return before distributions			292,496		(86,752)
Distributions	6		(474)		(1,880)
Change in net assets attributable to unitholders from investment activities			292,022		(88,632)

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 30 April 2021

	2021		2020	
	£000's	£000's	£000's	£000's
Opening net assets attributable to unitholders		632,123		811,113
Amounts receivable on issue of units	72,335		23,251	
Amounts payable on cancellation of units	(149,801)		(114,570)	
		(77,466)		(91,319)
Dilution adjustment		62		9
Change in net assets attributable to unitholders from investment activities		292,022		(88,632)
Retained distribution on Accumulation units		231		952
Closing net assets attributable to unitholders		846,972		632,123

Balance Sheet

As at 30 April 2021

	Notes	2021		2020	
		£000's	£000's	£000's	£000's
Assets					
Investments			807,366		617,303
Current assets					
Debtors	8		2,145		3,691
Cash and bank balances			40,226		14,217
Total assets			849,737		635,211
Liabilities					
Creditors					
Distributions payable			(227)		(802)
Other creditors	9		(2,538)		(2,286)
Total liabilities			(2,765)		(3,088)
Net assets attributable to unitholders			846,972		632,123

Notes to the Accounts

For the year ended 30 April 2021

1 Accounting policies

Basis of preparation

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

Revenue

Dividends and real estate income distributions receivable from equity investments and distributions receivable from authorised unit trusts and other collective investment schemes are recognised net of attributable tax credits and are credited to revenue when they are first quoted ex-dividend.

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

The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Fund. Any enhancement above the cash dividend is treated as capital.

Interest receivable from bank balances is accounted for on an accruals basis.

Administration charge in respect of the Schroder Funds in which the Fund invests are rebated to the Fund so that no double charging occurs.

All rebates are treated as revenue or capital based on the underlying Fund's treatment.

Special dividends

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

Equalisation

Equalisation on distributions received by the Fund is deducted from the cost of investments. As such the equalisation on distributions received by the Fund does not form part of the Fund's distribution.

Expenses

Expenses of the Fund are charged against revenue except for costs associated with the purchase and sale of investments which are allocated to the capital of the Fund. All expenses are accounted for on an accruals basis.

Taxation

Corporation tax is provided for on the revenue liable to corporation tax less deductible expenses. The tax effect of different items of revenue or expenses is allocated between revenue and capital using the marginal basis.

Deferred taxation is provided for on all timing differences that have originated but not reversed by the balance sheet date, other than those differences regarded as permanent. Any liability to deferred taxation is provided for at the average rate of taxation expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Distributions

The revenue available for distribution is the total revenue earned by the Fund, less deductible expenses and taxation charged to revenue.

For Accumulation units this revenue is not distributed but automatically reinvested in the Fund and is reflected in the value of these units.

The ordinary element of scrip dividends is treated as revenue and does not form part of the distribution.

Dilution Adjustment

In certain circumstances the Manager may apply a dilution adjustment on subscriptions and redemptions of units. If applied, the dilution adjustment is paid to the Fund. See Prospectus for further details.

Valuation

All investments held by the Fund have been valued at market value at 18:00 on the last working day of the accounting period. Market value is defined by the Statement of Recommended Practice as fair value which generally is the bid value of each security and the offer value for short positions.

Foreign currencies

Transactions in foreign currencies are translated into sterling at the exchange rate prevailing on the date of the transaction. Assets and liabilities valued in foreign currencies have been translated into sterling at the exchange rates prevailing at the balance sheet date.

2 Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	2021	2020
	£000's	£000's
Non-derivative securities	296,010	(87,981)
Foreign currency (losses)/gains	(2,513)	48
Transaction costs	(11)	(7)
Net capital gains/(losses)	293,486	(87,940)

Notes to the Accounts

For the year ended 30 April 2021 (continued)

3 Revenue

	2021	2020
	£000's	£000's
Overseas dividends	7,834	10,146
Real estate income distributions	422	623
Interest distributions	194	456
Scrip dividends	-	432
Bank interest	-	140
Administration charge rebates	1	3
Total revenue	8,451	11,800

4 Expenses

	2021	2020
	£000's	£000's
Payable to the Manager, associates of the Manager and agents of either of them:		
Annual management charge	5,758	7,863
Administration charge	883	1,183
Schroders Annual Charge ^{1,2}	1,578	-
	8,219	9,046
Payable to the Trustee, associates of the Trustee and agents of either of them:		
Trustee's fees	55	71
Safe custody fees	4	9
	59	80
Other expenses:		
Audit fee ²	9	10
Interest payable	1	-
	10	10
Total expenses	8,288	9,136

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

2 Audit fees including VAT for the financial year ending 2021 were £9,673 (2020 - £10,457).

Notes to the Accounts

For the year ended 30 April 2021 (continued)

5 Taxation

Corporation tax has not been provided for as expenses payable by the Fund exceed the revenue liable to corporation tax.

(a) Analysis of the tax charge for the year

	2021	2020
	£000's	£000's
Overseas withholding tax	1,153	1,476
Total current tax (Note 5(b))	1,153	1,476

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

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for authorised unit trusts of 20% (2020 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2021	2020
	£000's	£000's
Net revenue before taxation	163	2,664
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	33	533
Effects of:		
Revenue not subject to corporation tax	(1,567)	(2,115)
Movement in excess management expenses	1,547	1,601
Irrecoverable overseas withholding tax	1,153	1,476
Expensed withholding tax incurred	(13)	(19)
Current tax charge for the year (Note 5(a))	1,153	1,476

(c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £22,768,666 (2020 – £21,221,771) in respect of unutilised management expenses. It is unlikely the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year or prior year.

6 Distributions

The distributions take account of revenue received on the issue of units and revenue deducted on the cancellation of units, and comprise:

	2021	2020
	£000's	£000's
Final Dividend distribution	458	1,754
Add: Revenue deducted on cancellation of units	74	155
Deduct: Revenue received on issue of units	(58)	(29)
Distributions	474	1,880
Net (expense)/revenue after taxation	(990)	1,188
Scrip dividends not distributed	-	(432)
Deficit taken to capital	1,461	1,071
Equalisation on conversions	3	53
Distributions	474	1,880

Details of the distributions per unit are set out in the Distribution Table on page 23.

Notes to the Accounts

For the year ended 30 April 2021 (continued)

7 Fair value hierarchy

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

Basis of valuation	2021		2020	
	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	807,366	-	609,174	-
Level 2: Observable market data	-	-	8,129	-
Level 3: Unobservable data	-	-	-	-
Total	807,366	-	617,303	-

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

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

Level 3: Valuation techniques using unobservable inputs.

Unobservable data

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

8 Debtors

	2021 £000's	2020 £000's
Amounts receivable for issue of units	765	348
Sales awaiting settlement	1,355	3,276
Accrued revenue	25	67
Total debtors	2,145	3,691

9 Other creditors

	2021 £000's	2020 £000's
Amounts payable for cancellation of units	612	1,508
Purchases awaiting settlement	1,142	218
Accrued expenses	784	560
Total other creditors	2,538	2,286

10 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2020 – Nil).

11 Related party transactions

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

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

Administration charge rebates received or receivable from the Manager of £1,050 (2020 – £2,855) are disclosed under Net capital gains/(losses) and Revenue in the Notes to the Accounts. Amounts due from the Manager at the balance sheet date of £560 (2020 – £447) are included under Debtors in the Notes to the Accounts.

The Manager acts as principal on all transactions of units in the Fund. The aggregate monies paid through the issue and cancellation of units are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and Distributions in the Notes to the Accounts. Amounts due from or to the Manager in respect of unit transactions at the balance sheet date are included under Debtors and Other creditors in the Notes to the Accounts.

Units held or managed by the Manager or associates of the Manager as a percentage of the Fund's net asset value at the balance sheet date were 4.14% (2020 – 7.53).

Related party holdings are disclosed in the Portfolio Statement. The revenue earned from these investments of £193,883 (2020 – £456,350) is included under Revenue in the Notes to the Accounts.

Notes to the Accounts

For the year ended 30 April 2021 (continued)

12 Unit classes

The Fund currently has six unit classes. Following the introduction of the Schroders Annual Charge on 1 March 2021, as detailed on page 3, the Annual Management Charge from this date is included within the "all in one" fund management fee. Details of the Schroders Annual Charge and the amount for each unit class are disclosed in the Prospectus. Up to 1 March 2021, the Annual Management Charge was based on the average value of the Fund, calculated on a daily basis, and covered the remuneration of the Manager, the Investment Adviser and their overhead expenses and for each unit class was as follows:

A Accumulation units	1.50%
A Income units	1.50%
S Accumulation units	0.375%
S Income units	0.375%
Z Accumulation units	0.75%
Z Income units	0.75%

The closing net asset value of each unit class, the closing net asset value per unit and the closing number of units in issue are given in the Comparative Table on pages 10 to 12.

The distributions per unit class are given in the Distribution Table on page 23.

All classes have the same rights on winding up.

13 Derivative and other financial instruments

The main risks arising from the Fund's financial instruments are market price, foreign currency, liquidity and interest rate risks. The Manager's policies for managing these risks are summarised below and have been applied throughout the year and the prior year.

Market price risk

The Fund's investment portfolio is exposed to market price fluctuations which are monitored by the Manager in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Trust Deed, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer.

Foreign currency risk

Where a portion of the net assets of the Fund are denominated in currencies other than sterling the balance sheet and total return can be affected by currency movements. Therefore the Manager may decide that a proportion of the investments that are not priced in sterling, may be covered by forward currency contracts, so that the Fund's exposure to currency risk is reduced.

Revenue received in other currencies is translated to sterling on or near the date of receipt. The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Currency risk profile

The currency risk profile of the Fund's net assets and liabilities at the balance sheet date was as follows:

Currency	2021 £000's	2020 £000's
Sterling	18,997	6,208
US dollar	827,975	625,915

Liquidity risk

The primary source of this risk to the Fund is the liability to unitholders for any cancellation of units. This risk is minimised by holding cash, readily realisable securities and access to overdraft facilities up to the amount prescribed by the Collective Investment Schemes sourcebook.

Interest rate risk

Interest rate risk is the risk that the value of the Fund's investment holdings will fluctuate as a result of changes in interest rates.

Interest receivable on bank deposits positions will be affected by fluctuations in interest rates.

At the year end date 4.75% (2020 – 2.25%) of the net assets of the Fund were interest bearing and as such the interest rate risk is not considered significant.

Floating rate financial assets and financial liabilities

Sterling denominated bank balances bear interest at rates based on the Sterling Overnight Index Average Rate. Foreign currency bank balances bear interest at rates based on the London Interbank Offer Rate or its international equivalent.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Global risk exposure

Commitment approach

When using derivatives, the Manager uses a risk management process that enables it to monitor the risk of a Fund's derivative positions. The global risk exposure of a Fund is calculated daily either by means of the commitment approach or the Value-at-Risk (VaR) approach.

Notes to the Accounts

For the year ended 30 April 2021 (continued)

Under the commitment approach, the global risk exposure is defined as the underlying market value of derivatives, after netting and hedging as permitted by the regulation, not exceeding the Net Asset Value of a Fund. This is typically used on Funds where derivative usage is low or Funds which limit their derivatives commitment to 100% or less of their Net Asset Value.

The global risk exposure of the Fund is calculated using the commitment approach. During the year ended 30 April 2021 the global risk exposure of the Fund did not exceed 100% of its Net Asset Value. The lowest, highest, average and actual level of leverage for the Fund as at the balance sheet date was as follows:

Leverage

	2021			Leverage 30 April	2020			Leverage 30 April
	Lowest	Highest	Average		Lowest	Highest	Average	
	0.00%	0.17%	0.02%	0.15%	0.00%	0.01%	0.00%	0.00%

14 Direct transaction costs

In the case of shares, broker commissions and transfer taxes/stamp duty are paid by the Fund on each transaction. In addition, there is a dealing spread between buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

2021	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	355,637	87	-	355,724	0.02	-
Funds	194	-	-	194	-	-
	355,831	87	-	355,918		

Sales						
Equities	454,098	(93)	(8)	453,997	(0.02)	-
Funds	7,917	-	-	7,917	-	-
	462,015	(93)	(8)	461,914		

Total cost of the Fund's average net asset value (%) **0.03**

2020	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	338,647	95	-	338,742	0.03	-
Funds	456	-	-	456	-	-
	339,103	95	-	339,198		

Sales						
Equities	396,039	(119)	(8)	395,912	(0.03)	-
Funds	14,889	-	-	14,889	-	-
	410,928	(119)	(8)	410,801		

Total cost of the Fund's average net asset value (%) **0.03**

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.32% (2020 – 0.35%).

This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

Notes to the Accounts

For the year ended 30 April 2021 (continued)

15 Units in issue reconciliation

	Number of units in issue 30.4.20	Number of units issued	Number of units cancelled	Number of units converted	Number of units in issue 30.4.21
A Accumulation units	6,233,328	79,114	(946,604)	(73,404)	5,292,434
A Income units	1,103,130	2,696	(894,488)	(14,583)	196,755
S Accumulation units	2,188,303	-	(207,500)	-	1,980,803
S Income units	5,461,430	-	(564,650)	294,728	5,191,508
Z Accumulation units	199,468,155	7,266,315	(24,962,047)	1,587,048	183,359,471
Z Income units	163,439,330	37,901,958	(33,531,160)	238,968	168,049,096

16 Non-adjusting post balance sheet events

As a result of market movements and foreign exchange rates, since the balance sheet date on 30 April 2021, the price of each unit class has changed as follows:

	Dealing price 6.7.21	Dealing price 30.4.21	% change
A Accumulation units	4,068.00p	4,085.00p	(0.42)
A Income units	4,068.00p	4,085.00p	(0.42)
S Accumulation units	137.20p	137.50p	(0.22)
S Income units	132.60p	133.40p	(0.60)
Z Accumulation units	175.90p	176.40p	(0.28)
Z Income units	174.00p	174.60p	(0.34)

Distribution Table

Final distribution for the year ended 30 April 2021

Group 1 Units purchased prior to 1 May 2020

Group 2 Units purchased on or after 1 May 2020

	Net revenue 2021 per unit	Equalisation 2021 per unit	Distribution payable 30.6.21 per unit	Distribution paid 30.6.20 per unit
S Accumulation units				
Group 1	0.5150p	-	0.5150p	0.7589p
Group 2	0.5150p	-	0.5150p	0.7589p
S Income units				
Group 1	0.5001p	-	0.5001p	0.7424p
Group 2	0.5001p	-	0.5001p	0.7424p
Z Accumulation units				
Group 1	0.1206p	-	0.1206p	0.4690p
Group 2	-	0.1206p	0.1206p	0.4690p
Z Income units				
Group 1	0.1194p	-	0.1194p	0.4658p
Group 2	-	0.1194p	0.1194p	0.4658p

The A Accumulation units & A Income units have made no distribution to date.

Equalisation

Equalisation applies to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of Group 2 units and is refunded to the holders of these units as a return of capital.

Being capital it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

Remuneration

UCITS remuneration disclosures for Schroder Unit Trusts Limited ('SUTL') for the year to 31 December 2020

These disclosures form part of the non-audited section of this annual report and accounts and should be read in conjunction with the Schroders plc Remuneration Report on pages 75 to 102 of the 2020 Annual Report & Accounts (available on the Group's website -<https://www.schroders.com/en/investor-relations/results-and-reports/annual-report-and-accounts-2020/>), which provides more information on the activities of our Remuneration Committee and our remuneration principles and policies.

The UCITS Material Risk Takers ('UCITS MRTs') of SUTL are individuals whose roles within the Schroders Group can materially affect the risk of SUTL or any UCITS fund that it manages. These roles are identified in line with the requirements of the UCITS Directive and guidance issued by the European Securities and Markets Authority.

The Remuneration Committee of Schroders plc has established a remuneration policy to ensure the requirements of the UCITS Directive are met for all UCITS MRTs. The Remuneration Committee and the Board of Schroders plc review remuneration strategy at least annually. The directors of SUTL are responsible for the adoption of the remuneration policy, for reviewing its general principles at least annually, for overseeing its implementation and for ensuring compliance with relevant local legislation and regulation. During 2020 the Remuneration Policy was reviewed to ensure compliance with the UCITS/AIFMD remuneration requirements and no significant changes were made.

The implementation of the remuneration policy is, at least annually, subject to independent internal review for compliance with the policies and procedures for remuneration adopted by the Board of SUTL and the Remuneration Committee. The most recent review found no fundamental issues but resulted in a range of more minor recommendations, principally improvements to process and policy documentation.

The total spend on remuneration is determined based on a profit share ratio, measuring variable remuneration charge against pre-bonus profit, and from a total compensation ratio, measuring total remuneration expense against net income. This ensures that the interests of employees are aligned with Schroders financial performance. In determining the remuneration spend each year, the underlying strength and sustainability of the business is taken into account, along with reports on risk, legal, compliance and internal audit matters from the heads of those areas.

- The remuneration data that follows reflects amounts paid in respect of performance during 2020.
- The total amount of remuneration paid by SUTL to its staff was nil as SUTL has no employees. SUTL has two independent Non Executive Directors who receive fees in respect of their role on the Board of SUTL¹. Employees of other Schroders Group entities who serve as Directors of SUTL receive no additional fees in respect of their role on the Board of SUTL.
- The following disclosures relate to UCITS MRTs of SUTL. Most of those UCITS MRTs were employed by and provided services to other Schroders group companies and clients. In the interests of transparency, the aggregate remuneration figures that follow reflect the full remuneration for each SUTL UCITS MRT. The aggregate total remuneration paid to the 151 UCITS MRTs of SUTL in respect of the financial year ended 31 December 2020 is £107.41 million, of which £40.88 million was paid to senior management, and £66.53 million was paid to MRTs deemed to be taking risk on behalf of SUTL or the UCITS funds that it manages and Control Function MRTs.

For additional qualitative information on remuneration policies and practices see www.schroders.com/rem-disclosures.

1 The fees are not disclosed due to confidentiality and data protection considerations. The amount is not material to SUTL.

General Information

Manager

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

Investment Adviser

Schroder Investment Management North America Inc.
7 Bryant Park
New York
NY 10018-3706
USA
Registered with the Securities and Exchange Commission
of the United States of America

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

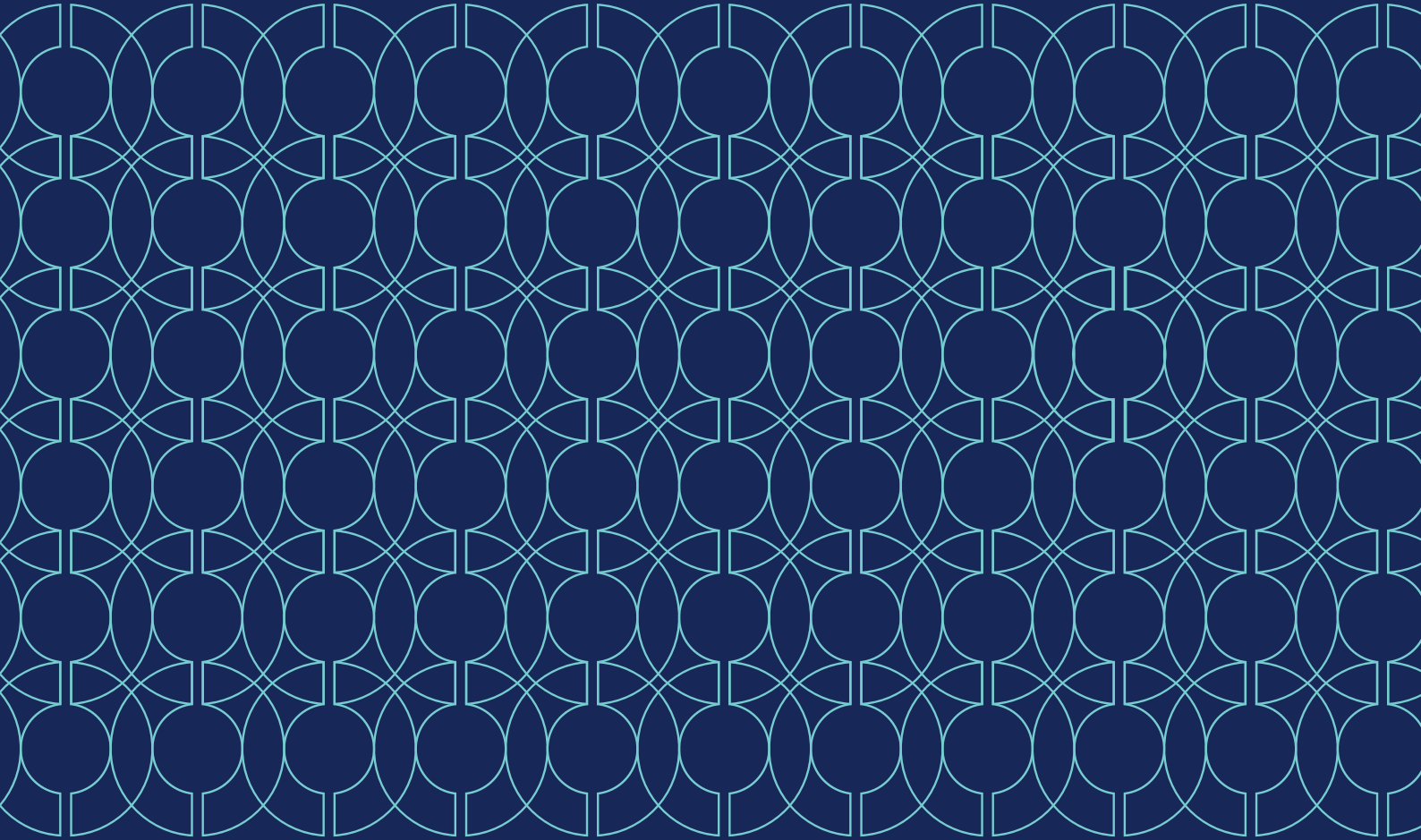
The Fund is an authorised unit trust and is constituted pursuant to the Collective Investment Schemes sourcebook and is structured as a Trust. The Fund is a UCITS scheme for the purpose of the categorisation of the Collective Investment Schemes sourcebook.

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 within 4 months of the annual 'reference date' 31 December.

Other information

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



EST. 1804

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

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