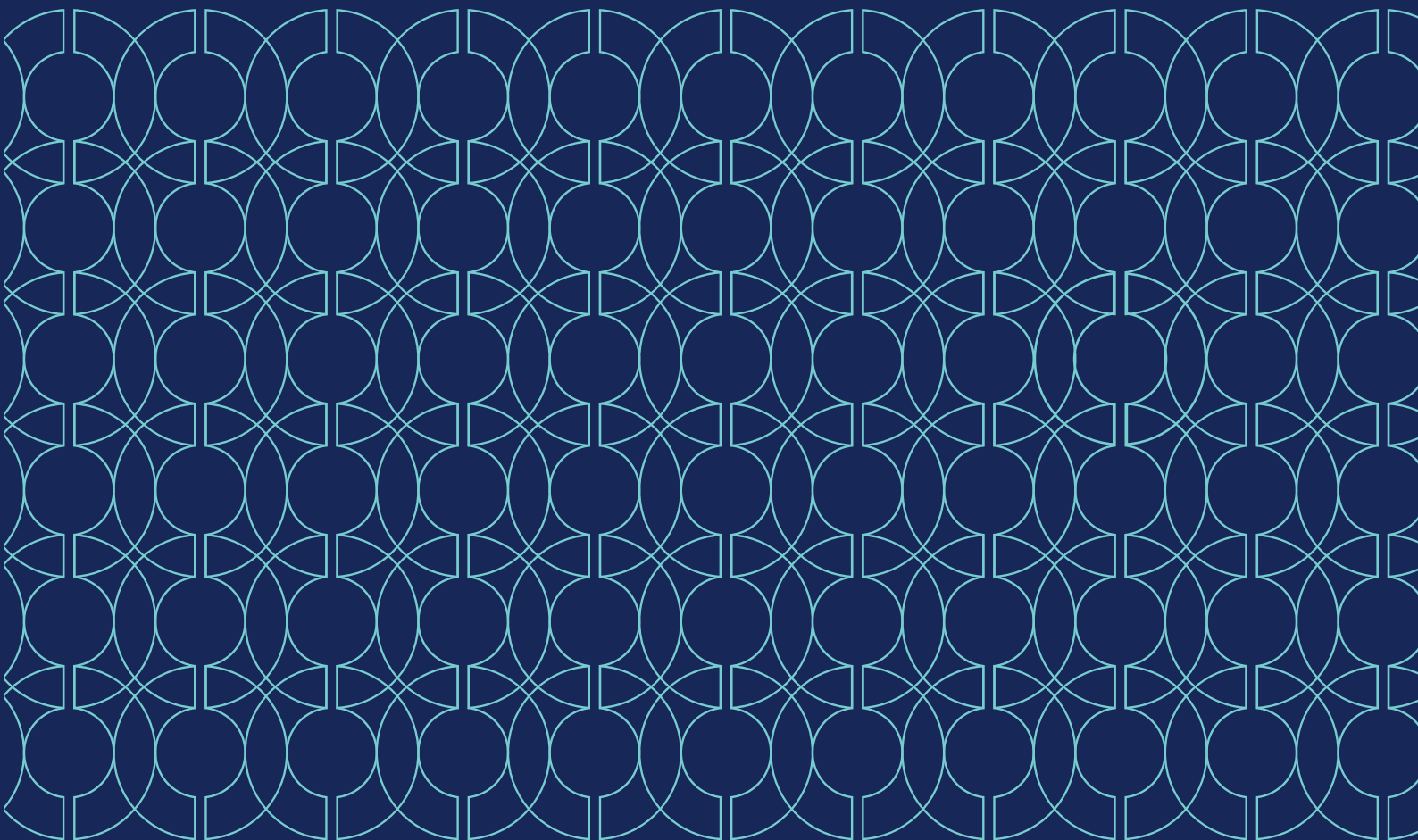




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¹ Collectively these comprise the Authorised Corporate Director's report. The following sections also comprise the Authorised Corporate Director's report: review of investment activities, risk profile and portfolio statement. These are disclosed within the relevant section for each sub-fund.

Company Information

General information

Schroder Investment Fund Company (SIFCo or the Company) is an umbrella Company comprising sixteen sub funds which have their own investment objectives and policies. As at 31 December 2025 the Company had the following sub funds:

Schroder AAA Flexible ABS¹
Schroder Emerging Markets Value Fund
Schroder European Recovery Fund
Schroder European Climate Transition Fund (formerly Schroder European Sustainable Equity Fund)
Schroder Global Alternative Energy Fund (formerly Schroder Global Energy Transition Fund)
Schroder Global Recovery Fund
Schroder Global Sustainable Food and Water Fund
Schroder Global Sustainable Growth Fund
Schroder India Equity Fund
Schroder Islamic Global Equity Fund
Schroder Sterling Corporate Bond Fund
Schroder Strategic Credit Fund
Schroder Sustainable UK Equity Fund
Schroder UK Alpha Income Fund²
Schroder UK Dynamic Smaller Companies Fund
Schroder UK-Listed Equity Income Maximiser Fund

1 Schroder AAA Flexible ABS Fund closed following its merger into Schroder ISF AAA Flexible ABS on 15 September 2025 and is in the process of terminating.

2 Schroder UK Alpha Income Fund closed following its merger into Schroder Prime UK Equity Fund on 18 June 2025 and is in the process of terminating.

Principal activities

The Company's principal activity is to carry on business as an Open Ended Investment Company. The Company is structured as an umbrella Company and different sub funds may be established by the Authorised Corporate Director from time to time with the agreement of the Depositary and approval from the Financial Conduct Authority.

The sub funds are operated separately and the assets of each sub fund are managed in accordance with the investment objective and policy applicable to that sub fund.

Liabilities of the Company

The sub funds are segregated portfolios of assets and, accordingly, the assets of each sub fund belong exclusively to that sub fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company, or any other sub fund, and shall not be available for any such purpose. Subject to the above, each sub fund will be charged with the liabilities, expenses, costs and charges attributable to that sub fund and within each sub fund charges will be allocated as far as possible according to the net asset value of that particular share class. Any assets, liabilities, expenses, costs or charges not attributable to a particular sub fund may be allocated by the Authorised Corporate Director in a manner which it believes is fair to the shareholders generally. This will normally be pro rata to the net asset value of the relevant sub funds.

Shareholders are not liable for the debts of the Company.

Shareholders are not liable to make any further payments to the Company after they have paid the purchase price of the share.

Significant events

The termination of the Schroder Multi-Asset Total Return Fund was completed on 27 June 2025 and the Annual Report and Accounts for the period ended 31 December 2024 is the final set of financial statements for the sub fund.

With effect from 17 February 2025, the following SDR label was applied to the below sub fund:

Schroder Global Alternative Energy Fund (formerly Schroder Global Energy Transition Fund) - Sustainability Focus

With effect from 24 February 2025, the following SDR label was applied to the below sub fund:

Schroder European Climate Transition Fund (formerly Schroder European Sustainable Equity Fund) - Sustainability Improvers

With effect from 17 March 2025, the following SDR labels were applied to the below sub funds:

Schroder Global Sustainable Food and Water Fund - Sustainability Focus

Schroder Global Sustainable Growth Fund - Sustainability Focus

Schroder Sustainable UK Equity Fund - Sustainability Focus

Statement of the Authorised Corporate Director's Responsibilities

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

In preparing the accounts the Authorised Corporate Director is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so. For the reasons stated in the accounting policy "Basis of preparation", the financial statements of Schroder AAA Flexible ABS Fund, Schroder Emerging Markets Value Fund, Schroder Global Sustainable Food and Water Fund, Schroder UK Alpha Income Fund and Schroder UK Sustainable Equity Fund have not been prepared on a going concern basis;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The Authorised Corporate Director is responsible for the management of the Company in accordance with its Instrument of incorporation, the Prospectus and the COLL Rules.

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

P. Middleton

Directors
10 April 2026

R. Lamba

Report of the Depositary

Statement of the Depositary's responsibilities in respect of the Scheme and report of the Depositary to the shareholders of the Schroder Investment Fund Company ('the company') for the year ended 31 December 2025.

The Depositary must ensure that the company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together 'the regulations'), the company's Instrument of Incorporation and Prospectus (together 'the Scheme documents') as detailed below.

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

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

The Depositary must ensure that:

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

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

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

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the company's shares and the application of the company's income in accordance with the regulations and the Scheme documents of the company; and

(ii) has observed the investment and borrowing powers and restrictions applicable to the company.

J.P. Morgan Europe Limited

Depositary
Bournemouth
22 January 2026

Independent Auditor's Report to the Shareholders of Schroder Investment Fund Company

Opinion

We have audited the financial statements of Schroder Investment Fund Company ('the Company') for the year ended 31 December 2025 which comprise the Statements of Total Return, the Statements of Change in Net Assets Attributable to Shareholders, the Balance Sheets, the Related Notes and Distribution Tables for each of the Company's sub funds listed on page 3 and the accounting policies set out on pages 9 to 10.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the financial position of each of the sub funds as at 31 December 2025 and of the net revenue and the net capital gains/losses on the property of each of the sub funds for the year then ended; and
- have been properly prepared in accordance with the Instrument of Incorporation, the Statement of Recommended Practice relating to Authorised Funds, and the COLL Rules.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We have received all the information and explanations which we consider necessary for the purposes of our audit and we believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Emphasis of Matter – non-going concern basis of preparation

In respect of Schroder AAA Flexible ABS Fund, Schroder Emerging Markets Value Fund, Schroder Global Sustainable Food and Water Fund, Schroder UK Alpha Income Fund and Schroder UK Sustainable Equity Fund, we draw attention to the disclosure made in accounting policy "Basis of preparation" to the financial statements which explains that the financial statements of the sub funds have not been prepared on a going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

Going concern basis of preparation

In respect of the Company and its sub funds excluding Schroder AAA Flexible ABS Fund, Schroder Emerging Markets Value Fund, Schroder Global Sustainable Food and Water Fund, Schroder UK Alpha Income Fund and Schroder UK Sustainable Equity Fund ("the remaining sub funds") the ACD has prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or its remaining sub funds or to cease their operations, and as they have concluded that the Company and its remaining sub funds' financial position means that this is realistic.

They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the ACD's conclusions, we considered the inherent risks to the Company's and its remaining sub funds' business model and analysed how those risks might affect the Company's and its remaining sub funds' financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the ACD's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the ACD's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's and its remaining sub funds' ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company or its remaining sub funds will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Assessing the segregation of duties in place between the Authorised Corporate Director, the Depositary, the Administrator and the Investment Adviser; and
- Reading Authorised Corporate Director board minutes.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is principally non-judgemental and based on publicly available information, with limited opportunity for manipulation. We did not identify any additional fraud risks.

We evaluated the design and implementation of the controls over journal entries and other adjustments and made inquiries of the Administrator about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. We identified and selected a sample of journal entries made at the end of the reporting period and tested those substantively including all material post-closing entries. Based on the results of our risk assessment procedures and understanding of the process, including the segregation of duties between the Directors and the Administrator, no further high-risk journal entries or other adjustments were identified.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Authorised Corporate Director and the Administrator (as required by auditing standards) and discussed with the Directors the policies and procedures regarding compliance with laws and regulations.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related authorised fund legislation maintained by the Financial Conduct Authority) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: money laundering, data protection and bribery and corruption legislation recognising the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and the Administrator and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Independent Auditor's Report to the Shareholders of Schroder Investment Fund Company (continued)

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The Authorised Corporate Director is responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the information given in the Authorised Corporate Director's Report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where under the COLL Rules we are required to report to you if, in our opinion:

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

Authorised Corporate Director's responsibilities

As explained more fully in their statement set out on page 4 the Authorised Corporate Director is responsible for: the preparation of financial statements that give a true and fair view; 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; assessing the Company and its sub funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or its sub funds or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ('the COLL Rules') issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Archer

For and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
319 St Vincent Street
Glasgow
G2 5AS
10 April 2026

Statement of Cross Holdings

The details of cross holdings at the year end are disclosed in the following table:

Investment	Holding at 31.12.25	Market Value £000's	% of net assets
Schroder Global Recovery			
Schroder Emerging Markets Value Fund	8,400,000	5,981	0.58
	8,400,000	5,981	0.58

Accounting policies

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)).

For all funds apart from Schroder Emerging Markets Value Fund, Schroder Global Sustainable Food and Water Fund, Schroder UK Sustainable Equity Fund, Schroder AAA Flexible ABS Fund and Schroder UK Alpha Income Fund, the Authorised Corporate Director has undertaken a detailed assessment of the each sub fund's ability to meet its liabilities as they fall due, including liquidity, fluctuations in global capital markets and investor redemption levels. Based on this assessment, the sub funds continue to be open for trading and the Authorised Corporate Director is satisfied the sub funds have adequate financial resources to continue in operation for at least the next 12 months after the financial statements are signed and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

Schroder Emerging Markets Value Fund has closed post year end on 12 March 2026 and as a result the financial statements for this fund have not been prepared on a going concern basis. Schroder Global Sustainable Food and Water Fund and Schroder Sustainable UK Equity Fund are under review as to their ongoing viability over the next year by the Authorised Corporate Director. As a result the financial statements for these sub funds have not been prepared on a going concern basis. Schroder AAA Flexible ABS Fund closed following its merger into Schroder ISF AAA Flexible ABS on 15 September 2025 and is in the process of terminating. Schroder UK Alpha Income Fund closed following its merger in to Schroder Prime UK Equity Fund on 18 June 2025 and is in the process of terminating. Accordingly, the going concern basis of preparation is no longer appropriate, and the financial statements for these sub funds have not been prepared on a going concern basis. No adjustments were required to the financial statements to adjust assets or liabilities to their realisable values or to provide for liabilities arising from the decision to terminate the sub funds. No liabilities have been recorded for costs of the termination as the intention is that the Authorised Corporate Director will bear any such costs which may arise.

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.

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

Interest receivable from bank balances, futures clearing houses and brokers is accounted for on an accruals basis.

Interest receivable from debt securities is accounted for on an effective yield basis.

The dividend equivalent values on contracts for difference received on long positions are recognised when the underlying securities are quoted ex-dividend. These are included in Revenue as Net revenue return from derivative contracts.

Option premiums received by the sub funds are amortised to revenue over the period to maturity where the option is out of the money at the time the contract is written. Option premium is taken to capital for options that are in the money at the time of writing.

All rebates are accounted for on an accruals basis and treated as revenue or capital based on the underlying Fund's treatment of its annual management charge.

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 sub funds are deducted from the cost of investments. As such the equalisation on distributions received by the sub fund does not form part of the sub fund's distribution.

Interest on debt securities bought or sold

Interest on debt securities bought or sold is excluded from the capital cost of securities, and is dealt with as part of the revenue of the sub funds.

Expenses

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

The costs of establishing and maintaining the hedging programme for the hedged share classes, the liabilities, expenses and charges directly attributable to a hedged share class will be allocated to the capital of that specific hedged share class.

For Schroder Sterling Corporate Bond Fund and Schroder Global Islamic Equity Fund, it has been agreed that certain expenses may be borne by the Authorised Corporate Director to ensure that the Ongoing charges figure for Q Income shares and Q2 Accumulation shares does not exceed 0.42% and 0.40% respectively.

Taxation

Corporation tax on sub funds is provided for on the revenue liable to corporation tax less deductible expenses. The tax effect of different items of revenue or expense 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 sub funds, less deductible expenses and taxation charged to revenue.

For Accumulation shares this revenue is not distributed but automatically reinvested in the sub funds and is reflected in the value of these shares.

The ordinary element of scrip dividends is treated as revenue and forms part of the distribution. For Schroder Global Alternative Energy Fund the ordinary element of scrip dividends is treated as revenue and does not form part of the distribution.

Accounting policies

(continued)

Recognised deferred tax assets are treated as revenue but do not form part of the distribution until they are utilised.

For the purpose of calculating the distribution, revenue on debt securities is calculated on a coupon basis where this exceeds the amount determined on an effective yield basis. As a consequence, the capital value of the sub funds may be eroded.

Schroder Sterling Corporate Bond Fund, Schroder Sustainable UK Equity Fund, Schroder UK Alpha Income Fund, Schroder UK-Listed Equity Income Maximiser Fund and Schroder Strategic Credit Fund allocate certain expenses to capital, thereby increasing the amount available for distribution.

Distributions which have remained unclaimed by shareholders for more than six years are credited to the capital property of the sub funds.

Schroder AAA Flexible ABS Fund, Schroder Sterling Corporate Bond Fund and Schroder Strategic Credit Fund satisfied the qualifying investments test of Statutory Instrument 2006/964 Authorised Investment Funds (Tax) Regulations 2006 Regulation 19 throughout the year. All distributions made are therefore made as interest distribution.

Dilution adjustment

In certain circumstances the Authorised Corporate Director may apply a dilution adjustment on subscriptions and redemptions of shares. See Prospectus for further details.

Valuation

With the exception of forward foreign currency contracts which have been valued at the sub funds valuation point (12:00) on the last working day of the accounting period, all other investments held by the sub funds 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. Non-exchange traded derivatives, including options, swaps and contracts for difference, are priced at fair value using valuation models and data sourced from market data providers and/or information provided by the relevant third party brokers.

Dual priced authorised unit trusts have been valued at bid price.

Single priced authorised unit trusts have been valued at the single price.

All investments are valued net of any accrued interest which is included in the balance sheet as a revenue related item.

Unquoted, illiquid and suspended investments are valued by the ACD at a best assessment of fair value.

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.

Sterling hedged share classes

Hedged share classes allow the Authorised Corporate Director to use currency hedging transactions to seek to minimise the effect of exchange rate fluctuations between the base currency and the portfolio currencies of the sub funds. Currency hedging transactions include entering into over the counter currency forward contracts and foreign exchange agreements.

Where undertaken, the effect of hedging will be reflected in the net asset value and therefore, in the performance of the relevant hedged share class. Any benefits or losses of the hedging transactions will accrue to shareholders in that hedged share class only.

The Authorised Corporate Director will aim to hedge the capital currency exposure of the net asset value attributable to a hedged share class, however, the hedge may not always be at 100%. This is to avoid the transaction costs of making small and frequent adjusting transactions. The Authorised Corporate Director will review the relevant hedging positions daily and, if appropriate, adjust the hedge to reflect any change in currency exposure and the flow of shareholder issue and cancellation of shares.

Credit default swaps

The upfront fees and premiums are accounted for on an accruals basis and split between capital and revenue as appropriate. For sell protections, periodic premiums are included under Net revenue return from derivative contracts.

Total return swaps

Any revenue is calculated by reference to the quoted yield of the index upon which the total return swap is based compared to the Sterling Overnight Index Average Rate and may be revenue or an expense in relation to whether the sub funds held a net long or short position over the period. The revenue and expense position would be reversed if the Sterling Overnight Index Average Rate exceeds the quoted yield of the relevant index.

Derivative revenue

Where derivative contracts are used to protect or enhance revenue, the revenue and expenses derived there from are included in "Revenue" in the Statement of Total Return. Where derivative contracts are used to protect or enhance capital, the returns derived there from are included in "Net capital gains/(losses) on investments" in the Statement of Total Return. Where derivative contracts generate total returns, such returns are apportioned between capital and revenue to properly reflect the nature of the transaction.

Schroder AAA Flexible ABS Fund

Fund Information

Significant events

On 15 September 2025, Schroder AAA Flexible ABS Fund was closed following its merger into Schroder ISF AAA Flexible ABS. The last dealing of shares in Schroder AAA Flexible ABS Fund was on 15 September 2025.

Review of Investment Activities

From 31 December 2024 to 15 September 2025, the price of X Accumulation shares on a dealing basis rose by 3.8%. In the same period, ICE BofA Sterling 3-Month Government Bill Index plus 1% generated a total return of 3.9%¹.

The fund targets a level of return over a cycle of 3-month Government Bills +1% per annum. The fund delivered a positive return year to date to September 2025, supported primarily by strong income generation and resilient credit fundamentals across high quality securitised markets.

Agency MBS was the dominant performance contributor, supported by meaningful spread tightening and elevated year end demand for high quality collateral. Seasonal technicals and increased liquidity requirements provided a constructive backdrop for Agency MBS spreads. CLOs and non agency MBS continued to deliver strong income, underpinned by solid underlying fundamentals and attractive risk adjusted spreads within senior tranches. Over the period, all of the fund's sectors contributed positively with Agency MBS, US CMBS and CLOs all offering notable positive contribution

Overall, the economic underpinnings of our process emphasizing sector allocations, remained strong, credit performance remained robust. Interest rate volatility remained low during the period, and credit spreads tightened across most securitised sectors, including the Fund's key exposures: CLOs, US and non-US mortgages, and Agency MBS. Agency MBS, in particular, delivered strong performance. We favor stronger borrowers and higher quality collateral, particularly residential properties. Corporate loans in CLOs also benefited from policy rate declines, especially in Europe. Housing credit performance remained solid, with low delinquencies and substantial homeowner equity supporting our positions. In addition, the high quality of the securities provided meaningful credit enhancement.

Securitized markets remained constructive throughout the first three quarters of 2025. Positioning remains constructive yet selective. We added to European CLOs where relative value was attractive and moved Agency MBS down in coupon to manage prepayment risk. We were constructive on CLOs and US mortgages.

Co-Fund Manager:
Michelle Russell-Dowe



Michelle Russell-Dowe is the Head of Securitized Credit at Schroders, she is responsible for managing the Securitized Credit Team and the Securitized Credit Portfolio Strategies. She joined Schroders in 2016 and is based in New York. Michelle was the Head of Securitized Products at Brookfield Investment Management (previously Hyperion Capital Management) from 1999 to 2016, she was responsible for managing the Securitized Products Investment Team. She was the Lead Portfolio Manager responsible for the Securitized Investment Strategies. She was a Vice President at Duff & Phelps Credit Rating Co from 1994 to 1999, where she was responsible for rating securities including residential mortgage-backed securities and asset-backed securities.

Co-Fund Manager:
Anthony Breaks



Anthony Breaks is Head of Asset-backed Investments, Securitized Products & Asset-Based Finance. He joined Schroders in 2016 and is based in New York. Anthony was a Managing Director at Brookfield Investment Management from 2005 to 2016, managing structured credit portfolios. In 2006 Mr. Breaks launched a \$300 million structured credit ABCP program. In the 4th quarter of 2007, the program retired all of its ABCP and debt at par in a successful refunding. He was a Director at Imagine Reinsurance, a subsidiary of Brookfield from 2002 to 2005, focused on structured credit investments and structured reinsurance transactions. He was a Director at Liberty Hampshire from 2000 to 2002, involved in the analysis and issuance of structured securities. He was an Analyst at Merrill Lynch from 1998 to 2000, involved in CLO structuring and securities analysis. Mr. Breaks earned a Bachelor of Science degree in Electrical Engineering from Massachusetts Institute of Technology.

¹ Source: Morningstar.

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.

Comparative Table

Financial year to 31 December	I Accumulation shares ²			I Income shares ²		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	53.97	50.83	50.00	50.38	50.16	50.00
Return before operating charges*	2.09	3.26	0.94	1.91	3.14	0.93
Operating charges	(0.08)	(0.12)	(0.11)	(0.08)	(0.11)	(0.11)
Return after operating charges*	2.01	3.14	0.83	1.83	3.03	0.82
Distributions**	(1.37)	(2.90)	(0.67)	(1.27)	(2.81)	(0.66)
Retained distributions**	1.37	2.90	0.67	-	-	-
Redemption value as at 4 September 2025	(55.98)	-	-	(50.94)	-	-
Closing net asset value	-	53.97	50.83	-	50.38	50.16
*after direct transaction costs of	-	-	-	-	-	-
Performance						
Return after charges (%)	3.73	6.18	1.66	3.63	6.04	1.64
Other information						
Closing net asset value (£000's)	-	2	2	-	1	1
Closing number of shares	-	3,000	3,000	-	3,000	3,000
Operating charges (%)	0.22	0.22	0.22	0.22	0.22	0.22
Direct transaction costs (%)***	-	-	-	-	-	-
Prices						
Highest dealing price	55.99p	54.02p	50.92p	51.06p	51.16p	50.93p
Lowest dealing price	54.02p	50.96p	49.98p	50.16p	50.29p	49.98p

Comparative Table

(continued)

Financial year to 31 December	Q2 Accumulation shares ²			Q2 Income shares ²		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	53.98	50.83	50.00	50.40	50.16	50.00
Return before operating charges*	2.10	3.27	0.94	1.92	3.16	0.94
Operating charges	(0.08)	(0.12)	(0.11)	(0.07)	(0.11)	(0.11)
Return after operating charges*	2.02	3.15	0.83	1.85	3.05	0.83
Distributions**	(1.38)	(2.91)	(0.67)	(1.28)	(2.81)	(0.67)
Retained distributions**	1.38	2.91	0.67	-	-	-
Redemption value as at 4 September 2025	(56.00)	-	-	(50.97)	-	-
Closing net asset value	-	53.98	50.83	-	50.40	50.16
*after direct transaction costs of	-	-	-	-	-	-
Performance						
Return after charges (%)	3.74	6.20	1.66	3.67	6.08	1.66
Other information						
Closing net asset value (£000's)	-	2	2	-	1	1
Closing number of shares	-	3,000	3,000	-	3,000	3,000
Operating charges (%)	0.20	0.22	0.22	0.20	0.22	0.22
Direct transaction costs (%)***	-	-	-	-	-	-
Prices						
Highest dealing price	56.00p	54.03p	50.93p	51.08p	51.17p	50.93p
Lowest dealing price	54.02p	50.96p	49.98p	50.18p	50.28p	49.98p

Comparative Table

(continued)

Financial year to 31 December	Q3 Accumulation shares ¹			Q3 Income shares ²		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	53.99	50.83	50.00	50.40	50.16	50.00
Return before operating charges*	2.12	3.28	0.94	1.92	3.16	0.94
Operating charges	(0.08)	(0.12)	(0.11)	(0.07)	(0.11)	(0.11)
Return after operating charges*	2.04	3.16	0.83	1.85	3.05	0.83
Distributions**	(1.39)	(2.92)	(0.67)	(1.28)	(2.81)	(0.67)
Retained distributions**	1.39	2.92	0.67	-	-	-
Redemption value as at 15 September 2025	(56.83)	-	-	-	-	-
Redemption value as at 4 September 2025	-	-	-	(50.97)	-	-
Closing net asset value	-	53.99	50.83	-	50.40	50.16
*after direct transaction costs of	-	-	-	-	-	-
Performance						
Return after charges (%)	3.79	6.22	1.66	3.67	6.08	1.66
Other information						
Closing net asset value (£000's)	-	255,531	136,818	-	1	1
Closing number of shares	-	473,322,771	269,160,265	-	3,000	3,000
Operating charges (%)	0.20	0.22	0.22	0.20	0.22	0.22
Direct transaction costs (%)***	-	-	-	-	-	-
Prices						
Highest dealing price	56.10p	54.03p	50.93p	51.08p	51.17p	50.96p
Lowest dealing price	54.03p	50.96p	49.98p	50.18p	50.28p	49.98p

Comparative Table (continued)

Financial year to 31 December	X Accumulation shares ¹			X Income shares ¹		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	54.13	50.86	50.00	50.39	50.16	50.00
Return before operating charges*	2.13	3.28	0.87	1.96	3.16	0.87
Operating charges	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Return after operating charges*	2.12	3.27	0.86	1.95	3.15	0.86
Distributions**	(1.43)	(3.03)	(0.70)	(1.32)	(2.92)	(0.70)
Retained distributions**	1.43	3.03	0.70	-	-	-
Redemption value as at 15 September 2025	(56.25)	-	-	(51.02)	-	-
Closing net asset value	-	54.13	50.86	-	50.39	50.16
*after direct transaction costs of	-	-	-	-	-	-
Performance						
Return after charges (%)	3.91	6.43	1.72	3.87	6.28	1.72
Other information						
Closing net asset value (£000's)	-	7,848	2	-	40,752	1
Closing number of shares	-	14,500,151	3,000	-	80,865,159	3,000
Operating charges (%)	0.02	0.02	0.02	0.02	0.02	0.02
Direct transaction costs (%)***	-	-	-	-	-	-
Prices						
Highest dealing price	56.32p	54.17p	50.96p	51.09p	51.20p	50.93p
Lowest dealing price	54.17p	50.99p	49.98p	50.18p	50.29p	49.98p

The Fund launched on 28 September 2023.

** 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.

1 The Fund closed on 15 September 2025.

2 I Accumulation, I Income, Q2 Accumulation, Q2 Income and Q3 Income shares closed on 4 September 2025.

The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share 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 Authorised Corporate Director fee, Registrar fees, Safe custody fees, Depositary's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are shares 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.

Statement of Total Return

For the year ended 31 December 2025

		2025	2024
	Notes	£000's	£000's
Income			
Net capital gains	2	372	24
Revenue	3	12,730	16,591
Expenses	4	(330)	(539)
Net revenue before taxation		12,400	16,052
Taxation	5	-	-
Net revenue after taxation		12,400	16,052
Total return before distributions		12,772	16,076
Distributions	6	(11,962)	(16,052)
Change in net assets attributable to shareholders from investment activities		810	24

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2025

	2025	2024
	£000's	£000's
Opening net assets attributable to shareholders	304,138	136,828
Amounts transferred to other funds	(383,238)	-
Amounts receivable on issue of shares	113,276	345,228
Amounts payable on cancellation of shares	(42,805)	(194,692)
	70,471	150,536
Dilution adjustment	116	381
Change in net assets attributable to shareholders from investment activities	810	24
Retained distribution on Accumulation shares	7,703	16,369
Closing net assets attributable to shareholders	-	304,138

Balance Sheet

As at 31 December 2025

		2025	2024
	Notes	£000's	£000's
Assets			
Investments		-	302,277
Current assets			
Debtors	8	-	1,507
Cash and bank balances	9	2	6,901
Total assets		2	310,685
Liabilities			
Investment liabilities		-	(3,724)
Creditors			
Bank overdrafts	10	-	(894)
Distributions payable		-	(615)
Other creditors	11	(2)	(1,314)
Total liabilities		(2)	(6,547)
Net assets attributable to shareholders		-	304,138

Notes to the Accounts

For the year ended 31 December 2025

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by Schroder AAA Flexible ABS are disclosed on pages 9 to 10.

2 Net capital gains

The net capital gains during the year comprise:

	2025	2024
	£000's	£000's
Non-derivative securities	(13,697)	(3,553)
Derivative contracts	(2,306)	(307)
Forward foreign currency contracts	17,556	2,618
Foreign currency (losses)/gains	(1,181)	1,266
Net capital gains	372	24

3 Revenue

	2025	2024
	£000's	£000's
Interest on debt securities	12,026	15,482
Bank interest	228	329
Net revenue return from derivative contracts	476	780
Total revenue	12,730	16,591

4 Expenses

	2025	2024
	£000's	£000's
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Schroders Annual Charge ¹	319	529
Other expenses:		
Professional fee	8	-
Interest payable	3	10
Total expenses	330	539

¹ Audit fees including VAT for the year were £1,733 (2024 – £8,848).

5 Taxation

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

(a) Factors affecting the total tax charge for the year

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for Open Ended Investment Companies of 20% (2024 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2025	2024
	£000's	£000's
Net revenue before taxation	12,400	16,052
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	2,480	3,210
Effects of:		
Interest distributions deductible for tax purposes	(2,480)	(3,210)
Total tax charge for the year	-	-

Notes to the Accounts

For the year ended 31 December 2025 (continued)

6 Distributions

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

	2025 £000's	2024 £000's
Quarterly Interest distribution	4,339	2,845
Interim Interest distribution	4,288	3,976
Quarterly Interest distribution	-	6,476
Final Interest distribution	-	4,419
	8,627	17,716
Add: Revenue deducted on cancellation of shares	4,114	529
Deduct: Revenue received on issue of shares	(779)	(2,193)
Distributions	11,962	16,052
Net revenue after taxation	12,400	16,052
Movement in undistributed revenue	(438)	-
Distributions	11,962	16,052

Details of the distributions per share are set out in the Distribution Tables on pages 24 to 26.

7 Fair value hierarchy

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

	2025		2024	
Basis of valuation	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	-	-	373	-
Level 2: Observable market data	-	-	301,904	(3,724)
Level 3: Unobservable data	-	-	-	-
Total	-	-	302,277	(3,724)

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 Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director with particular attention paid to the carrying value of the investments.

8 Debtors

	2025 £000's	2024 £000's
Sales awaiting settlement	-	127
Accrued revenue	-	1,380
Total debtors	-	1,507

Notes to the Accounts

For the year ended 31 December 2025 (continued)

9 Cash and bank balances

	2025	2024
	£000's	£000's
Cash and bank balances	2	4,733
Amounts held at futures clearing houses and brokers	-	2,168
Total cash and bank balances	2	6,901

10 Bank overdrafts

	2025	2024
	£000's	£000's
Amounts overdrawn at futures clearing houses and brokers	-	894
Total bank overdrafts	-	894

11 Other creditors

	2025	2024
	£000's	£000's
Purchases awaiting settlement	-	1,162
Amounts payable to other funds	2	-
Accrued expenses	-	152
Total other creditors	2	1,314

12 Commitments and contingent liabilities

There were no contingent liabilities at the balance sheet date (2024 – Nil).

At the balance sheet date the Fund had no commitment to purchase Voya Euro CLO VIII FRN 15/01/2039 (2024 – EUR 7,500,000).

13 Related party transactions

The Authorised Corporate Director provides key management personnel services for the Fund and is therefore considered a related party.

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

The Authorised Corporate Director acts as principal on all transactions of shares in the Fund. The aggregate monies received through the issue and cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders and Distributions in the Notes to the Accounts. Amounts due from or to the Authorised Corporate Director in respect of share transactions at the balance sheet date are included under Debtors and Other creditors in the Notes to the Accounts.

Shares held or managed by the Authorised Corporate Director as a percentage of the Fund's net asset value at the balance sheet date were 0.00% (2024 – 0.00%).

14 Share classes

The Fund currently has no share classes as the Fund closed on 15 September 2025.

15 Derivative and other financial instruments

The main risks arising from the Fund's financial instruments are market price, derivative, foreign currency, liquidity and interest rate risks. The Authorised Corporate Director'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 Authorised Corporate Director in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately Nil (2024 - £29,860,100).

Derivative risk

Where a Fund trades in derivatives to achieve its investment objective, this involves a higher degree of risk and may lead to a higher volatility in the share prices of the Fund. The Authorised Corporate Director employs a risk management process to allow the Authorised Corporate Director to measure derivative and forward positions and their contribution to the overall risk profile of the Fund. As part of this risk management process the Authorised Corporate Director conducts daily value at risk analysis of the Fund and performs both stress and back testing of the Fund.

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 Authorised Corporate Director may decide that a proportion of the investments that are not priced in sterling, may be covered by

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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	2025 £000's	2024 £000's
Australian dollar	-	(184)
Euro	-	(204)
Sterling	-	304,744
US dollar	-	(218)

At the year end date, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately Nil (2024 - £60,600).

Liquidity risk

The primary source of this risk to the Fund is the liability to shareholders for any cancellation of shares. 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.

Credit risk

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counterparty. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' financial ratings are reviewed.

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.

The Fund may invest in fixed and floating rate securities. The revenue of the Fund may be affected by changes to interest rates relevant to particular securities or as a result of the Authorised Corporate Director being unable to secure similar returns on the expiry of contracts or sale of securities.

The value of interest bearing securities may be affected by interest rate movements or the expectation of such movements in the future.

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

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of financial assets and financial liabilities at the balance sheet date was as follows:

Currency	2025				2024			
	Floating rate financial assets £000's	Fixed rate financial assets £000's	Financial assets not carrying interest £000's	Total £000's	Floating rate financial assets £000's	Fixed rate financial assets £000's	Financial assets not carrying interest £000's	Total £000's
Australian dollar	-	-	-	-	31	36,431	1,350	37,812
Euro	-	-	-	-	16,261	20,336	180	36,777
Sterling	2	-	-	2	6,300	13,127	287,375	306,802
US dollar	-	-	-	-	32,371	183,681	1,579	217,631

Currency	2025				2024			
	Floating rate financial liabilities £000's	Fixed rate financial liabilities £000's	Financial liabilities not carrying interest £000's	Total £000's	Floating rate financial liabilities £000's	Fixed rate financial liabilities £000's	Financial liabilities not carrying interest £000's	Total £000's
Australian dollar	-	-	-	-	-	-	37,996	37,996
Euro	-	-	-	-	-	-	36,981	36,981
Sterling	-	-	2	2	-	-	2,058	2,058
US dollar	-	-	-	-	894	-	216,955	217,849

At the year end, if changes in interest rates resulted in a 10% increase or decrease in the net assets of the fund, then the net assets would increase or decrease by approximately £200 (2024 - £30,769,200).

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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 and amounts held or overdrawn at futures clearing houses and brokers bear interest at rates based on the Sterling Overnight Index Average Rate or its international equivalent.

Euro denominated floating rate bonds bear interest at rates based on Euro Interbank Offer Rate.

US dollar denominated floating rate bonds bear interest at rates based on the US London Interbank Offer Rate.

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.

Derivatives

During the year the Fund entered into derivative contracts for specific investment purposes in addition to being used for efficient management.

Although the Fund may enter into derivative contracts for specific investment purposes in addition to being used for efficient management it is not the current intention to use derivatives for specific investment purposes.

During the year the Fund entered into derivative contracts for the efficient management of the Fund.

Global risk exposure

Commitment approach

When using derivatives, the Authorised Corporate Director 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.

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 31 December 2025 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

2025				2024			
Lowest	Highest	Average	Leverage 31 December	Lowest	Highest	Average	Leverage 31 December
0.00%	0.00%	0.00%	0.00%	13.01%	76.76%	44.46%	45.14%

16 Debt security credit analysis

	2025 £000's	2024 £000's
Investment grade securities	-	203,783
Unrated securities	-	97,854
Total debt securities	-	301,637

17 Direct transaction costs

2025	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	540,961	-	-	540,961	-	-
Sales						
Bonds ¹	447,683	-	-	447,683	-	-
In-specie sales:						
Bonds	381,766	-	-	381,766	-	-
	829,449	-	-	829,449		
Total cost as a percentage of the Fund's average net asset value (%)		-	-			

1 Excluding in-specie transfers and corporate actions.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

2024	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	2,375,857	-	-	2,375,857	-	-
Sales						
Bonds	2,234,432	-	-	2,234,432	-	-
Total cost as a percentage of the Fund's average net asset value (%)		-	-			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was Nil (2024 – 0.32%).

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.

18 Shares in issue reconciliation

	Number of shares in issue 31.12.24	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 31.12.25
I Accumulation shares	3,000	-	(3,000)	-	-
I Income shares	3,000	-	(3,000)	-	-
Q2 Accumulation shares	3,000	-	(3,000)	-	-
Q2 Income shares	3,000	-	(3,000)	-	-
Q3 Accumulation shares	473,322,771	37,947,334	(511,270,105)	-	-
Q3 Income shares	3,000	-	(3,000)	-	-
X Accumulation shares	14,500,151	160,271,373	(174,771,524)	-	-
X Income shares	80,865,159	8,878,690	(89,743,849)	-	-

19 Counterparty exposure

The types of non-exchange traded derivatives held at the balance sheet date were forward foreign currency contracts. The total position by counterparty at the balance sheet date was as follows:

Counterparty	Forward foreign currency contracts £000's	Credit default swaps £000's	Commodity index swaps £000's	Contract for difference £000's	Interest rate swaps £000's	Total return swaps £000's	Inflation linked swaps £000's	Options contracts £000's	Swaption contracts £000's	Total £000's
Canadian Imperial Bank of Commerce										
2025	-	-	-	-	-	-	-	-	-	-
2024	(3,679)	-	-	-	-	-	-	-	-	(3,679)
Citibank										
2025	-	-	-	-	-	-	-	-	-	-
2024	(3)	-	-	-	-	-	-	-	-	(3)
HSBC										
2025	-	-	-	-	-	-	-	-	-	-
2024	230	-	-	-	-	-	-	-	-	230
UBS										
2025	-	-	-	-	-	-	-	-	-	-
2024	(5)	-	-	-	-	-	-	-	-	(5)

At the balance sheet date no collateral was held or pledged by the Fund or on behalf of the counterparties in respect of the above.

Distribution Tables

Quarterly distribution for the three months ended 31 March 2025

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.5.25 per share	Distribution paid 31.5.24 per share
I Accumulation shares				
Group 1	0.6980p	–	0.6980p	0.6840p
Group 2	0.6980p	–	0.6980p	0.6840p
I Income shares				
Group 1	0.6590p	–	0.6590p	0.6793p
Group 2	0.6590p	–	0.6590p	0.6793p
Q2 Accumulation shares				
Group 1	0.7083p	–	0.7083p	0.6840p
Group 2	0.7083p	–	0.7083p	0.6840p
Q2 Income shares				
Group 1	0.6620p	–	0.6620p	0.6750p
Group 2	0.6620p	–	0.6620p	0.6750p
Q3 Accumulation shares				
Group 1	0.7098p	–	0.7098p	0.6863p
Group 2	0.2296p	0.4802p	0.7098p	0.6863p
Q3 Income shares				
Group 1	0.6620p	–	0.6620p	0.6750p
Group 2	0.6620p	–	0.6620p	0.6750p
X Accumulation shares				
Group 1	0.7291p	–	0.7291p	0.7147p
Group 2	0.0878p	0.6413p	0.7291p	0.7147p
X Income shares				
Group 1	0.6791p	–	0.6791p	0.7050p
Group 2	0.6791p	–	0.6791p	0.7050p

Interim distribution for the three months ended 30 June 2025

Group 1 Shares purchased prior to 1 April 2025

Group 2 Shares purchased on or after 1 April 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 30.8.25 per share	Distribution paid 30.8.24 per share
I Accumulation shares				
Group 1	0.6733p	–	0.6733p	0.7210p
Group 2	0.6733p	–	0.6733p	0.7210p
I Income shares				
Group 1	0.6100p	–	0.6100p	0.7040p
Group 2	0.6100p	–	0.6100p	0.7040p
Q2 Accumulation shares				
Group 1	0.6746p	–	0.6746p	0.7210p
Group 2	0.6746p	–	0.6746p	0.7210p

Distribution Tables

(continued)

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 30.8.25 per share	Distribution paid 30.8.24 per share
Q2 Income shares				
Group 1	0.6206p	–	0.6206p	0.7040p
Group 2	0.6206p	–	0.6206p	0.7040p
Q3 Accumulation shares				
Group 1	0.6754p	–	0.6754p	0.7243p
Group 2	0.3972p	0.2782p	0.6754p	0.7243p
Q3 Income shares				
Group 1	0.6206p	–	0.6206p	0.7040p
Group 2	0.6206p	–	0.6206p	0.7040p
X Accumulation shares				
Group 1	0.7022p	–	0.7022p	0.7540p
Group 2	0.3507p	0.3515p	0.7022p	0.7540p
X Income shares				
Group 1	0.6451p	–	0.6451p	0.7315p
Group 2	0.4552p	0.1899p	0.6451p	0.7315p

Quarterly distribution for the three months ended 30 September 2025

Group 1 Shares purchased prior to 1 July 2025

Group 2 Shares purchased on or after 1 July 2025

	Net revenue per share	Equalisation per share	Distribution paid 28.11.25 per share	Distribution paid 29.11.24 per share
I Accumulation shares				
Group 1	–	–	–	0.7236p
Group 2	–	–	–	0.7236p
I Income shares				
Group 1	–	–	–	0.6840p
Group 2	–	–	–	0.6840p
Q2 Accumulation shares				
Group 1	–	–	–	0.7286p
Group 2	–	–	–	0.7286p
Q2 Income shares				
Group 1	–	–	–	0.6986p
Group 2	–	–	–	0.6986p
Q3 Accumulation shares				
Group 1	–	–	–	0.7284p
Group 2	–	–	–	0.7284p
Q3 Income shares				
Group 1	–	–	–	0.6986p
Group 2	–	–	–	0.6986p
X Accumulation shares				
Group 1	–	–	–	0.7532p
Group 2	–	–	–	0.7532p

Distribution Tables

(continued)

	Net revenue per share	Equalisation per share		Distribution paid 29.11.24 per share
X Income shares				
Group 1	–	–	–	0.7195p
Group 2	–	–	–	0.7195p

Final distribution for the three months ended 31 December 2025

Group 1 Shares purchased prior to 1 October 2025

Group 2 Shares purchased on or after 1 October 2025

	Net revenue per share	Equalisation per share	Distribution paid 27.2.26 per share	Distribution paid 28.2.25 per share
I Accumulation shares				
Group 1	–	–	–	0.7736p
Group 2	–	–	–	0.7736p
I Income shares				
Group 1	–	–	–	0.7406p
Group 2	–	–	–	0.7406p
Q2 Accumulation shares				
Group 1	–	–	–	0.7736p
Group 2	–	–	–	0.7736p
Q2 Income shares				
Group 1	–	–	–	0.7316p
Group 2	–	–	–	0.7316p
Q3 Accumulation shares				
Group 1	–	–	–	0.7789p
Group 2	–	–	–	0.7789p
Q3 Income shares				
Group 1	–	–	–	0.7316p
Group 2	–	–	–	0.7316p
X Accumulation shares				
Group 1	–	–	–	0.8051p
Group 2	–	–	–	0.8051p
X Income shares				
Group 1	–	–	–	0.7608p
Group 2	–	–	–	0.7608p

Equalisation

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

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

Schroder Emerging Markets Value Fund

Fund Information

Investment objective and policy

Schroder Emerging Markets Value Fund (the 'Fund') aims to provide capital growth in excess of the MSCI Emerging Markets (Net Total Return) index (GBP) (after fees have been deducted) over any three to five year period by investing in equity and equity related securities of emerging markets companies that the investment manager deems to have "value" characteristics.

The Fund is actively managed and invests at least 80% of its assets in equity and equity related securities of emerging markets companies worldwide and/or in companies headquartered or quoted on developed markets if those companies derive a significant proportion (more than 50%) of their revenues or profits from emerging markets.

The Fund focuses on companies that have certain 'Value' characteristics. Value is assessed by looking at indicators such as cash flows, dividends and earnings to identify securities which the Investment Manager believes have been undervalued by the market.

The Fund typically holds 30-70 companies.

The Fund may invest directly in China H-Shares. The Fund may invest up to 20% of its assets (on a net basis) directly or indirectly (for example via participatory notes) in China A-Shares and/or China B-Shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect and shares listed on the STAR Board and the ChiNext.

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

The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently (for more information please refer to Appendix 2 Section 6: Derivatives and Forwards of the Prospectus).

With effect from 19 February 2025 the Fund's Investment objective and policy changed, previously it was:

The Fund aims to provide capital growth in excess of the MSCI Emerging Markets (Net Total Return) index (GBP) (after fees have been deducted) over any three to five year period by investing in equity and equity related securities of emerging markets companies that the investment manager deems to have "value" characteristics.

The Fund is actively managed and invests at least 80% of its assets in equity and equity related securities of emerging markets companies worldwide and/or in companies headquartered or quoted on developed markets if those companies derive a significant proportion (more than 50%) of their revenues or profits from emerging markets.

The Fund focuses on companies that have certain 'Value' characteristics. Value is assessed by looking at indicators such as cash flows, dividends and earnings to identify securities which the Investment Manager believes have been undervalued by the market.

The Fund typically holds 30-70 companies.

The Fund may invest directly in China B-Shares and China H-Shares and may invest up to 20% of its assets (on a net basis) directly or indirectly (for example via participatory notes) in China A-Shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect and shares listed on the STAR Board and the ChiNext.

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

The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently (for more information please refer to Appendix 2. Section 10: Derivatives and Forwards of the Prospectus).

Fund characteristics

The Fund's performance should be assessed against its target benchmark, being MSCI Emerging Markets Index Net Return (GBP) and compared against MSCI Emerging Markets Value Index Net Return (GBP) and the IA Global Emerging Markets Sector. The Investment Adviser invests on a discretionary basis and is not limited to investing in accordance with the composition of this 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. This is because the target benchmark reflects the investment universe that the Investment Adviser assesses against its 'value' criteria. The comparator benchmark has been selected because the Investment Adviser and the ACD believe that this benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy. This is because the comparator benchmark reflects both emerging markets and 'value' characteristics.

Subsequent events

On 12 March 2026, Schroder Emerging Markets Value Fund was liquidated. The last dealing of shares in Schroder Emerging Markets Value Fund was on 12 March 2026. As a result the financial statements for this Fund have not been prepared on a going concern basis.

Review of Investment Activities

From 31 December 2024 to 31 December 2025, the price of Z Accumulation shares on a dealing price basis rose by 40.7%. In the same period, the MSCI Emerging Markets Index generated a net total return of 24.4%¹ in sterling terms.

The fund applies a disciplined value investment approach, seeking to invest in a select portfolio of companies that the fund manager believes are significantly undervalued relative to their long-term earnings potential.

Key contributors included Johnson Electric, a global maker of small motors and motion systems; SQM, a major Chilean lithium and chemicals producer; Airtel Africa, a telecom and mobile money operator; and Sibanye-Stillwater, a diversified precious and battery metals miner. Detractors included Bukit Asam, an Indonesian coal producer; Kunlun Energy, a Chinese natural gas supplier; Semen Indonesia, the country's largest cement producer; and Frontera Energy, an oil and gas operator focused mainly in Colombia.

Over the course of the year, our exposures to Financials and Energy have reduced highlighted by the sales of Halyk Bank, Kasikornbank and Bukit Asam. While exposure to Materials and Technology sectors have increased due to the increased positions of SQM and Samsung Electronics.

Fund Manager:

Simon Adler – Fund Manager & Head of Schroder Global Value Team



Co-manager of Global Recovery, Global Income and Global Sustainable strategies

Joined the Global Value Team in July 2016 to manage value portfolios

Investment career commenced in 2008, at Schroders as a UK equity analyst

Previously sector analyst responsible for Chemicals, Media, Transport, Travel & Leisure and Utilities

Global Sustainability Specialist in Global Equity team until 2016

Chartered Financial Analyst

MA in Politics, Edinburgh University

¹ Source: Morningstar.

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 Fund’s risk category is not guaranteed to remain fixed and may change over time. A Fund in the lowest category does not mean a risk-free investment. For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com/en-gb/uk/individual/Fund-centre/.

Comparative Table

Financial year to 31 December	L Accumulation shares		L Income shares	
	2025 pence per share	2024 pence per share	2025 pence per share	2024 pence per share
Change in net asset value				
Opening net asset value	50.62	50.00	49.43	50.00
Return before operating charges*	20.78	0.82	20.00	0.82
Operating charges	(0.42)	(0.20)	(0.39)	(0.20)
Return after operating charges*	20.36	0.62	19.61	0.62
Distributions**	(2.82)	(1.19)	(1.77)	(1.19)
Retained distributions**	2.82	1.19	–	–
Closing net asset value	70.98	50.62	67.27	49.43
*after direct transaction costs of	–	–	–	–
Performance				
Return after charges (%)	40.22	1.24	39.67	1.24
Other information				
Closing net asset value (£000's)	1,036	1,110	2	1,213
Closing number of shares	1,459,427	2,192,797	3,000	2,454,804
Operating charges (%)	0.70	0.70	0.70	0.70
Direct transaction costs (%)***	–	–	–	–
Prices				
Highest dealing price	72.15p	54.04p	68.61p	54.03p
Lowest dealing price	49.19p	48.36p	48.04p	48.35p

Comparative Table (continued)

Financial year to 31 December	Q1 Accumulation shares		Q1 Income shares	
	2025 pence per share	2024 pence per share	2025 pence per share	2024 pence per share
Change in net asset value				
Opening net asset value	50.71	50.00	49.43	50.00
Return before operating charges*	20.87	0.84	20.00	0.84
Operating charges	(0.27)	(0.13)	(0.25)	(0.13)
Return after operating charges*	20.60	0.71	19.75	0.71
Distributions**	(2.89)	(1.28)	(2.79)	(1.28)
Retained distributions**	2.89	1.28	–	–
Closing net asset value	71.31	50.71	66.39	49.43
*after direct transaction costs of	–	–	–	–
Performance				
Return after charges (%)	40.62	1.42	39.96	1.42
Other information				
Closing net asset value (£000's)	40,146	39,507	2,491	8,824
Closing number of shares	56,294,298	77,901,761	3,751,536	17,850,791
Operating charges (%)	0.45	0.45	0.45	0.45
Direct transaction costs (%)***	–	–	–	–
Prices				
Highest dealing price	72.46p	54.10p	68.66p	54.10p
Lowest dealing price	49.31p	48.38p	48.07p	48.38p

Comparative Table (continued)

Financial year to 31 December	S Accumulation shares		Z Accumulation shares	
	2025 pence per share	2024 pence per share	2025 pence per share	2024 pence per share
Change in net asset value				
Opening net asset value	50.71	50.00	50.58	50.00
Return before operating charges*	20.88	0.87	20.80	0.85
Operating charges	(0.33)	(0.16)	(0.55)	(0.27)
Return after operating charges*	20.55	0.71	20.25	0.58
Distributions**	(2.87)	(1.28)	(2.69)	(1.15)
Retained distributions**	2.87	1.28	2.69	1.15
Closing net asset value	71.26	50.71	70.83	50.58
*after direct transaction costs of	-	-	-	-
Performance				
Return after charges (%)	40.52	1.42	40.04	1.16
Other information				
Closing net asset value (£000's)	2	2	11,126	7,644
Closing number of shares	3,000	3,000	15,707,849	15,112,727
Operating charges (%)	0.54	0.54	0.91	0.91
Direct transaction costs (%)***	-	-	-	-
Prices				
Highest dealing price	72.43p	54.10p	72.01p	54.02p
Lowest dealing price	49.30p	48.38p	49.12p	48.35p

Comparative Table (continued)

Financial year to 31 December	Z Income shares	
	2025 pence per share	2024 pence per share
Change in net asset value		
Opening net asset value	49.43	50.00
Return before operating charges*	20.02	0.84
Operating charges	(0.56)	(0.27)
Return after operating charges*	19.46	0.57
Distributions**	(2.55)	(1.14)
Closing net asset value	66.34	49.43
*after direct transaction costs of	-	-
Performance		
Return after charges (%)	39.37	1.14
Other information		
Closing net asset value (£000's)	2	1
Closing number of shares	3,000	3,000
Operating charges (%)	0.91	0.91
Direct transaction costs (%)***	-	-
Prices		
Highest dealing price	68.54p	54.01p
Lowest dealing price	48.00p	48.34p

The Fund launched on 5 June 2024.

** 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 share 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 Authorised Corporate Director fee, Registrar fees, Safe custody fees, Depositary's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are shares 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 31.12.25	Market Value £000's	% of net assets
Equities 88.44% (97.10%)			
Bermuda 6.64% (9.01%)			
Kunlun Energy	2,078,000	1,467	2.68
VTech Holdings	372,500	2,170	3.96
		3,637	6.64
Brazil 14.17% (9.45%)			
Banco Bradesco Preference	874,966	2,159	3.94
Petroleo Brasileiro Preference	364,941	1,526	2.78
Sao Martinho	302,028	620	1.13
Telefonica Brasil	396,632	1,779	3.25
Vale ADR	173,917	1,683	3.07
		7,767	14.17
Canada 0.00% (1.35%)			
Cayman Islands 14.71% (14.07%)			
Alibaba Group Holding	96,900	1,322	2.41
Autohome ADR	35,674	584	1.07
Baidu	140,150	1,760	3.21
China Resources Land	589,000	1,529	2.79
Hengan International Group	610,000	1,626	2.97
United Laboratories International Holdings	1,126,000	1,240	2.26
		8,061	14.71
Chile 8.56% (5.33%)			
Cia Sud Americana de Vapores	29,917,885	1,154	2.11
Sociedad Quimica y Minera de Chile ADR	69,094	3,537	6.45
		4,691	8.56
China 8.19% (8.15%)			
Anhui Conch Cement	768,500	1,621	2.96
China Construction Bank	1,602,000	1,177	2.15
Gree Electric Appliances	227,200	972	1.77
Xinhua Winshare Publishing and Media	738,000	720	1.31
		4,490	8.19
Czech Republic 0.00% (2.03%)			
Greece 2.89% (1.98%)			
Alpha Bank	507,271	1,586	2.89
		1,586	2.89
Hong Kong 0.00% (0.94%)			
Indonesia 4.07% (7.90%)			
Perusahaan Gas Negara	19,683,700	1,676	3.06
Semen Indonesia Persero	4,685,400	552	1.01
		2,228	4.07

	Holding at 31.12.25	Market Value £000's	% of net assets
Kazakhstan 0.00% (3.14%)			
Kenya 0.00% (2.06%)			
Luxembourg 4.82% (2.03%)			
Samsonite Group	582,300	1,107	2.02
Ternium ADR	54,205	1,533	2.80
		2,640	4.82
Mexico 2.98% (1.85%)			
Becle	373,788	318	0.58
Megacable Holdings	620,025	1,317	2.40
		1,635	2.98
Singapore 2.32% (2.52%)			
Yangzijiang Shipbuilding Holdings	633,600	1,271	2.32
		1,271	2.32
Slovenia 0.00% (1.93%)			
South Africa 4.85% (5.43%)			
Telkom	320,760	845	1.54
Tiger Brands	110,447	1,813	3.31
		2,658	4.85
South Korea 12.52% (11.62%)			
Hankook Tire & Technology	39,179	1,179	2.15
KB Financial Group	19,399	1,248	2.28
Samsung Electronics	53,410	3,305	6.03
Shinhan Financial Group	28,482	1,129	2.06
		6,861	12.52
Taiwan 0.99% (0.98%)			
Asustek Computer	42,000	544	0.99
		544	0.99
Thailand 0.00% (2.54%)			
United Kingdom 0.73% (2.79%)			
Airtel Africa	113,306	402	0.73
		402	0.73
Equities total		48,471	88.44
Collective Investment Schemes 0.06% (0.00%)			
Cash Funds 0.06% (0.00%)			
Schroder Sterling Cash Fund Class X Distribution GBP	29,748	30	0.06
		30	0.06
Collective Investment Schemes total		30	0.06
Futures 0.08% (0.00%)			
MSCI Emerging Markets Index March 2026	62	46	0.08
Futures total		46	0.08
Portfolio of investments		48,547	88.58
Net other assets		6,258	11.42
Net assets attributable to shareholders		54,805	100.00

The comparative percentage figures in brackets are as at 31 December 2024.

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

Statement of Total Return

For the year ended 31 December 2025

		2025		5.6.24 to 31.12.24	
	Notes	£000's	£000's	£000's	£000's
Income					
Net capital gains/(losses)	2		21,342		(466)
Revenue	3	4,174		840	
Expenses	4	(359)		(118)	
Net revenue before taxation		3,815		722	
Taxation	5	(416)		(51)	
Net revenue after taxation			3,399		671
Total return before distributions			24,741		205
Distributions	6		(3,399)		(671)
Change in net assets attributable to shareholders from investment activities			21,342		(466)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2025

	2025		5.6.24 to 31.12.24	
	£000's	£000's	£000's	£000's
Opening net assets attributable to shareholders		58,301		-
Amounts receivable on issue of shares	29,247		57,785	
Amounts payable on cancellation of shares	(56,975)		(318)	
		(27,728)		57,467
Dilution adjustment		174		100
Change in net assets attributable to shareholders from investment activities		21,342		(466)
Retained distribution on Accumulation shares		2,716		1,200
Closing net assets attributable to shareholders		54,805		58,301

Balance Sheet

As at 31 December 2025

		2025	2024
	Notes	£000's	£000's
Assets			
Investments		48,547	56,610
Current assets			
Debtors	8	456	231
Cash and bank balances		5,919	2,696
Total assets		54,922	59,537
Liabilities			
Creditors			
Bank overdrafts		-	(11)
Distributions payable		(44)	(258)
Other creditors	9	(73)	(967)
Total liabilities		(117)	(1,236)
Net assets attributable to shareholders		54,805	58,301

Notes to the Accounts

For the year ended 31 December 2025

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by Schroder Emerging Markets Value Fund are disclosed on pages 9 to 10.

2 Net capital gains/(losses)

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

	2025	5.6.24 to 31.12.24
	£000's	£000's
Non-derivative securities	21,327	(509)
Derivative contracts	94	(2)
Forward foreign currency contracts	1	(2)
Foreign currency (losses)/gains	(80)	47
Net capital gains/(losses)	21,342	(466)

3 Revenue

	2025	5.6.24 to 31.12.24
	£000's	£000's
UK dividends	42	28
Overseas dividends	4,020	770
Interest distributions	9	-
Bank interest	104	42
Net revenue return from derivative contracts	(1)	-
Total revenue	4,174	840

4 Expenses

	2025	5.6.24 to 31.12.24
	£000's	£000's
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Schroders Annual Charge ¹	357	116
Dividend expenses	2	-
Other expenses:		
Interest payable	-	2
Total expenses	359	118

¹ Audit fees including VAT for the year were £8,100 (2024 – £8,100).

5 Taxation

(a) Analysis of the tax charge for the year/period

	2025	5.6.24 to 31.12.24
	£000's	£000's
Corporation tax	10	-
Double tax relief	(10)	-
Overseas withholding tax	416	51
Total current tax (Note 5(b))	416	51

Corporation tax has been provided for at a rate of 20% (2024 – 20%).

Notes to the Accounts

For the year ended 31 December 2025 (continued)

(b) Factors affecting the total tax charge for the year/period

The tax assessed for the year/period is different from that calculated when the standard rate of corporation tax for Open Ended Investment Companies of 20% (2024 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2025 £000's	5.6.24 to 31.12.24 £000's
Net revenue before taxation	3,815	722
Net revenue for the year/period before taxation multiplied by the standard rate of corporation tax	763	145
Effects of:		
Revenue not subject to corporation tax	(738)	(160)
Movement in excess management expenses	(15)	15
Overseas withholding tax	416	51
Double tax relief	(10)	–
Total tax charge for the year/period (Note 5(a))	416	51

(c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of Nil (2024 – £15,150) in respect of Nil (2024 – £75,750) 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 period.

6 Distributions

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

	2025 £000's	5.6.24 to 31.12.24 £000's
Interim Dividend distribution	2,181	–
Final Dividend distribution	950	1,458
	3,131	1,458
Add: Revenue deducted on cancellation of shares	585	6
Deduct: Revenue received on issue of shares	(317)	(793)
Distributions	3,399	671

Details of the distributions per share are set out in the Distribution Tables on pages 42 to 43.

7 Fair value hierarchy

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

	2025		2024	
Basis of valuation	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	48,517	–	56,610	–
Level 2: Observable market data	30	–	–	–
Level 3: Unobservable data	–	–	–	–
Total	48,547	–	56,610	–

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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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 Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director with particular attention paid to the carrying value of the investments.

8 Debtors

	2025	2024
	£000's	£000's
Amounts receivable for issue of shares	136	21
Accrued revenue	298	205
Overseas withholding tax recoverable	22	5
Total debtors	456	231

9 Other creditors

	2025	2024
	£000's	£000's
Amounts payable for cancellation of shares	17	5
Purchases awaiting settlement	–	932
Accrued expenses	56	30
Total other creditors	73	967

10 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2024 – Nil).

11 Related party transactions

The Authorised Corporate Director provides key management personnel services for the Fund and is therefore considered a related party.

Amounts paid during the year/period or due to the Authorised Corporate Director at the balance sheet date are disclosed under Expenses and Other creditors in the Notes to the Accounts.

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

Shares held or managed by the Authorised Corporate Director as a percentage of the Fund's net asset value at the balance sheet date were 0.03% (2024 – 0.02%).

12 Share classes

At the reporting date the Fund had seven share classes. The costs and expenses due to the Manager are referred to as the Schroders Annual Charge. Details of the charges applied to each share class can be found in the prospectus.

The closing net asset value of each share class, the closing net asset value per share and the closing number of shares in issue are given in the Comparative Table on pages 30 to 33.

The distributions per share class are given in the Distribution Tables on pages 42 to 43.

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, derivative, foreign currency, liquidity and interest rate risks. The Authorised Corporate Director's policies for managing these risks are summarised below and have been applied throughout the year and the prior period.

Market price risk

The Fund's investment portfolio is exposed to market price fluctuations which are monitored by the Authorised Corporate Director in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £4,854,700 (2024 - £5,661,000).

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 Authorised Corporate Director 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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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	2025 £000's	2024 £000's
Brazilian real	6,301	5,461
Canadian dollar	–	231
Chilean peso	1,154	1,708
Chinese yuan	974	793
Czech Koruna	–	1,182
Euro	1,600	2,283
Hong Kong dollar	15,767	16,644
Indonesian rupiah	2,228	4,506
Kenyan shilling	–	1,178
Mexican peso	1,634	1,080
Singapore dollar	1,271	1,438
South African rand	2,658	3,153
South Korean won	6,869	6,628
Sterling	6,303	4,043
Taiwan dollar	544	570
Thai baht	–	1,449
US dollar	7,502	5,954

At the year end date, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £4,850,200 (2024 - £5,425,800).

Liquidity risk

The primary source of this risk to the Fund is the liability to shareholders for any cancellation of shares. 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.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of financial assets and financial liabilities at the balance sheet date was as follows:

Currency	2025				2024			
	Floating rate financial assets £000's	Fixed rate financial assets £000's	Financial assets not carrying interest £000's	Total £000's	Floating rate financial assets £000's	Fixed rate financial assets £000's	Financial assets not carrying interest £000's	Total £000's
Brazilian real	41	–	6,260	6,301	–	–	5,624	5,624
Canadian dollar	–	–	–	–	–	–	232	232
Chilean peso	–	–	1,154	1,154	–	–	1,735	1,735
Chinese yuan	2	–	972	974	5	–	788	793
Czech Koruna	–	–	–	–	–	–	1,182	1,182
Euro	–	–	1,600	1,600	–	–	2,283	2,283
Hong Kong dollar	–	–	15,767	15,767	–	–	17,017	17,017
Indonesian rupiah	–	–	2,228	2,228	–	–	4,609	4,609
Kenyan shilling	–	–	–	–	–	–	1,205	1,205
Mexican peso	–	–	1,634	1,634	–	–	1,080	1,080
Singapore dollar	–	–	1,271	1,271	–	–	1,471	1,471
South African rand	–	–	2,658	2,658	–	–	3,167	3,167
South Korean won	–	–	6,869	6,869	–	–	6,784	6,784
Sterling	5,851	–	569	6,420	2,691	–	1,646	4,337
Taiwan dollar	–	–	544	544	–	–	570	570

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Currency	2025				2024			
	Floating rate financial assets £000's	Fixed rate financial assets £000's	Financial assets not carrying interest £000's	Total £000's	Floating rate financial assets £000's	Fixed rate financial assets £000's	Financial assets not carrying interest £000's	Total £000's
Thai baht	-	-	-	-	-	-	1,483	1,483
US dollar	25	-	7,477	7,502	-	-	5,965	5,965

Currency	2025				2024			
	Floating rate financial liabilities £000's	Fixed rate financial liabilities £000's	Financial liabilities not carrying interest £000's	Total £000's	Floating rate financial liabilities £000's	Fixed rate financial liabilities £000's	Financial liabilities not carrying interest £000's	Total £000's
Brazilian real	-	-	-	-	-	-	163	163
Canadian dollar	-	-	-	-	-	-	1	1
Chilean peso	-	-	-	-	-	-	27	27
Hong Kong dollar	-	-	-	-	-	-	373	373
Indonesian rupiah	-	-	-	-	-	-	103	103
Kenyan shilling	-	-	-	-	-	-	27	27
Singapore dollar	-	-	-	-	-	-	33	33
South African rand	-	-	-	-	-	-	14	14
South Korean won	-	-	-	-	-	-	156	156
Sterling	-	-	117	117	-	-	294	294
Thai baht	-	-	-	-	-	-	34	34
US dollar	-	-	-	-	11	-	-	11

At the year end, if changes in interest rates resulted in a 10% increase or decrease in the net assets of the Fund, then the net assets would increase or decrease by approximately £591,900 (2024 - £268,500).

Floating rate financial assets and financial liabilities

Sterling denominated bank balances and bank overdrafts bear interest at rates based on the Sterling Overnight Index Average Rate. Foreign currency bank balances bear interest at rates based on the Sterling Overnight Index Average 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 Authorised Corporate Director 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.

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 31 December 2025 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

2025				2024			
Lowest	Highest	Average	Leverage 31 December	Lowest	Highest	Average	Leverage 31 December
0.00%	13.30%	2.06%	5.93%	0.00%	63.13%	2.81%	1.47%

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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.

2025	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	43,345	28	28	43,401	0.06	0.06
Sales						
Equities	72,934	(52)	(51)	72,831	(0.07)	(0.07)
Derivative purchase and sales		(1)	–			
Total cost as a percentage of the Fund's average net asset value (%)		0.12	0.12			

5.6.24 to 31.12.24	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	59,982	37	41	60,060	0.06	0.07
Sales						
Equities	2,942	(2)	(2)	2,938	(0.07)	(0.07)
Total cost as a percentage of the Fund's average net asset value (%)		0.11	0.12			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.21% (2024 – 0.33%).

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.

15 Shares in issue reconciliation

	Number of shares in issue 31.12.24	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 31.12.25
L Accumulation shares	2,192,797	1,582,507	(2,315,877)	–	1,459,427
L Income shares	2,454,804	–	(2,451,804)	–	3,000
Q1 Accumulation shares	77,901,761	43,289,089	(64,896,552)	–	56,294,298
Q1 Income shares	17,850,791	3,965,366	(18,064,621)	–	3,751,536
S Accumulation shares	3,000	–	–	–	3,000
Z Accumulation shares	15,112,727	957,144	(362,022)	–	15,707,849
Z Income shares	3,000	28,533	(28,533)	–	3,000

Distribution Tables

Interim distribution for the six months ended 30 June 2025

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.8.25 per share
L Accumulation shares			
Group 1	1.5728p	–	1.5728p
Group 2	1.5728p	–	1.5728p
L Income shares			
Group 1	1.5372p	–	1.5372p
Group 2	1.5372p	–	1.5372p
Q1 Accumulation shares			
Group 1	1.6442p	–	1.6442p
Group 2	0.9616p	0.6826p	1.6442p
Q1 Income shares			
Group 1	1.6043p	–	1.6043p
Group 2	1.1423p	0.4620p	1.6043p
S Accumulation shares			
Group 1	1.6343p	–	1.6343p
Group 2	1.6343p	–	1.6343p
Z Accumulation shares			
Group 1	1.5140p	–	1.5140p
Group 2	0.7629p	0.7511p	1.5140p
Z Income shares			
Group 1	1.4733p	–	1.4733p
Group 2	0.8517p	0.6216p	1.4733p

Final distribution for the six months ended 31 December 2025

Group 1 Shares purchased prior to 1 July 2025

Group 2 Shares purchased on or after 1 July 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
L Accumulation shares				
Group 1	1.2475p	–	1.2475p	1.1938p
Group 2	0.3445p	0.9030p	1.2475p	1.1938p
L Income shares				
Group 1	0.2286p	–	0.2286p	1.1856p
Group 2	0.2286p	–	0.2286p	1.1856p
Q1 Accumulation shares				
Group 1	1.2485p	–	1.2485p	1.2843p
Group 2	0.6265p	0.6220p	1.2485p	1.2843p
Q1 Income shares				
Group 1	1.1845p	–	1.1845p	1.2847p
Group 2	0.7536p	0.4309p	1.1845p	1.2847p

Distribution Tables

(continued)

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
S Accumulation shares				
Group 1	1.2343p	–	1.2343p	1.2766p
Group 2	1.2343p	–	1.2343p	1.2766p
Z Accumulation shares				
Group 1	1.1749p	–	1.1749p	1.1509p
Group 2	0.3596p	0.8153p	1.1749p	1.1509p
Z Income shares				
Group 1	1.0743p	–	1.0743p	1.1356p
Group 2	1.0743p	–	1.0743p	1.1356p

Equalisation

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

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

Schroder European Climate Transition Fund (formerly Schroder European Sustainable Equity Fund)

Fund Information

Investment objective and policy

Schroder European Climate Transition Fund (the 'Fund') (formerly Schroder European Sustainable Equity Fund) aims to provide capital growth in excess of the FTSE World Series Europe ex UK (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 European companies, excluding the UK, which have the potential to achieve net zero greenhouse gas ("GHG") emissions by 2050. Such companies support decarbonisation and therefore contribute to the goal of limiting global warming to no more than 1.5°C above pre-industrial levels.

The Fund is actively managed and invests at least 80% of its assets in a concentrated range of equity and equity related securities of European countries, excluding the UK. The Fund typically holds 30 to 50 companies. The Fund may also invest directly or indirectly in other securities (including in other asset classes), countries (including the UK), 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 reducing risk or managing the Fund more efficiently (for more information please refer to Appendix 2 Section 6: Derivatives and Forwards of the prospectus).

The Fund invests at least 70% of its portfolio in assets which the investment manager determines to have the potential to achieve net zero GHG emissions by 2050 ("decarbonising investments"). Net zero GHG means that the amount of GHG emissions emitted into the atmosphere by a company is balanced by the amount removed.

To qualify as a decarbonising investment, a company needs to have a temperature alignment of no more than 1.5°C based on evidence of previous emissions reductions. This means that the company's expected emissions reductions are consistent with limiting global warming to 1.5°C above pre-industrial levels. To calculate a company's temperature alignment, the investment manager uses emissions data from a third party provider and company reports to produce four data sets (using a reference year of 2019, or the first reported year thereafter), and calculate the trend in emissions reduction for each:

- Absolute emissions (based on Scope 1 and 2 emissions data)
- Absolute emissions (based on Scope 1, 2 and 3 emissions data)
- Emissions intensity (based on Scope 1 and 2 emissions data relative to annual revenue in USD)
- Emissions intensity (based on Scope 1, 2 and 3 emissions data relative to annual revenue in USD)

Absolute emissions measure the total amount of emissions of the company, while intensity measures emissions relative to a company's revenue. Scope 1 and 2 emissions come from a company's direct activities and indirect energy consumption, while Scope 3 emissions are indirect emissions from the company's value chain.

The investment manager then uses an industry-standard methodology (the CDP-WWF Temperature Scoring Methodology) to calculate the company's temperature alignment based on the data set with the greatest emissions reduction trend. If a company's temperature alignment is 1.5°C or less, the company is deemed to be a decarbonising investment.

The Fund may also invest up to 30% of its assets in companies that are not deemed to be decarbonising investments, but have a company-reported emissions reduction target aligned with a temperature of no more than 1.5°C (based on the industry-standard methodology referred to above).

With effect from 24 February 2025 the Fund's Investment objective and policy changed, previously it was:

The Fund aims to provide capital growth in excess of the FTSE World Series Europe ex UK (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 European companies, excluding the UK, which meet the Investment Manager's sustainability criteria.

The Fund is actively managed and invests at least 80% of its assets in a concentrated range of equity and equity related securities of European countries, excluding the UK, which meet the Investment Manager's sustainability criteria (please see the Fund Characteristics section of the Prospectus for more details). The Fund typically holds 30 to 50 companies.

The Fund maintains a higher overall sustainability score than the FTSE World Series Europe ex UK (Gross Total Return) index, based on the Investment Manager's rating system. More details on the investment process used to achieve this can be found in the Fund Characteristics section.

The Fund does not directly invest in certain activities, industries or groups of issuers above certain limits listed under "Sustainability Information" on the Fund's webpage, accessed via <https://www.schroders.com/en-gb/uk/individual/Fund-centre/>.

The Fund invests in companies that have good governance practices, as determined by the Investment Manager's rating criteria (please see the Fund Characteristics section of the Prospectus for more details).

The Fund may invest in companies that the Investment Manager believes will improve their sustainability practices within a reasonable timeframe, typically up to three years.

The Investment Manager may also engage with companies held by the Fund to challenge identified areas of weakness on sustainability issues. More details on the Investment Manager's approach to sustainability and its engagement with companies are available on the website <https://www.schroders.com/en/uk/private-investor/strategic-capabilities/sustainability/>.

The Fund may also invest directly or indirectly in other securities (including in other asset classes), countries (including the UK), 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 reducing risk or managing the Fund more efficiently (for more information please refer to Appendix 2. Section 10: Derivatives and Forwards of the Prospectus).

Fund characteristics

The Fund's performance should be assessed against the target benchmark, being to exceed the FTSE World Series Europe ex UK (Gross Total Return) index, and compared against the Investment Association Europe ex UK 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

Effective from 24 February 2025, Schroder European Sustainable Equity Fund changed its name to Schroder European Climate Transition Fund and changed its investment objective and policy. Also on this date the Sustainability Improvers SDR label was applied to the Fund.

Review of Investment Activities

From 31 December 2024 to 31 December 2025 the price of Z Accumulation shares on a dealing price basis rose by 18.1%. In the same period, the FTSE¹ World Series Europe ex UK Index generated a total return of 27.9%² in sterling terms.

Performance outcomes over the year were meaningfully affected by style-related headwinds. In particular, the fund's relative underweight to the value factor detracted from returns as value stocks performed strongly in 2025. The fund's favour towards small and mid-cap opportunities also proved challenging, with small caps underperforming large-cap peers across European markets over the period. Allocation to banks has been a positive with some of our key holdings in names like Bank of Ireland and Intesa Sanpaolo among the leading contributors, however lack of exposure to some strong performing Spanish banks like Santander and BBVA weighed on stock selection outcomes within the sector.

Despite investment constraints, the fund has sought to benefit indirectly from gains in the aerospace and defence sector through holdings such as Indra Sistemas, a Spanish company with IT security and defence electronics capabilities, which has been the fund's top individual contributor for the year. It has had a remarkable journey and was among the strongest performing stocks in the year. With its current exposures, the company sits in a promising position to continue its journey and benefit from the outcomes of increased European defence spending in 2026.

We have recently added Universal Music Group to the fund, attracted by the enduring value of music catalogues, the company's unrivalled global content portfolio and improving growth visibility in high-potential markets. This, combined with strong operating leverage, cash-flow generation and optionality around a changing shareholder base and potential US listing, provided a compelling entry point.

Elsewhere we have also entered a position in software name Temenos. The company continues to guide towards strong order bookings leading to accelerating sales and earnings growth having put past issues behind them.

We also initiated a position in Merck KGaA, where we believe the life sciences division is emerging from a cyclical trough following a post-pandemic slowdown. In addition, its electronics business is benefiting from improving momentum in semiconductor-related demand, offering exposure to rising volumes.

Fund Manager:
Arianna Fox



Manager of European Sustainable Equity portfolios since August 2024
Joined the European Equity team in March 2018 as an analyst covering materials and commodities

Previously worked in the Global Equity team specialising in global financials

Investment experience commenced on joining Schroders in 2015 as a graduate analyst

CFA all examinations passed

MSc in Carbon Economics, University of Edinburgh

Degree in Maths and Economics, Trinity College University, Dublin

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² Source: Morningstar.

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 6 to 5 with effect from 15 July 2025.

For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com/en-gb/uk/individual/Fund-centre/.

Comparative Table

Financial year to 31 December	A Accumulation shares			A Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	221.32	224.77	207.10	154.09	159.16	148.91
Return before operating charges*	43.68	0.29	21.20	30.20	0.39	14.98
Operating charges	(3.80)	(3.74)	(3.53)	(2.63)	(2.62)	(2.54)
Return after operating charges*	39.88	(3.45)	17.67	27.57	(2.23)	12.44
Distributions**	(3.15)	(4.01)	(3.81)	(2.20)	(2.84)	(2.19)
Retained distributions**	3.15	4.01	3.81	-	-	-
Closing net asset value	261.20	221.32	224.77	179.46	154.09	159.16
*after direct transaction costs of	(0.13)	(0.12)	(0.09)	(0.09)	(0.09)	(0.06)
Performance						
Return after charges (%)	18.02	(1.53)	8.53	17.89	(1.40)	8.36
Other information						
Closing net asset value (£000's)	417	457	518	9	8	8
Closing number of shares	159,655	206,559	230,469	5,038	5,076	5,076
Operating charges (%)	1.45	1.61	1.61	1.45	1.61	1.61
Direct transaction costs (%)***	0.05	0.05	0.04	0.05	0.05	0.04
Prices						
Highest dealing price	257.50p	244.90p	230.79p	176.90p	172.50p	165.27p
Lowest dealing price	208.80p	218.80p	210.21p	145.00p	154.90p	148.84p

Comparative Table

(continued)

Financial year to 31 December	GBP Hedged S Income shares ¹			GBP Hedged Z Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	170.20	163.87	150.45	181.51	174.82	159.50
Return before operating charges*	13.48	11.72	18.95	27.23	12.42	21.21
Operating charges	(1.03)	(1.02)	(0.93)	(1.83)	(1.79)	(1.65)
Return after operating charges*	12.45	10.70	18.02	25.40	10.63	19.56
Distributions**	(0.89)	(4.37)	(4.60)	(3.21)	(3.94)	(4.24)
Redemption value as at 30 May 2025	(181.76)	–	–	–	–	–
Closing net asset value	–	170.20	163.87	203.70	181.51	174.82
*after direct transaction costs of	(0.09)	(0.09)	(0.06)	(0.10)	(0.10)	(0.07)
Performance						
Return after charges (%)	7.31	6.53	11.97	13.99	6.08	12.26
Other information						
Closing net asset value (£000's)	–	12	38	848	946	1,145
Closing number of shares	–	7,064	23,051	416,414	520,931	654,630
Operating charges (%)	0.58	0.58	0.58	0.96	0.96	0.96
Direct transaction costs (%)***	0.05	0.05	0.04	0.05	0.05	0.04
Prices						
Highest dealing price	188.00p	184.70p	168.37p	200.40p	196.90p	179.53p
Lowest dealing price	154.10p	162.90p	151.96p	164.40p	173.70p	161.85p

Comparative Table

(continued)

Financial year to 31 December	L Accumulation shares			L Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	81.13	81.76	75.05	59.05	60.83	57.34
Return before operating charges*	16.07	0.08	7.38	11.59	0.14	5.54
Operating charges	(0.74)	(0.71)	(0.67)	(0.54)	(0.52)	(0.51)
Return after operating charges*	15.33	(0.63)	6.71	11.05	(0.38)	5.03
Distributions**	(1.58)	(1.89)	(2.05)	(1.14)	(1.40)	(1.54)
Retained distributions**	1.58	1.89	2.05	-	-	-
Closing net asset value	96.46	81.13	81.76	68.96	59.05	60.83
*after direct transaction costs of	(0.05)	(0.04)	(0.03)	(0.03)	(0.03)	(0.02)
Performance						
Return after charges (%)	18.90	(0.77)	8.94	18.71	(0.62)	8.77
Other information						
Closing net asset value (£000's)	1,598	2,186	2,971	764	799	1,544
Closing number of shares	1,656,220	2,693,793	3,633,692	1,108,651	1,353,004	2,537,351
Operating charges (%)	0.84	0.84	0.85	0.84	0.84	0.85
Direct transaction costs (%)***	0.05	0.05	0.04	0.05	0.05	0.04
Prices						
Highest dealing price	95.00p	89.38p	83.49p	67.94p	66.04p	63.41p
Lowest dealing price	76.70p	79.63p	76.17p	55.59p	59.24p	57.08p

Comparative Table

(continued)

Financial year to 31 December	Q2 Accumulation shares			Q2 Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	49.78	49.97	46.21	45.64	47.01	44.65
Return before operating charges*	9.88	0.05	3.98	8.95	0.11	3.92
Operating charges	(0.24)	(0.24)	(0.22)	(0.22)	(0.22)	(0.21)
Return after operating charges*	9.64	(0.19)	3.76	8.73	(0.11)	3.71
Distributions**	(1.18)	(1.36)	(1.44)	(1.07)	(1.26)	(1.35)
Retained distributions**	1.18	1.36	1.44	-	-	-
Closing net asset value	59.42	49.78	49.97	53.30	45.64	47.01
*after direct transaction costs of	(0.03)	(0.03)	(0.02)	(0.03)	(0.03)	(0.02)
Performance						
Return after charges (%)	19.37	(0.38)	8.14	19.13	(0.23)	8.30
Other information						
Closing net asset value (£000's)	43	100	6,627	2	1	1
Closing number of shares	71,695	201,921	13,261,389	3,102	3,102	3,000
Operating charges (%)	0.45	0.45	0.45	0.45	0.45	0.45
Direct transaction costs (%)***	0.05	0.05	0.04	0.05	0.05	0.04
Prices						
Highest dealing price	58.48p	54.73p	50.89p	52.52p	51.07p	49.02p
Lowest dealing price	47.11p	48.68p	46.44p	42.96p	45.79p	44.12p

Comparative Table

(continued)

Financial year to 31 December	S Accumulation shares			S Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	244.17	245.35	226.75	57.04	58.75	55.72
Return before operating charges*	48.46	0.22	19.91	11.19	0.15	5.02
Operating charges	(1.47)	(1.40)	(1.31)	(0.34)	(0.33)	(0.32)
Return after operating charges*	46.99	(1.18)	18.60	10.85	(0.18)	4.70
Distributions**	(5.53)	(6.43)	(6.84)	(1.28)	(1.53)	(1.67)
Retained distributions**	5.53	6.43	6.84	-	-	-
Closing net asset value	291.16	244.17	245.35	66.61	57.04	58.75
*after direct transaction costs of	(0.14)	(0.14)	(0.09)	(0.03)	(0.03)	(0.02)
Performance						
Return after charges (%)	19.24	(0.48)	8.20	19.02	(0.31)	8.43
Other information						
Closing net asset value (£000's)	29	22	19	96	82	307
Closing number of shares	10,105	8,904	7,729	144,432	144,432	522,152
Operating charges (%)	0.55	0.55	0.55	0.55	0.55	0.55
Direct transaction costs (%)***	0.05	0.05	0.04	0.05	0.05	0.04
Prices						
Highest dealing price	286.60p	268.60p	250.04p	65.64p	63.82p	61.27p
Lowest dealing price	231.00p	239.00p	228.23p	53.69p	57.23p	55.15p

Comparative Table (continued)

Financial year to 31 December	Z Accumulation shares			Z Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	243.09	245.18	226.16	166.91	171.92	161.76
Return before operating charges*	48.15	0.25	21.20	32.73	0.42	15.96
Operating charges	(2.44)	(2.34)	(2.18)	(1.66)	(1.62)	(1.55)
Return after operating charges*	45.71	(2.09)	19.02	31.07	(1.20)	14.41
Distributions**	(4.51)	(5.46)	(5.96)	(3.09)	(3.81)	(4.25)
Retained distributions**	4.51	5.46	5.96	-	-	-
Closing net asset value	288.80	243.09	245.18	194.89	166.91	171.92
*after direct transaction costs of	(0.14)	(0.13)	(0.09)	(0.10)	(0.09)	(0.07)
Performance						
Return after charges (%)	18.80	(0.85)	8.41	18.61	(0.70)	8.91
Other information						
Closing net asset value (£000's)	13,732	13,516	16,545	3,435	4,675	5,547
Closing number of shares	4,754,713	5,559,939	6,748,017	1,762,480	2,801,024	3,226,856
Operating charges (%)	0.92	0.92	0.92	0.92	0.92	0.92
Direct transaction costs (%)***	0.05	0.05	0.04	0.05	0.05	0.04
Prices						
Highest dealing price	284.50p	267.90p	250.49p	192.00p	186.60p	179.23p
Lowest dealing price	229.80p	238.80p	228.50p	157.10p	167.40p	161.35p

** 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.

1 GBP Hedged S Income shares closed on 30 May 2025.

The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share 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 Authorised Corporate Director fee, Registrar fees, Safe custody fees, Depositary's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are shares 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 31.12.25	Market Value £000's	% of net assets
Equities 97.03% (97.82%)			
Belgium 5.31% (1.39%)			
Elia Group	5,658	542	2.59
UCB	2,754	571	2.72
		1,113	5.31
Denmark 6.48% (6.81%)			
DSV	2,507	472	2.25
Novo Nordisk	11,880	452	2.15
Novonesis			
Novozymes	9,144	436	2.08
		1,360	6.48
Finland 2.14% (2.74%)			
Stora Enso	48,060	449	2.14
		449	2.14
France 11.03% (13.60%)			
AXA	17,735	634	3.02
Exosens	9,161	386	1.84
Legrand	4,042	447	2.13
LVMH Moet Hennessy Louis Vuitton	1,004	562	2.68
Publicis Groupe	3,681	285	1.36
		2,314	11.03
Germany 10.14% (16.81%)			
Beiersdorf	2,759	225	1.07
Merck	3,234	345	1.65
MTU Aero Engines	1,333	413	1.97
SAP	4,397	804	3.83
Siemens	1,624	339	1.62
		2,126	10.14
Ireland 3.65% (4.00%)			
Bank of Ireland Group	34,893	497	2.37
Kerry Group	3,956	268	1.28
		765	3.65
Italy 8.57% (6.33%)			
FinecoBank Banca Fineco	25,725	498	2.37
Intesa Sanpaolo	157,784	816	3.89
Moncler	2,846	136	0.65
Prysmian	4,613	348	1.66
		1,798	8.57
Netherlands 9.04% (9.85%)			
ASM International	789	357	1.70
ASML Holding	1,471	1,181	5.63
IMCD	2,639	178	0.85
Universal Music Group	9,297	179	0.86
		1,895	9.04
Norway 6.52% (3.33%)			
DNB Bank	27,171	564	2.69
Mowi	27,452	492	2.35
Norsk Hydro	54,084	311	1.48
		1,367	6.52
Portugal 0.00% (2.00%)			
Spain 7.08% (4.20%)			
Acerinox	33,476	369	1.76

	Holding at 31.12.25	Market Value £000's	% of net assets
Indra Sistemas	6,805	288	1.37
Industria de Diseno Textil	11,364	559	2.67
Redeia	20,315	269	1.28
		1,485	7.08
Sweden 9.80% (10.98%)			
AAK	20,011	427	2.03
MIPS	5,282	150	0.71
Skandinaviska Enskilda Banken	39,908	629	3.00
SKF	17,720	352	1.68
Thule Group	8,234	159	0.76
Volvo	14,166	339	1.62
		2,056	9.80
Switzerland 17.27% (15.78%)			
Alcon	5,164	307	1.46
Barry Callebaut	215	264	1.26
Galderma Group	1,452	221	1.05
Nestle	5,524	408	1.95
Roche Holding	2,679	825	3.93
Sandoz Group	9,771	530	2.53
SIG Group	22,123	235	1.12
Swiss Re	4,369	545	2.60
Temenos	3,860	288	1.37
		3,623	17.27
Equities total			
		20,351	97.03
Forward Foreign Currency Contracts 0.02% ((0.04)%)			
Buy CHF 1,232 Sell GBP 1,163 30/01/2026		0	0.00
Buy DKK 701 Sell GBP 82 30/01/2026		0	0.00
Buy DKK 20,580 Sell GBP 2,424 30/01/2026		0	0.00
Buy EUR 834 Sell GBP 728 30/01/2026		0	0.00
Buy EUR 2,425 Sell GBP 2,128 30/01/2026		0	0.00
Buy NOK 4,362 Sell GBP 321 30/01/2026		0	0.00
Buy SEK 17,358 Sell GBP 1,398 30/01/2026		0	0.00
Sell CHF 159,520 Buy GBP 150,757 30/01/2026		1	0.01
Sell CHF 5 Buy GBP 4 30/01/2026		0	0.00
Sell DKK 494,191 Buy GBP 58,174 30/01/2026		0	0.00
Sell EUR 564,525 Buy GBP 495,938 30/01/2026		3	0.01
Sell NOK 737,785 Buy GBP 54,639 30/01/2026		0	0.00
Sell NOK 29,604 Buy GBP 2,183 30/01/2026		0	0.00
Sell SEK 39 Buy GBP 3 30/01/2026		0	0.00

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets
Sell SEK 1,060,172 Buy GBP 85,667 30/01/2026		0	0.00

	Holding at 31.12.25	Market Value £000's	% of net assets
Forward Foreign Currency Contracts total		4	0.02
Portfolio of investments		20,355	97.05
Net other assets		618	2.95
Net assets attributable to shareholders		20,973	100.00

The comparative percentage figures in brackets are as at 31 December 2024.
Unless otherwise stated, all securities are admitted to official stock exchange listings.

Statement of Total Return

For the year ended 31 December 2025

		2025	2024
	Notes	£000's	£000's
Income			
Net capital gains/(losses)	2	3,315	(421)
Revenue	3	655	1,273
Expenses	4	(203)	(282)
Net revenue before taxation		452	991
Taxation	5	(60)	(163)
Net revenue after taxation		392	828
Total return before distributions		3,707	407
Distributions	6	(393)	(829)
Change in net assets attributable to shareholders from investment activities		3,314	(422)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2025

	2025	2024
	£000's	£000's
Opening net assets attributable to shareholders	22,804	35,269
Amounts receivable on issue of shares	443	6,822
Amounts payable on cancellation of shares	(5,861)	(19,536)
	(5,418)	(12,714)
Dilution adjustment	-	7
Change in net assets attributable to shareholders from investment activities	3,314	(422)
Retained distribution on Accumulation shares	273	664
Closing net assets attributable to shareholders	20,973	22,804

Balance Sheet

As at 31 December 2025

Notes	2025	2024
	£000's	£000's
Assets		
Investments	20,355	22,306
Current assets		
Debtors	473	432
Cash and bank balances	211	143
Total assets	21,039	22,881
Liabilities		
Investment liabilities	-	(8)
Creditors		
Distributions payable	(1)	(5)
Other creditors	(65)	(64)
Total liabilities	(66)	(77)
Net assets attributable to shareholders	20,973	22,804

Notes to the Accounts

For the year ended 31 December 2025

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by Schroder European Climate Transition Fund are disclosed on pages 9 to 10.

2 Net capital gains/(losses)

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

	2025	2024
	£000's	£000's
Non-derivative securities	3,334	(452)
Forward foreign currency contracts	(34)	70
Foreign currency gains/(losses)	15	(39)
Net capital gains/(losses)	3,315	(421)

3 Revenue

	2025	2024
	£000's	£000's
Overseas dividends	648	1,211
Scrip dividends	–	18
Bank interest	7	44
Total revenue	655	1,273

4 Expenses

	2025	2024
	£000's	£000's
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Schroders Annual Charge ¹	200	278
Other expenses:		
Professional fee	3	4
Total expenses	203	282

1 Audit fees including VAT for the year were £8,848 (2024 – £8,848).

Notes to the Accounts

For the year ended 31 December 2025 (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

	2025 £000's	2024 £000's
Overseas withholding tax	60	163
Total current tax (Note 5(b))	60	163

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

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for Open Ended Investment Companies of 20% (2024 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2025 £000's	2024 £000's
Net revenue before taxation	452	991
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	91	198
Effects of:		
Revenue not subject to corporation tax	(130)	(236)
Movement in excess management expenses	39	38
Overseas withholding tax	60	163
Total tax charge for the year (Note 5(a))	60	163

(c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £9,265,222 (2024 – £9,225,985) in respect of £46,326,109 (2024 – £46,129,925) unutilised management expenses and loan relationship debits. It is unlikely the Company 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 shares and revenue deducted on the cancellation of shares, and comprise:

	2025 £000's	2024 £000's
Quarterly Dividend distribution	94	270
Interim Dividend distribution	266	544
Quarterly Dividend distribution	8	–
Final Dividend distribution	4	19
	372	833
Add: Revenue deducted on cancellation of shares	22	35
Deduct: Revenue received on issue of shares	(1)	(39)
Distributions	393	829
Net revenue after taxation	392	828
Deficit taken to capital	1	1
Distributions	393	829

Details of the distributions per share are set out in the Distribution Tables on pages 62 to 65.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

7 Fair value hierarchy

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

Basis of valuation	2025		2024	
	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	20,351	–	22,306	–
Level 2: Observable market data	4	–	–	(8)
Level 3: Unobservable data	–	–	–	–
Total	20,355	–	22,306	(8)

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 Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director with particular attention paid to the carrying value of the investments.

8 Debtors

	2025 £000's	2024 £000's
Amounts receivable for issue of shares	1	1
Overseas withholding tax recoverable	472	431
Total debtors	473	432

9 Other creditors

	2025 £000's	2024 £000's
Amounts payable for cancellation of shares	33	45
Accrued expenses	32	19
Total other creditors	65	64

10 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2024 – Nil).

11 Related party transactions

The Authorised Corporate Director provides key management personnel services for the Fund and is therefore considered a related party.

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

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

Shares held or managed by the Authorised Corporate Director as a percentage of the Fund's net asset value at the balance sheet date were 0.03% (2024 – 0.02%).

Notes to the Accounts

For the year ended 31 December 2025 (continued)

12 Share classes

At the reporting date the Fund had twelve share classes. The costs and expenses due to the Manager are referred to as the Schroders Annual Charge. Details of the charges applied to each share class can be found in the prospectus.

The closing net asset value of each share class, the closing net asset value per share and the closing number of shares in issue are given in the Comparative Table on pages 47 to 52.

The distributions per share class are given in the Distribution Tables on pages 62 to 65.

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 Authorised Corporate Director'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 Authorised Corporate Director in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £2,035,500 (2024 - £2,229,800).

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 Authorised Corporate Director 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:

	2025	2024
Currency	£000's	£000's
Danish krone	1,311	1,493
Euro	11,983	13,784
Norwegian krone	1,311	725
Sterling	886	962
Swedish krona	2,008	2,395
Swiss franc	3,474	3,445

At the year end date, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £2,008,700 (2024 - £2,184,200).

Liquidity risk

The primary source of this risk to the Fund is the liability to shareholders for any cancellation of shares. 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 1.01% (2024 - 0.63%) 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 Sterling Overnight Index Average 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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Global risk exposure

Commitment approach

When using derivatives, the Authorised Corporate Director 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.

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 31 December 2025 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

2025				2024			
Lowest	Highest	Average	Leverage 31 December	Lowest	Highest	Average	Leverage 31 December
0.00%	2.32%	0.12%	0.00%	0.00%	2.35%	0.10%	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.

2025	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	9,234	2	7	9,243	0.02	0.08
Sales						
Equities	14,534	(3)	–	14,531	(0.02)	–
Total cost as a percentage of the Fund's average net asset value (%)		0.02	0.03			

2024	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	14,221	4	16	14,241	0.03	0.11
Sales						
Equities	24,075	(6)	–	24,069	(0.02)	–
Total cost as a percentage of the Fund's average net asset value (%)		0.03	0.05			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.16% (2024 – 0.28%).

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 31 December 2025 (continued)

15 Shares in issue reconciliation

	Number of shares in issue 31.12.24	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 31.12.25
A Accumulation shares	206,559	2,438	(49,342)	–	159,655
A Income shares	5,076	–	(38)	–	5,038
GBP Hedged S Income shares	7,064	–	(7,064)	–	–
GBP Hedged Z Income shares	520,931	8,217	(112,734)	–	416,414
L Accumulation shares	2,693,793	50,644	(1,086,685)	(1,532)	1,656,220
L Income shares	1,353,004	4,205	(247,227)	(1,331)	1,108,651
Q2 Accumulation shares	201,921	–	(130,226)	–	71,695
Q2 Income shares	3,102	–	–	–	3,102
S Accumulation shares	8,904	1,201	–	–	10,105
S Income shares	144,432	–	–	–	144,432
Z Accumulation shares	5,559,939	90,782	(896,520)	512	4,754,713
Z Income shares	2,801,024	73,156	(1,112,171)	471	1,762,480

16 Counterparty exposure

The types of non-exchange traded derivatives held at the balance sheet date were forward foreign currency contracts. The total position by counterparty at the balance sheet date was as follows:

Counterparty	Forward foreign currency contracts £000's	Credit default swaps £000's	Commodity index swaps £000's	Contract for difference £000's	Interest rate swaps £000's	Total return swaps £000's	Inflation linked swaps £000's	Options contracts £000's	Swaption contracts £000's	Total £000's
HSBC										
2025	4	–	–	–	–	–	–	–	–	4
2024	(8)	–	–	–	–	–	–	–	–	(8)

At the balance sheet date no collateral was held or pledged by the Fund or on behalf of the counterparties in respect of the above.

Distribution Tables

Quarterly distribution for the three months ended 31 March 2025

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.5.25 per share	Distribution paid 31.5.24 per share
A Accumulation shares				
Group 1	0.5584p	–	0.5584p	1.2123p
Group 2	0.5584p	–	0.5584p	1.2123p
A Income shares				
Group 1	0.3950p	–	0.3950p	0.8696p
Group 2	0.3950p	–	0.3950p	0.8696p
GBP Hedged S Income shares				
Group 1	0.8899p	–	0.8899p	1.3617p
Group 2	0.8899p	–	0.8899p	1.3617p
GBP Hedged Z Income shares				
Group 1	0.7653p	–	0.7653p	1.2769p
Group 2	0.7638p	0.0015p	0.7653p	1.2769p
L Accumulation shares				
Group 1	0.3711p	–	0.3711p	0.6039p
Group 2	0.3689p	0.0022p	0.3711p	0.6039p
L Income shares				
Group 1	0.2707p	–	0.2707p	0.4473p
Group 2	0.2686p	0.0021p	0.2707p	0.4473p
Q2 Accumulation shares				
Group 1	0.2799p	–	0.2799p	0.4213p
Group 2	0.2799p	–	0.2799p	0.4213p
Q2 Income shares				
Group 1	0.2556p	–	0.2556p	0.3881p
Group 2	0.2556p	–	0.2556p	0.3881p
S Accumulation shares				
Group 1	1.3081p	–	1.3081p	1.9968p
Group 2	1.2519p	0.0562p	1.3081p	1.9968p
S Income shares				
Group 1	0.3056p	–	0.3056p	0.4778p
Group 2	0.3056p	–	0.3056p	0.4778p
Z Accumulation shares				
Group 1	1.0629p	–	1.0629p	1.7604p
Group 2	1.0251p	0.0378p	1.0629p	1.7604p
Z Income shares				
Group 1	0.7300p	–	0.7300p	1.2351p
Group 2	0.6922p	0.0378p	0.7300p	1.2351p

Distribution Tables

(continued)

Interim distribution for the three months ended 30 June 2025

Group 1 Shares purchased prior to 1 April 2025

Group 2 Shares purchased on or after 1 April 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.8.25 per share	Distribution paid 31.8.24 per share
A Accumulation shares				
Group 1	2.5935p	–	2.5935p	2.7958p
Group 2	1.9292p	0.6643p	2.5935p	2.7958p
A Income shares				
Group 1	1.8044p	–	1.8044p	1.9699p
Group 2	1.8044p	–	1.8044p	1.9699p
GBP Hedged S Income shares				
Group 1	–	–	–	2.5619p
Group 2	–	–	–	2.5619p
GBP Hedged Z Income shares				
Group 1	2.3749p	–	2.3749p	2.5494p
Group 2	1.0950p	1.2799p	2.3749p	2.5494p
L Accumulation shares				
Group 1	1.1170p	–	1.1170p	1.1855p
Group 2	0.2472p	0.8698p	1.1170p	1.1855p
L Income shares				
Group 1	0.8095p	–	0.8095p	0.8758p
Group 2	0.0538p	0.7557p	0.8095p	0.8758p
Q2 Accumulation shares				
Group 1	0.7373p	–	0.7373p	0.7792p
Group 2	0.7373p	–	0.7373p	0.7792p
Q2 Income shares				
Group 1	0.6676p	–	0.6676p	0.7253p
Group 2	0.6676p	–	0.6676p	0.7253p
S Accumulation shares				
Group 1	3.5516p	–	3.5516p	3.7582p
Group 2	1.1957p	2.3559p	3.5516p	3.7582p
S Income shares				
Group 1	0.8253p	–	0.8253p	0.8930p
Group 2	0.8253p	–	0.8253p	0.8930p
Z Accumulation shares				
Group 1	3.2951p	–	3.2951p	3.5083p
Group 2	0.4700p	2.8251p	3.2951p	3.5083p
Z Income shares				
Group 1	2.2529p	–	2.2529p	2.4428p
Group 2	0.0873p	2.1656p	2.2529p	2.4428p

Distribution Tables

(continued)

Quarterly distribution for the three months ended 30 September 2025

Group 1 Shares purchased prior to 1 July 2025

Group 2 Shares purchased on or after 1 July 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 30.11.25 per share	Distribution paid 30.11.24 per share
A Accumulation shares				
Group 1	–	–	–	–
Group 2	–	–	–	–
A Income shares				
Group 1	–	–	–	–
Group 2	–	–	–	–
GBP Hedged S Income shares				
Group 1	–	–	–	0.0947p
Group 2	–	–	–	0.0947p
GBP Hedged Z Income shares				
Group 1	0.0588p	–	0.0588p	–
Group 2	–	0.0588p	0.0588p	–
L Accumulation shares				
Group 1	0.0532p	–	0.0532p	–
Group 2	–	0.0532p	0.0532p	–
L Income shares				
Group 1	0.0386p	–	0.0386p	–
Group 2	–	0.0386p	0.0386p	–
Q2 Accumulation shares				
Group 1	0.0865p	–	0.0865p	0.0451p
Group 2	0.0865p	–	0.0865p	0.0451p
Q2 Income shares				
Group 1	0.0751p	–	0.0751p	0.0377p
Group 2	0.0751p	–	0.0751p	0.0377p
S Accumulation shares				
Group 1	0.3567p	–	0.3567p	0.1561p
Group 2	0.0570p	0.2997p	0.3567p	0.1561p
S Income shares				
Group 1	0.0823p	–	0.0823p	0.0370p
Group 2	0.0823p	–	0.0823p	0.0370p
Z Accumulation shares				
Group 1	0.1055p	–	0.1055p	–
Group 2	–	0.1055p	0.1055p	–
Z Income shares				
Group 1	0.0727p	–	0.0727p	–
Group 2	–	0.0727p	0.0727p	–

Distribution Tables

(continued)

Final distribution for the three months ended 31 December 2025

Group 1 Shares purchased prior to 1 October 2025

Group 2 Shares purchased on or after 1 October 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
A Accumulation shares				
Group 1	–	–	–	–
Group 2	–	–	–	–
A Income shares				
Group 1	–	–	–	–
Group 2	–	–	–	–
GBP Hedged S Income shares				
Group 1	–	–	–	0.3471p
Group 2	–	–	–	0.3471p
GBP Hedged Z Income shares				
Group 1	0.0116p	–	0.0116p	0.1108p
Group 2	–	0.0116p	0.0116p	0.1108p
L Accumulation shares				
Group 1	0.0344p	–	0.0344p	0.0987p
Group 2	0.0112p	0.0232p	0.0344p	0.0987p
L Income shares				
Group 1	0.0246p	–	0.0246p	0.0727p
Group 2	–	0.0246p	0.0246p	0.0727p
Q2 Accumulation shares				
Group 1	0.0778p	–	0.0778p	0.1187p
Group 2	0.0778p	–	0.0778p	0.1187p
Q2 Income shares				
Group 1	0.0686p	–	0.0686p	0.1047p
Group 2	0.0686p	–	0.0686p	0.1047p
S Accumulation shares				
Group 1	0.3097p	–	0.3097p	0.5196p
Group 2	0.1233p	0.1864p	0.3097p	0.5196p
S Income shares				
Group 1	0.0710p	–	0.0710p	0.1216p
Group 2	0.0710p	–	0.0710p	0.1216p
Z Accumulation shares				
Group 1	0.0465p	–	0.0465p	0.1947p
Group 2	–	0.0465p	0.0465p	0.1947p
Z Income shares				
Group 1	0.0313p	–	0.0313p	0.1357p
Group 2	0.0109p	0.0204p	0.0313p	0.1357p

Equalisation

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

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

Schroder European Recovery Fund

Fund Information

Investment objective and policy

Schroder European Recovery Fund (the 'Fund') aims to provide capital growth in excess of the FTSE World Series Europe ex UK (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 European companies, excluding the UK.

The Fund is actively managed and invests at least 80% of its assets in equity and equity related securities of European companies, excluding the UK.

The Fund applies a disciplined value investment approach, seeking to invest in a select portfolio of companies that the Investment Manager believes are significantly undervalued relative to their long-term earnings potential.

The Fund may also invest directly or indirectly in other securities (including in other asset classes), countries (including the UK), 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 reducing risk or managing the Fund more efficiently (for more information please refer to Appendix 2, Section 6: Derivatives and Forwards of the Prospectus).

Fund characteristics

The Fund's performance should be assessed against its target benchmark, being to exceed the FTSE World Series Europe ex UK (Gross Total Return) Index, and compared against the MSCI Europe Ex UK Value (Gross Total Return) Index and the Investment Association Europe ex UK 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 benchmarks have been selected because the Investment Manager and the Manager believe that these benchmarks are suitable comparison for performance purposes given the Fund's investment objective and policy.

Review of Investment Activities

From 31 December 2024 to 31 December 2025, the price of A Accumulation shares on a dealing price basis rose by 34.7%. In the same period, the FTSE¹ World Series Europe generated a total return of 27.9%² in sterling terms.

European equities delivered solid gains over the 12 months to the end of December, with Spanish and Italian companies leading the way over other regions. Fund performance was supported by strength in Consumer Discretionary, Energy, and Communication Services. Stock selection in Industrials was the largest contributor to relative underperformance, whilst sector allocation to Real Estate also impacted negatively.

Over the 12-month period, relative performance benefited from several active positions where fundamentals improved and the market re-rated earnings durability. Société Générale was a standout positive contributor as investor confidence strengthened around the bank's profitability and capital trajectory, aided by a more supportive European banking backdrop and improved visibility on returns and balance-sheet resilience. Técnicas Reunidas also contributed meaningfully, with performance reflecting greater confidence in sustained energy-infrastructure spending and, crucially, better delivery against its project pipeline-supporting the perception of improved execution, a stronger order book and more resilient margins. ABN AMRO added positively as well, benefiting from market preference for well-capitalised banks with stable franchises and credible capacity to return capital, particularly as credit conditions remained manageable and the outlook for distributions improved. In addition, an underweight in Novo Nordisk supported relative results because the shares were more exposed to valuation sensitivity after a strong run; in such periods, even high-quality growth leaders can lag if expectations cool, competition risks are debated, or market leadership rotates toward more cyclical/value exposures—meaning lower exposure was beneficial. Schaeffler was also helpful, with the contribution consistent with evidence of stabilisation across parts of its industrial and automotive end-markets alongside progress in strengthening its technology offering; when starting expectations are low, signs of operational stabilisation and portfolio improvement can drive a meaningful re-rating.

On the negative side, several exposures weighed on returns over the same period, driven by opportunity cost and cyclically challenged areas. Not owning Banco Santander detracted as the shares performed strongly, supported by improving sentiment toward diversified banks and investor focus on earnings momentum and capital returns; in that context, an absence of exposure created a relative headwind. Among owned holdings, Randstad detracted as the staffing industry faced a softer hiring environment: employers scaled back recruitment, near-term visibility deteriorated and operating leverage worked against the business as volumes slowed, leading the market to mark down earnings expectations. Evonik also weighed on performance, reflecting a difficult industrial demand environment in which weaker volumes, destocking dynamics and limited pricing power pressured profitability, keeping sentiment cautious around margins and the pace of recovery. Finally, Grand City Properties was a detractor within real estate, as listed residential property companies remained sensitive to higher interest rates and refinancing conditions; with discount rates elevated and investors focused on leverage and funding costs, property equities can lag even when underlying occupancy is relatively stable, which weighed on returns over the period.

During the period, portfolio activity reflected a disciplined rotation into a range of new holdings where valuations and risk reward profiles had become more compelling. We added Arkema and Lanxess to increase exposure to specialty chemicals after sector weakness left both trading on depressed normalised earnings multiples, with balance sheet flexibility supporting resilience through uncertainty. We also initiated Kering and Puma, where sentiment had softened on demand and tariff concerns, yet valuations were viewed as already discounting a materially lower margin outcome than history while balance sheets provided capacity to invest through a tougher patch. Stora Enso was introduced on the view that valuation remained compelling once forestry assets were considered, with scope for non core disposals to support the balance sheet and shareholder returns. Novo Nordisk was added after its derating, with the fund update highlighting a potential catalyst from the forthcoming CagriSema readout. On the exit side, we fully sold Ageas, Intesa Sanpaolo, and Fresenius as valuations and conviction became less compelling versus alternatives, while Anglo American was exited after reaching our fair value assessment following the Valterra spin out. We also exited Ceconomy in the context of its takeover situation, sold Iveco after transactions crystallised value and to avoid a prolonged regulatory process, and exited ING Groep as it reached our estimate of fair value.

**Fund Manager, Schroder Global Value Team:
Andrew Lyddon**



Manager of European Income and Recovery strategies and co-manager of UK Income and Recovery strategies

Managed value portfolios at Schroders since 2010

Co-manager on UK Value institutional portfolios from 2010 to 2016

Founding member of the Global Value Team in 2013

Investment career commenced in October 2005, at Schroders as an Equity Analyst within the Pan-European research team

Previously sector analyst responsible for Telecoms, Construction and Support Services

Chartered Financial Analyst

MSc in Intellectual Property Law, Queen Mary College.
Degree in Chemistry, Bath University

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² Source: Morningstar.

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

Risk Profile

Risk and reward indicator



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

For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com/en-gb/uk/individual/Fund-centre/.

Comparative Table

Financial year to 31 December	A Accumulation shares			C Accumulation shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	957.44	989.04	876.27	1,079.68	1,106.92	973.42
Return before operating charges*	360.79	(14.52)	129.16	408.16	(16.46)	143.87
Operating charges	(19.55)	(17.08)	(16.39)	(12.36)	(10.78)	(10.37)
Return after operating charges*	341.24	(31.60)	112.77	395.80	(27.24)	133.50
Distributions**	(27.78)	(26.68)	(18.78)	(41.10)	(38.51)	(28.67)
Retained distributions**	27.78	26.68	18.78	41.10	38.51	28.67
Closing net asset value	1,298.68	957.44	989.04	1,475.48	1,079.68	1,106.92
*after direct transaction costs of	(0.78)	(0.36)	(1.04)	(0.88)	(0.40)	(1.18)
Performance						
Return after charges (%)	35.64	(3.20)	12.87	36.66	(2.46)	13.71
Other information						
Closing net asset value (£000's)	60,517	41,724	54,971	139	114	119
Closing number of shares	4,659,906	4,357,901	5,558,019	9,396	10,567	10,784
Operating charges (%)	1.71	1.71	1.71	0.96	0.96	0.96
Direct transaction costs (%)***	0.07	0.04	0.11	0.07	0.04	0.11
Prices						
Highest dealing price	1,299.00p	1,076.00p	1,026.00p	1,476.00p	1,208.00p	1,141.00p
Lowest dealing price	952.80p	932.50p	898.00p	1,077.00p	1,045.00p	997.70p

Comparative Table

(continued)

Financial year to 31 December	L Accumulation shares			L Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	99.24	101.66	89.33	76.05	80.85	72.94
Return before operating charges*	37.53	(1.51)	13.19	28.81	(1.20)	10.83
Operating charges	(1.04)	(0.91)	(0.86)	(0.81)	(0.72)	(0.70)
Return after operating charges*	36.49	(2.42)	12.33	28.00	(1.92)	10.13
Distributions**	(3.87)	(3.62)	(2.72)	(2.97)	(2.88)	(2.22)
Retained distributions**	3.87	3.62	2.72	-	-	-
Closing net asset value	135.73	99.24	101.66	101.08	76.05	80.85
*after direct transaction costs of	(0.08)	(0.04)	(0.11)	(0.06)	(0.03)	(0.09)
Performance						
Return after charges (%)	36.77	(2.38)	13.80	36.82	(2.37)	13.89
Other information						
Closing net asset value (£000's)	27,235	23,586	43,433	35,725	19,782	26,597
Closing number of shares	20,064,881	23,766,216	42,721,871	35,344,230	26,010,965	32,895,431
Operating charges (%)	0.88	0.88	0.88	0.88	0.88	0.88
Direct transaction costs (%)***	0.07	0.04	0.11	0.07	0.04	0.11
Prices						
Highest dealing price	135.80p	111.00p	104.70p	104.10p	88.27p	85.58p
Lowest dealing price	98.98p	95.95p	91.56p	75.88p	76.31p	74.82p

Comparative Table

(continued)

Financial year to 31 December	Q1 Accumulation shares			Q1 Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	58.89	60.28	52.94	54.91	58.38	52.72
Return before operating charges*	22.26	(0.90)	7.82	20.81	(0.87)	7.80
Operating charges	(0.54)	(0.49)	(0.48)	(0.53)	(0.47)	(0.47)
Return after operating charges*	21.72	(1.39)	7.34	20.28	(1.34)	7.33
Distributions**	(2.36)	(2.20)	(1.66)	(2.20)	(2.13)	(1.67)
Retained distributions**	2.36	2.20	1.66	-	-	-
Closing net asset value	80.61	58.89	60.28	72.99	54.91	58.38
*after direct transaction costs of	(0.05)	(0.02)	(0.07)	(0.05)	(0.02)	(0.06)
Performance						
Return after charges (%)	36.88	(2.31)	13.86	36.93	(2.30)	13.90
Other information						
Closing net asset value (£000's)	2,471	9,351	9,924	81,514	46,079	48,906
Closing number of shares	3,065,102	15,877,959	16,462,620	111,681,860	83,917,087	83,774,967
Operating charges (%)	0.80	0.80	0.80	0.80	0.80	0.80
Direct transaction costs (%)***	0.07	0.04	0.11	0.07	0.04	0.11
Prices						
Highest dealing price	80.63p	65.82p	62.07p	75.20p	63.75p	61.81p
Lowest dealing price	58.75p	56.90p	54.26p	54.80p	55.11p	54.04p

Comparative Table

(continued)

Financial year to 31 December	S Accumulation shares			S Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	1,115.17	1,138.94	997.79	71.55	76.08	68.62
Return before operating charges*	422.64	(17.06)	147.51	27.13	(1.13)	10.21
Operating charges	(8.03)	(6.71)	(6.36)	(0.50)	(0.45)	(0.44)
Return after operating charges*	414.61	(23.77)	141.15	26.63	(1.58)	9.77
Distributions**	(47.59)	(44.12)	(33.61)	(3.05)	(2.95)	(2.31)
Retained distributions**	47.59	44.12	33.61	-	-	-
Closing net asset value	1,529.78	1,115.17	1,138.94	95.13	71.55	76.08
*after direct transaction costs of	(0.94)	(0.42)	(1.20)	(0.06)	(0.03)	(0.08)
Performance						
Return after charges (%)	37.18	(2.09)	14.15	37.22	(2.08)	14.24
Other information						
Closing net asset value (£000's)	30,158	2,822	3,950	1,541	1,200	1,674
Closing number of shares	1,971,431	253,072	346,785	1,619,954	1,676,918	2,200,806
Operating charges (%)	0.58	0.58	0.58	0.58	0.58	0.58
Direct transaction costs (%)***	0.07	0.04	0.11	0.07	0.04	0.11
Prices						
Highest dealing price	1,530.00p	1,245.00p	1,170.00p	98.21p	83.15p	80.55p
Lowest dealing price	1,113.00p	1,075.00p	1,023.00p	71.45p	71.83p	70.39p

Comparative Table

(continued)

Financial year to 31 December	Z Accumulation shares			Z Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	1,142.74	1,171.57	1,030.27	813.07	864.35	779.88
Return before operating charges*	432.12	(17.43)	152.15	307.77	(12.76)	115.84
Operating charges	(13.19)	(11.40)	(10.85)	(9.36)	(8.42)	(8.22)
Return after operating charges*	418.93	(28.83)	141.30	298.41	(21.18)	107.62
Distributions**	(43.50)	(40.71)	(30.59)	(30.96)	(30.10)	(23.15)
Retained distributions**	43.50	40.71	30.59	-	-	-
Closing net asset value	1,561.67	1,142.74	1,171.57	1,080.52	813.07	864.35
*after direct transaction costs of	(0.93)	(0.43)	(1.23)	(0.66)	(0.32)	(0.93)
Performance						
Return after charges (%)	36.66	(2.46)	13.71	36.70	(2.45)	13.80
Other information						
Closing net asset value (£000's)	172,717	102,690	141,093	29,853	18,855	26,858
Closing number of shares	11,059,740	8,986,323	12,043,054	2,762,825	2,319,006	3,107,356
Operating charges (%)	0.96	0.96	0.96	0.96	0.96	0.96
Direct transaction costs (%)***	0.07	0.04	0.11	0.07	0.04	0.11
Prices						
Highest dealing price	1,562.00p	1,278.00p	1,208.00p	1,112.00p	943.30p	914.80p
Lowest dealing price	1,140.00p	1,106.00p	1,056.00p	811.00p	815.80p	799.90p

** 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 share 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 Authorised Corporate Director fee, Registrar fees, Safe custody fees, Depositary's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are shares 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 31.12.25	Market Value £000's	% of net assets
Equities 98.81% (98.75%)			
Austria 2.21% (2.12%)			
OMV	236,309	9,776	2.21
		9,776	2.21
Belgium 2.10% (4.60%)			
Anheuser-Busch InBev	193,892	9,295	2.10
		9,295	2.10
Denmark 4.72% (4.13%)			
H Lundbeck	1,286,393	6,454	1.46
Novo Nordisk	185,819	7,073	1.60
Scandinavian Tobacco Group	656,380	7,313	1.66
		20,840	4.72
Finland 3.86% (1.76%)			
Nokian Renkaat	1,198,773	9,923	2.25
Stora Enso	761,205	7,115	1.61
		17,038	3.86
France 22.51% (19.51%)			
Arkema	144,637	6,561	1.49
BNP Paribas	128,764	9,083	2.06
Carrefour	513,960	6,382	1.44
Euroapi	1,354,836	2,664	0.60
Icade REIT	378,195	7,219	1.63
Kering	30,792	8,093	1.83
Orange	505,709	6,270	1.42
Pernod Ricard	122,600	7,823	1.77
Renault	187,138	5,765	1.31
Sanofi	147,106	10,625	2.41
SEB	143,841	6,184	1.40
Societe Generale	163,269	9,797	2.22
Verallia	291,506	5,803	1.31
Viridien	83,712	7,178	1.62
		99,447	22.51
Germany 25.06% (21.77%)			
Aumovio	208,558	7,809	1.77
BASF	224,510	8,729	1.97
Continental	152,449	9,046	2.05
Deutsche Lufthansa	1,292,407	9,468	2.14
Evonik Industries	659,425	7,675	1.74
Gerresheimer	279,207	6,739	1.52
Henkel	138,157	7,841	1.77
Jenoptik	435,850	7,448	1.69
Jungheinrich Preference	304,071	9,436	2.14
LANXESS	364,502	5,611	1.27
Norma Group	471,060	6,013	1.36
Puma	311,122	6,009	1.36
Schaeffler	954,250	6,962	1.58

	Holding at 31.12.25	Market Value £000's	% of net assets
Siltronic	111,512	4,744	1.07
Volkswagen Preference	79,367	7,218	1.63
		110,748	25.06
Italy 3.97% (4.10%)			
Eni	711,990	10,034	2.27
Salvatore Ferragamo	1,064,309	7,513	1.70
		17,547	3.97
Jersey 1.11% (0.00%)			
WPP	1,450,833	4,897	1.11
		4,897	1.11
Luxembourg 5.33% (5.89%)			
APERAM	385,513	11,862	2.69
Grand City Properties	635,946	5,453	1.23
SES ADR	1,306,796	6,247	1.41
		23,562	5.33
Netherlands 7.84% (10.35%)			
ABN AMRO Bank CVA	384,319	9,983	2.26
Koninklijke Ahold Delhaize	278,279	8,473	1.92
Randstad	304,203	8,553	1.93
Signify	418,314	7,627	1.73
		34,636	7.84
Norway 3.42% (3.71%)			
TGS	995,510	6,703	1.52
Var Energi	3,459,543	8,415	1.90
		15,118	3.42
Spain 1.81% (3.96%)			
Repsol	574,307	7,986	1.81
		7,986	1.81
Sweden 3.01% (3.77%)			
Bonava	9,185,186	8,134	1.84
Nobia	14,917,956	5,173	1.17
		13,307	3.01
Switzerland 7.40% (6.67%)			
Adecco Group	285,418	6,193	1.40
Forbo Holding	9,906	8,125	1.84
Roche Holding	32,222	9,924	2.24
Swatch Group	53,634	8,468	1.92
		32,710	7.40
United Kingdom 4.46% (6.41%)			
British Land REIT	2,406,157	9,687	2.19
Rio Tinto	167,164	10,018	2.27
		19,705	4.46
Equities total		436,612	98.81
Portfolio of investments		436,612	98.81
Net other assets		5,258	1.19
Net assets attributable to shareholders		441,870	100.00

The comparative percentage figures in brackets are as at 31 December 2024.
Unless otherwise stated, all securities are admitted to official stock exchange listings.

Statement of Total Return

For the year ended 31 December 2025

		2025	2024
	Notes	£000's	£000's
Income			
Net capital gains/(losses)	2	98,805	(18,072)
Revenue	3	16,756	15,856
Expenses	4	(3,687)	(3,290)
Net revenue before taxation		13,069	12,566
Taxation	5	(1,745)	(1,746)
Net revenue after taxation		11,324	10,820
Total return before distributions		110,129	(7,252)
Distributions	6	(11,325)	(10,820)
Change in net assets attributable to shareholders from investment activities		98,804	(18,072)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2025

	2025	2024
	£000's	£000's
Opening net assets attributable to shareholders	266,203	357,525
Amounts receivable on issue of shares	148,947	29,550
Amounts payable on cancellation of shares	(80,106)	(108,976)
	68,841	(79,426)
Dilution adjustment	125	31
Change in net assets attributable to shareholders from investment activities	98,804	(18,072)
Retained distribution on Accumulation shares	7,897	6,145
Closing net assets attributable to shareholders	441,870	266,203

Balance Sheet

As at 31 December 2025

	2025	2024
	£000's	£000's
Assets		
Investments	436,612	262,885
Current assets		
Debtors	2,109	1,306
Cash and bank balances	8,470	6,168
Total assets	447,191	270,359
Liabilities		
Creditors		
Distributions payable	(4,409)	(3,284)
Other creditors	(912)	(872)
Total liabilities	(5,321)	(4,156)
Net assets attributable to shareholders	441,870	266,203

Notes to the Accounts

For the year ended 31 December 2025

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by Schroder European Recovery Fund are disclosed on pages 9 to 10.

2 Net capital gains/(losses)

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

	2025	2024
	£000's	£000's
Non-derivative securities	98,725	(17,809)
Forward foreign currency contracts	(57)	–
Foreign currency gains/(losses)	137	(263)
Net capital gains/(losses)	98,805	(18,072)

3 Revenue

	2025	2024
	£000's	£000's
UK dividends	493	636
Overseas dividends	15,593	13,401
Real estate income distributions	484	1,586
Bank interest	186	233
Total revenue	16,756	15,856

4 Expenses

	2025	2024
	£000's	£000's
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Schroders Annual Charge ¹	3,678	3,281
Other expenses:		
Professional fee	9	9
Total expenses	3,687	3,290

¹ Audit fees including VAT for the year were £8,848 (2024 – £8,848).

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

	2025	2024
	£000's	£000's
Overseas withholding tax	1,745	1,746
Total current tax (Note 5(b))	1,745	1,746

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for Open Ended Investment Companies of 20% (2024 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2025 £000's	2024 £000's
Net revenue before taxation	13,069	12,566
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	2,614	2,513
Effects of:		
Revenue not subject to corporation tax	(3,224)	(3,057)
Movement in excess management expenses	610	544
Overseas withholding tax	1,745	1,746
Total tax charge for the year (Note 5(a))	1,745	1,746

(c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £18,319,034 (2024 – £17,708,577) in respect of £91,595,172 (2024 – £88,542,885) unutilised management expenses and loan relationship debits. It is unlikely the Company 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 shares and revenue deducted on the cancellation of shares, and comprise:

	2025 £000's	2024 £000's
Final Dividend distribution	12,306	9,429
Add: Revenue deducted on cancellation of shares	1,451	1,978
Deduct: Revenue received on issue of shares	(2,432)	(587)
Distributions	11,325	10,820
Net revenue after taxation	11,324	10,820
Equalisation on conversions	1	–
Distributions	11,325	10,820

Details of the distributions per share are set out in the Distribution Table on page 82.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

7 Fair value hierarchy

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

Basis of valuation	2025		2024	
	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	436,612	–	262,885	–
Level 2: Observable market data	–	–	–	–
Level 3: Unobservable data	–	–	–	–
Total	436,612	–	262,885	–

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 Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director with particular attention paid to the carrying value of the investments.

8 Debtors

	2025 £000's	2024 £000's
Amounts receivable for issue of shares	934	84
Accrued revenue	296	176
Overseas withholding tax recoverable	842	1,009
Income tax recoverable	37	37
Total debtors	2,109	1,306

9 Other creditors

	2025 £000's	2024 £000's
Amounts payable for cancellation of shares	193	532
Purchases awaiting settlement	–	94
Accrued expenses	719	246
Total other creditors	912	872

10 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2024 – Nil).

11 Related party transactions

The Authorised Corporate Director provides key management personnel services for the Fund and is therefore considered a related party.

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

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

Shares held or managed by the Authorised Corporate Director as a percentage of the Fund's net asset value at the balance sheet date were 0.00% (2024 – 0.00%).

Notes to the Accounts

For the year ended 31 December 2025 (continued)

12 Share classes

At the reporting date the Fund had ten share classes. The costs and expenses due to the Manager are referred to as the Schroders Annual Charge. Details of the charges applied to each share class can be found in the prospectus.

The closing net asset value of each share class, the closing net asset value per share and the closing number of shares in issue are given in the Comparative Table on pages 69 to 73.

The distributions per share class are given in the Distribution Table on page 82.

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 Authorised Corporate Director'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 Authorised Corporate Director in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £43,661,200 (2024 - £26,288,500).

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 Authorised Corporate Director 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	2025 £000's	2024 £000's
Danish krone	20,969	11,048
Euro	332,629	203,508
Norwegian krone	15,118	9,872
Sterling	27,137	13,986
Swedish krona	13,307	10,039
Swiss franc	32,710	17,750

At the year end date, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £41,473,300 (2024 - £25,221,700).

Liquidity risk

The primary source of this risk to the Fund is the liability to shareholders for any cancellation of shares. 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 1.92% (2024 - 2.32%) 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 Sterling Overnight Index Average 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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Global risk exposure

Commitment approach

When using derivatives, the Authorised Corporate Director 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.

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 31 December 2025 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

2025				2024			
Lowest	Highest	Average	Leverage 31 December	Lowest	Highest	Average	Leverage 31 December
0.00%	6.32%	0.18%	0.00%	0.00%	2.01%	0.12%	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.

2025	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	199,496	72	258	199,826	0.04	0.13
Sales						
Equities	123,882	(45)	–	123,837	(0.04)	–
Total cost as a percentage of the Fund's average net asset value (%)		0.03	0.07			

2024	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities ¹	80,313	37	44	80,394	0.05	0.05
Corporate actions purchases:						
Equities	4,640	–	–	4,640	–	–
	84,953	37	44	85,034		
Sales						
Equities	159,704	(66)	–	159,638	(0.04)	–
Total cost as a percentage of the Fund's average net asset value (%)		0.03	0.02			

1 Excluding in-specie transfers and corporate actions.

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.29% (2024 – 0.25%).

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 31 December 2025 (continued)

15 Shares in issue reconciliation

	Number of shares in issue 31.12.24	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 31.12.25
A Accumulation shares	4,357,901	1,047,063	(743,912)	(1,146)	4,659,906
C Accumulation shares	10,567	–	(1,171)	–	9,396
L Accumulation shares	23,766,216	1,507,336	(5,738,608)	529,937	20,064,881
L Income shares	26,010,965	18,820,870	(11,234,146)	1,746,541	35,344,230
Q1 Accumulation shares	15,877,959	1,162,585	(13,975,442)	–	3,065,102
Q1 Income shares	83,917,087	46,321,513	(18,556,740)	–	111,681,860
S Accumulation shares	253,072	2,001,405	(283,042)	(4)	1,971,431
S Income shares	1,676,918	1	(56,965)	–	1,619,954
Z Accumulation shares	8,986,323	3,764,049	(1,591,384)	(99,248)	11,059,740
Z Income shares	2,319,006	1,437,293	(906,149)	(87,325)	2,762,825

Distribution Table

Final distribution for the year ended 31 December 2025

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
A Accumulation shares				
Group 1	27.7763p	–	27.7763p	26.6768p
Group 2	9.2882p	18.4881p	27.7763p	26.6768p
C Accumulation shares				
Group 1	41.1023p	–	41.1023p	38.5054p
Group 2	36.7325p	4.3698p	41.1023p	38.5054p
L Accumulation shares				
Group 1	3.8740p	–	3.8740p	3.6157p
Group 2	1.1780p	2.6960p	3.8740p	3.6157p
L Income shares				
Group 1	2.9698p	–	2.9698p	2.8828p
Group 2	1.7375p	1.2323p	2.9698p	2.8828p
Q1 Accumulation shares				
Group 1	2.3561p	–	2.3561p	2.1971p
Group 2	1.4649p	0.8912p	2.3561p	2.1971p
Q1 Income shares				
Group 1	2.1974p	–	2.1974p	2.1288p
Group 2	0.7791p	1.4183p	2.1974p	2.1288p
S Accumulation shares				
Group 1	47.5943p	–	47.5943p	44.1155p
Group 2	29.3699p	18.2244p	47.5943p	44.1155p
S Income shares				
Group 1	3.0547p	–	3.0547p	2.9469p
Group 2	3.0547p	–	3.0547p	2.9469p
Z Accumulation shares				
Group 1	43.5029p	–	43.5029p	40.7149p
Group 2	14.3098p	29.1931p	43.5029p	40.7149p
Z Income shares				
Group 1	30.9612p	–	30.9612p	30.0956p
Group 2	17.8188p	13.1424p	30.9612p	30.0956p

Equalisation

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

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

Schroder Global Alternative Energy Fund (formerly Schroder Global Energy Transition Fund)

Fund Information

Investment objective and policy

Schroder Global Alternative Energy Fund (formerly Schroder Global Energy Transition Fund) (the 'Fund') aims to provide capital growth by investing in equity and equity related securities of companies worldwide that the investment manager assesses as making a positive contribution to the global transition to alternative, lower carbon sources of energy, such as companies involved in lower carbon energy production, distribution, storage, transport and the supply of related materials and technology. These are companies that either (1) generate at least 50% of their revenue from activities associated with the transition to alternative sources of energy; or (2) meet the investment manager's criteria for performance of a 'critical role' in the transition to alternative sources of energy.

The Fund is actively managed and invests at least 90% of its assets in a concentrated range of equity and equity related securities of companies worldwide that the investment manager assesses as making a positive contribution to the global transition to alternative sources of energy. Alternative sources of energy are sources that produce lower carbon emissions than traditional fossil fuels, such as solar, wind, hydroelectric and biomass. These include companies involved in activities such as:

- Lower carbon energy production - such as the manufacturing of renewable equipment (for example, wind turbines, solar panels and hydrogen electrolyzers) or the construction and operation of renewable power generation projects and the sale of electricity from them.
- Lower carbon energy distribution - such as manufacturing of critical electrical equipment for the power grid (for example, cables, substations, transformers and smart-meters) or the construction and management of electric power grids.
- Lower carbon energy storage - such as the manufacturing of batteries and other types of energy storage solution or the construction and operation of energy storage assets to help balance and support the electricity grid.
- Lower carbon transport - such as the manufacturing of electric and other zero carbon vehicles or the manufacturing of electric vehicle batteries or hydrogen fuel cells to power those vehicles.
- The supply of related materials and technology - such as the manufacturing of critical components for an alternative energy system (for example, wind blade composite material, solar glass for solar panels and active cathode material for batteries) or companies licensing alternative energy technology designs to third-party manufacturers (for example, companies who have developed specific technology solutions for new energy storage or low carbon fuel production, but who sell the intellectual property for a fee instead of producing it themselves).

A company can demonstrate this by either:

generating at least 50% of its revenue from activities associated with the global transition to alternative sources of energy, based on revenue data from a third-party provider or the company itself; or meeting the investment manager's criteria for performance of a 'critical role' in the transition to alternative sources of energy. This is a holistic assessment that takes into account market share and capital expenditure and operating expenditure associated with the transition to alternative sources of energy. This is typically relevant, for example, where a company is one of the largest and/or one of the most important participants in a particular sustainable industry. Particularly, if that industry is relatively small and the company also has much wider operations, meaning it may be generating more significant revenue from other areas of its business. No more than 15% of the Fund's assets invested in such companies may contribute to the minimum 90% referred to above.

The investment manager's assessment of whether a company plays a 'critical role' is reviewed by Schroders' Sustainable Investment Panel (the Panel), which is independent from the investment team, with representatives from Schroders' Sustainable Investment, Legal, Investment Risk, Compliance and Product teams. In order to maintain a consistent and systematic process, each Panel review is based on a set of key questions and considerations, to determine whether there is a positive contribution to the global transition to alternative sources of energy (based on factors such as whether the relevant activity is a material part of the company's business and the size of the benefit). The Panel also assesses what evidence has been provided to support this, and whether it is robust. The evidence provided could include, for example, the output of Schroders' systematic models, evidence from independent academic or industry studies and sustainability data published by companies or third party data providers.

Please see "What is the investment manager's approach to sustainability?" in the prospectus for more details on how the investment manager assesses sustainability and why the investment manager has determined that this approach is an appropriate way to identify companies that are sustainable.

The Fund is not permitted to invest in any assets that conflict with the sustainability objective. Please see "What will the investment manager avoid investing in?" in the prospectus for more details.

The investment manager also engages with selected companies held by the Fund on sustainability issues. Please see "How does the investment manager engage with the investments it holds to support their contribution to the Fund's sustainability objective?" in the prospectus for more details.

The Fund typically holds 30 to 60 companies.

The Fund may invest directly in China H-Shares. The Fund may invest up to 15% of its assets (on a net basis) directly or indirectly (for example via participatory notes) in China A-Shares and / or China B-Shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect and shares listed on the STAR Board and the ChiNext.

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

With effect from 26 February 2025 the Fund's Investment objective and policy changed, previously it was:

The Fund aims to provide capital growth by investing in equity and equity related securities of companies worldwide that are associated with the global transition towards lower carbon sources of energy and which meet the Investment Manager's environmental, social and governance (ESG) criteria.

The Fund is actively managed and invests at least 80% of its assets in a concentrated range of equity and equity related securities of companies worldwide that contribute to the global transition towards lower carbon sources of energy, such as lower carbon energy production, distribution, storage, transport and associated supply chain material providers and technology companies. The Fund will only invest in companies that generate at least 50% of their revenue from activities contributing to the transition, or those which play critical roles in the transition and are increasing their exposure to such activities.

The Fund typically holds 30 to 60 companies.

The Fund does not directly invest in certain activities, industries or groups of issuers above certain limits listed under "Sustainability Information" on the Fund's webpage, accessed via <https://www.schroders.com/en-gb/uk/individual/fund-centre/>.

The Fund will only invest in companies that do not cause significant environmental or social harm and have good governance procedures, as determined by the sustainability criteria (please see the Fund Characteristics section of the Prospectus for more information).

More details on the Investment Manager's approach to sustainability and its engagement with companies are available on the internet site <https://www.schroders.com/en-gb/uk/individual/what-we-do/sustainable-investing/>.

Schroder Global Alternative Energy Fund (formerly Schroder Global Energy Transition Fund)

Fund Information (continued)

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 or managing the Fund more efficiently (for more information please refer to section 10 of Appendix 2 of the Prospectus).

Fund characteristics

The Fund does not have a target benchmark. The Fund's performance should be compared against the MSCI Global Alternative Energy (Net Total Return) index, the MSCI All Country World (Net Total Return) index and the Investment Association Global sector average return. The comparator benchmarks have been selected because the Investment Manager and the Manager believe that these benchmarks are a suitable comparison for performance purposes given the Fund's investment objective and policy.

Significant events

With effect from 17 February 2025, the Sustainability Focus SDR label was applied to the Fund.

Effective from 26 February 2025, Schroder Global Energy Transition Fund changed its name to Schroder Global Alternative Energy Fund and changed its investment objective and policy.

Review of Investment Activities

From 31 December 2024 to 31 December 2025, the price of Z Accumulation shares on a dealing price basis rose by 29.3%. In comparison, the MSCI Global Alternative Energy Index generated a net total return of 32.6%¹, the MSCI All Country World Index generated a net total return of 13.9%¹ and the Investment Association Global sector generated a net total return of 10.8%¹.

In 2025, the alternative energy sector experienced a significant recovery in both fundamentals and sentiment, marking a positive shift after several challenging years. The year began with several catalysts that suggested potential for improved performance, and the sector's discounted valuations presented an attractive risk-reward profile. Earnings momentum turned positive for the first time since 2020, supported by a favourable macroeconomic landscape and policy outlook, leading to strong absolute and relative returns. The fund's performance was driven by a combination of year-over-year earnings growth and a re-rating of valuations.

In 2025, the largest contributors to the portfolio's performance were companies in the renewable generation and solar equipment sectors. Notably, Solaria, EDPR, Acciona Energia, and Ormat excelled due to improved execution, earnings growth, and capital discipline, with Solaria and Acciona Energia engaging in share buybacks and EDPR reducing capital expenditure plans. The solar equipment sector also saw significant contributions, particularly from Sunrun, which benefited from the One Big Beautiful Bill Act (OBBBA) allowing residential solar lease providers in the US to claim the 48E ITC (Clean Electricity Investment Tax Credit). Utility-scale solar equipment companies like Vestas, Nordex, First Solar, Nextpower, Shoals, and Array performed strongly due to robust wind and solar volumes and strategic capital allocation. Johnson Matthey and Umicore also drove strong returns in the hydrogen and battery sub-sectors, benefiting from business sales and higher precious metals prices.

Conversely, the main detractors included Enphase, which faced from the OBBBA impacting future volumes and profitability, although it remains a quality business with potential for adaptation. Boralex underperformed due to poor generation despite favourable conditions. Other detractors were Carrier, Itron, and ON Semi, which underperformed due to soft earnings and concerns about order growth, and Fluence, which faced tariff pressures and Chinese competition but recovered some losses later in the year.

The portfolio's relative underperformance against the MSCI Global Alternative Energy Index was partly due to the strength of large index weights like First Solar and Vestas, while active overweights in underperforming names like Enphase and Boralex also contributed.

The year 2025 marked a turning point, with strategic positioning in renewable energy and disciplined capital allocation activities, such as buybacks and M&A, further supporting the sector's resurgence. While uncertainties persist, the potential for sustained earnings growth and the demand for energy transition products and services suggest that the sector is well-positioned for future growth. Investors should remain cautious, as past performance is not indicative of future results, and investment values can fluctuate due to market conditions and exchange rate changes. Nonetheless, the alternative energy sector remains an attractive investment opportunity, with a promising outlook for 2026.

¹ Source: Morningstar.

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.

Co-Fund Manager:

Mark Lacey



Mark Lacey joined Schroders in 2013

Head of Resource Equities - Global Thematics

Portfolio Manager of Global Energy, Global Energy Transition and Global Sustainable Food and Water strategies

Formerly portfolio manager of Investec Global Energy funds

Formerly head of global energy at Goldman Sachs

Was previously ranked as #1 energy investment specialist in Thompson Exel survey

Career commenced in 1996 at Credit Suisse Asset Management, managing gold and resource equity funds

Co-Fund Manager:

Alexander Monk



Alexander Monk joined Schroders in 2016

Portfolio Manager – Resource Equities – Global Thematics

Portfolio Manager of the Global Energy, Global Energy Transition and Global Sustainable Food and Water strategies

Alexander was a Sustainable Investment Analyst at Schroders from 2016 to 2018, which involved analysing sustainability risks and opportunities associated with companies in the utilities and telecommunications sectors

Qualifications: MSc in Environmental Policy and Regulation from the London School of Economics and Political Science (LSE); BA in Geography from Oxford University

Co-Fund Manager:

Felix Odey



Felix Odey is a Portfolio Manager at Schroders working on the Global Resource Equities Team

He joined Schroders in 2016 as a graduate, following summer work placements with Egerton Capital

Felix initially started working in the Schroders' Sustainable Investment Team, before joining the investment team in 2017

Risk Profile

Risk and reward indicator



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

Comparative Table

Financial year to 31 December	L Accumulation shares			L Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	34.34	46.46	54.08	33.39	45.73	53.55
Return before operating charges*	10.63	(11.76)	(7.18)	10.30	(11.49)	(7.07)
Operating charges	(0.32)	(0.36)	(0.44)	(0.32)	(0.37)	(0.43)
Return after operating charges*	10.31	(12.12)	(7.62)	9.98	(11.86)	(7.50)
Distributions**	(0.21)	(0.45)	(0.32)	(0.21)	(0.48)	(0.32)
Retained distributions**	0.21	0.45	0.32	-	-	-
Closing net asset value	44.65	34.34	46.46	43.16	33.39	45.73
*after direct transaction costs of	(0.02)	(0.02)	(0.04)	(0.01)	(0.02)	(0.04)
Performance						
Return after charges (%)	30.02	(26.09)	(14.09)	29.89	(25.93)	(14.01)
Other information						
Closing net asset value (£000's)	15,751	58,483	49,187	436	482	4,565
Closing number of shares	35,273,190	170,324,572	105,868,185	1,011,251	1,443,085	9,983,397
Operating charges (%)	0.88	0.88	0.88	0.88	0.88	0.88
Direct transaction costs (%)***	0.04	0.05	0.08	0.04	0.05	0.08
Prices						
Highest dealing price	46.13p	46.32p	59.22p	44.59p	45.60p	58.65p
Lowest dealing price	28.78p	33.33p	39.01p	27.99p	32.41p	38.40p

Comparative Table

(continued)

Financial year to 31 December	Q1 Accumulation shares			Q1 Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	34.59	46.71	54.27	33.53	45.87	53.66
Return before operating charges*	10.73	(11.83)	(7.20)	10.35	(11.54)	(7.08)
Operating charges	(0.26)	(0.29)	(0.36)	(0.25)	(0.29)	(0.35)
Return after operating charges*	10.47	(12.12)	(7.56)	10.10	(11.83)	(7.43)
Distributions**	(0.25)	(0.51)	(0.37)	(0.24)	(0.51)	(0.36)
Retained distributions**	0.25	0.51	0.37	-	-	-
Closing net asset value	45.06	34.59	46.71	43.39	33.53	45.87
*after direct transaction costs of	(0.02)	(0.02)	(0.04)	(0.01)	(0.02)	(0.04)
Performance						
Return after charges (%)	30.27	(25.95)	(13.93)	30.12	(25.79)	(13.85)
Other information						
Closing net asset value (£000's)	32,260	40,593	80,676	61,943	114,161	281,125
Closing number of shares	71,594,399	117,371,396	172,704,359	142,766,913	340,429,629	612,894,401
Operating charges (%)	0.70	0.70	0.70	0.70	0.70	0.70
Direct transaction costs (%)***	0.04	0.05	0.08	0.04	0.05	0.08
Prices						
Highest dealing price	46.54p	46.61p	59.45p	44.81p	45.77p	58.78p
Lowest dealing price	29.00p	33.57p	39.21p	28.12p	32.55p	38.50p

Comparative Table

(continued)

Financial year to 31 December	S Accumulation shares			S Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	34.75	46.88	54.40	33.58	45.92	53.73
Return before operating charges*	10.80	(11.89)	(7.23)	10.36	(11.55)	(7.08)
Operating charges	(0.22)	(0.24)	(0.29)	(0.21)	(0.25)	(0.30)
Return after operating charges*	10.58	(12.13)	(7.52)	10.15	(11.80)	(7.38)
Distributions**	(0.29)	(0.55)	(0.44)	(0.28)	(0.54)	(0.43)
Retained distributions**	0.29	0.55	0.44	-	-	-
Closing net asset value	45.33	34.75	46.88	43.45	33.58	45.92
*after direct transaction costs of	(0.02)	(0.02)	(0.04)	(0.02)	(0.02)	(0.04)
Performance						
Return after charges (%)	30.45	(25.87)	(13.82)	30.23	(25.70)	(13.74)
Other information						
Closing net asset value (£000's)	14,735	11,904	53,347	12	9	45,688
Closing number of shares	32,505,508	34,253,570	113,788,143	27,488	25,901	99,496,144
Operating charges (%)	0.58	0.58	0.58	0.58	0.58	0.58
Direct transaction costs (%)***	0.04	0.05	0.08	0.04	0.05	0.08
Prices						
Highest dealing price	46.81p	46.80p	59.60p	44.88p	45.84p	58.86p
Lowest dealing price	29.15p	33.73p	39.34p	28.17p	32.59p	38.55p

Comparative Table (continued)

Financial year to 31 December	Z Accumulation shares			Z Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	34.24	46.36	54.00	33.37	45.67	53.50
Return before operating charges*	10.62	(11.73)	(7.16)	10.30	(11.49)	(7.05)
Operating charges	(0.36)	(0.39)	(0.48)	(0.35)	(0.38)	(0.48)
Return after operating charges*	10.26	(12.12)	(7.64)	9.95	(11.87)	(7.53)
Distributions**	(0.21)	(0.42)	(0.30)	(0.21)	(0.43)	(0.30)
Retained distributions**	0.21	0.42	0.30	-	-	-
Closing net asset value	44.50	34.24	46.36	43.11	33.37	45.67
*after direct transaction costs of	(0.02)	(0.02)	(0.04)	(0.01)	(0.02)	(0.04)
Performance						
Return after charges (%)	29.96	(26.14)	(14.15)	29.82	(25.99)	(14.07)
Other information						
Closing net asset value (£000's)	18,924	12,684	19,393	7,099	7,072	8,805
Closing number of shares	42,529,041	37,046,181	41,830,423	16,466,677	21,193,842	19,280,047
Operating charges (%)	0.95	0.95	0.95	0.95	0.95	0.95
Direct transaction costs (%)***	0.04	0.05	0.08	0.04	0.05	0.08
Prices						
Highest dealing price	45.98p	46.21p	59.13p	44.54p	45.52p	58.58p
Lowest dealing price	28.69p	33.23p	38.93p	27.97p	32.39p	38.35p

** 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 share 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 Authorised Corporate Director fee, Registrar fees, Safe custody fees, Depositary's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are shares 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 31.12.25	Market Value £000's	% of net assets
Equities 92.27% (98.73%)			
Belgium 4.84% (4.90%)			
Elia Group	41,578	3,983	2.64
Umicore	213,977	3,331	2.20
		7,314	4.84
Canada 4.68% (3.75%)			
Boralex	258,101	3,525	2.33
Hydro One	112,334	3,312	2.19
Nano One Materials	398,914	234	0.16
		7,071	4.68
Cayman Islands 0.97% (2.15%)			
Xinyi Solar Holdings	5,212,000	1,473	0.97
		1,473	0.97
Chile 1.36% (0.00%)			
Sociedad Quimica y Minera de Chile ADR	40,153	2,055	1.36
		2,055	1.36
China 3.79% (3.71%)			
BYD	124,600	1,134	0.75
Contemporary Amperex Technology	75,697	2,958	1.95
LONGi Green Energy Technology	850,200	1,645	1.09
		5,737	3.79
Denmark 5.18% (6.51%)			
Vestas Wind Systems	386,352	7,827	5.18
		7,827	5.18
France 9.91% (15.61%)			
Forvia	185,976	2,210	1.46
Legrand	17,751	1,964	1.30
Nexans	27,788	3,052	2.02
Opmobility	147,928	2,059	1.36
Schneider Electric	15,490	3,177	2.10
SPIE	58,529	2,518	1.67
		14,980	9.91
Germany 4.28% (4.20%)			
Infineon Technologies	96,425	3,163	2.09
Nordex	90,700	2,303	1.53
SFC Energy	92,223	997	0.66
		6,463	4.28
Ireland 0.00% (1.47%)			
Italy 3.51% (1.13%)			
ERG	196,870	3,778	2.50
Industrie De Nora	239,857	1,525	1.01
		5,303	3.51
Japan 1.95% (0.00%)			
Hitachi	126,500	2,941	1.95
		2,941	1.95

	Holding at 31.12.25	Market Value £000's	% of net assets
Jersey 0.27% (0.31%)			
Invinity Energy Systems*	2,171,025	402	0.27
		402	0.27
Netherlands 4.37% (6.36%)			
Alfen	105,305	964	0.64
Ariston Holding	492,750	1,916	1.27
SIF Holding	204,082	1,190	0.79
Signify	139,038	2,535	1.67
		6,605	4.37
South Korea 2.43% (3.76%)			
LG Chem	10,161	1,746	1.15
Samsung SDI	13,879	1,931	1.28
		3,677	2.43
Spain 8.89% (11.90%)			
Corp. ACCIONA Energias Renovables	135,563	2,647	1.75
EDP Renovaveis	574,240	5,992	3.96
Redeia	233,609	3,094	2.05
Solaria Energia y Medio Ambiente	108,030	1,712	1.13
		13,445	8.89
Switzerland 2.05% (2.67%)			
Landis+Gyr Group	64,234	3,092	2.05
		3,092	2.05
United Kingdom 2.32% (3.27%)			
Johnson Matthey	164,724	3,509	2.32
		3,509	2.32
United States of America 31.47% (27.03%)			
Albemarle	10,807	1,137	0.75
Ameresco	48,220	1,035	0.68
Array Technologies	489,825	3,390	2.24
Carrier Global	72,978	2,882	1.91
EnerSys	19,487	2,137	1.41
Enphase Energy	142,068	3,373	2.23
First Solar	40,058	7,833	5.18
Fluence Energy	24,805	368	0.24
HA Sustainable Infrastructure Capital	150,333	3,530	2.34
Itron	54,708	3,803	2.52
MasTec	10,788	1,739	1.15
Nextpower	83,584	5,454	3.61
ON Semiconductor	67,637	2,733	1.81
Ormat Technologies	41,395	3,402	2.25
Shoals Technologies Group	308,742	1,965	1.30
Sunrun	201,012	2,793	1.85
		47,574	31.47
Equities total		139,468	92.27

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets
Collective Investment Schemes 4.61% (0.30%)			
Cash Funds 4.61% (0.30%)			
Schroder Sterling Cash Fund Class X Distribution GBP	6,974,237	6,974	4.61

	Holding at 31.12.25	Market Value £000's	% of net assets
		6,974	4.61
Collective Investment Schemes total		6,974	4.61
Portfolio of investments		146,442	96.88
Net other assets		4,718	3.12
Net assets attributable to shareholders		151,160	100.00

The comparative percentage figures in brackets are as at 31 December 2024.

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

Security traded on another regulated market.

Statement of Total Return

For the year ended 31 December 2025

		2025	2024
	Notes	£000's	£000's
Income			
Net capital gains/(losses)	2	38,287	(120,770)
Revenue	3	2,268	8,861
Expenses	4	(1,191)	(3,087)
Net revenue before taxation		1,077	5,774
Taxation	5	(142)	(529)
Net revenue after taxation		935	5,245
Total return before distributions		39,222	(115,525)
Distributions	6	(1,023)	(5,354)
Change in net assets attributable to shareholders from investment activities		38,199	(120,879)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2025

	2025	2024
	£000's	£000's
Opening net assets attributable to shareholders	245,388	542,786
Amounts receivable on issue of shares	16,201	103,157
Amounts payable on cancellation of shares	(149,205)	(282,016)
	(133,004)	(178,859)
Dilution adjustment	101	317
Change in net assets attributable to shareholders from investment activities	38,199	(120,879)
Retained distribution on Accumulation shares	476	2,023
Closing net assets attributable to shareholders	151,160	245,388

Balance Sheet

As at 31 December 2025

		2025	2024
	Notes	£000's	£000's
Assets			
Investments		146,442	243,013
Current assets			
Debtors	8	592	863
Cash and bank balances		4,547	2,279
Total assets		151,581	246,155
Liabilities			
Creditors			
Other creditors	9	(421)	(767)
Total liabilities		(421)	(767)
Net assets attributable to shareholders			
		151,160	245,388

Notes to the Accounts

For the year ended 31 December 2025

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by Schroder Global Energy Transition Fund are disclosed on pages 9 to 10.

2 Net capital gains/(losses)

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

	2025 £000's	2024 £000's
Non-derivative securities	38,487	(120,802)
Foreign currency (losses)/gains	(200)	32
Net capital gains/(losses)	38,287	(120,770)

3 Revenue

	2025 £000's	2024 £000's
UK dividends	208	825
Overseas dividends	1,801	7,254
Interest distributions	159	224
Scrip dividends	–	56
Bank interest	100	502
Total revenue	2,268	8,861

4 Expenses

	2025 £000's	2024 £000's
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Schroders Annual Charge ¹	1,191	3,085
Other expenses:		
Interest payable	–	2
Total expenses	1,191	3,087

1 Audit fees including VAT for the year were £8,848 (2024 – 8,848).

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

	2025 £000's	2024 £000's
Overseas withholding tax	142	529
Total current tax (Note 5(b))	142	529

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for Open Ended Investment Companies of 20% (2024 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2025 £000's	2024 £000's
Net revenue before taxation	1,077	5,774
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	215	1,155
Effects of:		
Revenue not subject to corporation tax	(402)	(1,627)
Movement in excess management expenses	187	472
Overseas withholding tax	142	529
Total tax charge for the year (Note 5(a))	142	529

(c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £2,409,027 (2024 – £2,222,437) in respect of £12,045,135 (2024 – £11,112,185) 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 shares and revenue deducted on the cancellation of shares, and comprise:

	2025 £000's	2024 £000's
Quarterly Dividend distribution	–	–
Interim Dividend distribution	969	4,590
Quarterly Dividend distribution	5	385
Final Dividend distribution	–	–
	974	4,975
Add: Revenue deducted on cancellation of shares	59	424
Deduct: Revenue received on issue of shares	(10)	(45)
Distributions	1,023	5,354
Net revenue after taxation	935	5,245
Scrip dividends not distributed	–	(56)
Deficit taken to capital	88	165
Distributions	1,023	5,354

Details of the distributions per share are set out in the Distribution Tables on pages 101 to 103.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

7 Fair value hierarchy

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

Basis of valuation	2025		2024	
	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	139,468	–	242,279	–
Level 2: Observable market data	6,974	–	734	–
Level 3: Unobservable data	–	–	–	–
Total	146,442	–	243,013	–

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 Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director with particular attention paid to the carrying value of the investments.

8 Debtors

	2025 £000's	2024 £000's
Amounts receivable for issue of shares	127	237
Sales awaiting settlement	–	1
Accrued revenue	108	171
Overseas withholding tax recoverable	357	454
Total debtors	592	863

9 Other creditors

	2025 £000's	2024 £000's
Amounts payable for cancellation of shares	229	423
Purchases awaiting settlement	–	181
Accrued expenses	192	163
Total other creditors	421	767

10 Related party transactions

The Authorised Corporate Director provides key management personnel services for the Fund and is therefore considered a related party.

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

The Authorised Corporate Director acts as principal on all transactions of shares in the Fund. The aggregate monies received through the issue and cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders and Distributions in the Notes to the Accounts. Amounts due from or to the Authorised Corporate Director in respect of share transactions at the balance sheet date are included under Debtors and Other creditors in the Notes to the Accounts.

Shares held or managed by the Authorised Corporate Director as a percentage of the Fund's net asset value at the balance sheet date were 0.00% (2024 – 0.00%).

Notes to the Accounts

For the year ended 31 December 2025 (continued)

11 Share classes

At the reporting date the Fund had eight share classes. The costs and expenses due to the Manager are referred to as the Schroders Annual Charge. Details of the charges applied to each share class can be found in the prospectus.

The closing net asset value of each share class, the closing net asset value per share and the closing number of shares in issue are given in the Comparative Table on pages 87 to 90.

The distributions per share class are given in the Distribution Table on pages 101 to 103.

All classes have the same rights on winding up.

12 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 Authorised Corporate Director'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 Authorised Corporate Director in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £14,644,200 (2024 - £24,301,300).

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 Authorised Corporate Director 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	2025 £000's	2024 £000's
Canadian dollar	7,089	9,234
Chinese yuan	4,919	9,104
Danish krone	7,833	15,982
Euro	54,461	108,608
Hong Kong dollar	2,607	5,140
Japanese yen	2,941	-
South Korean won	3,682	9,244
Sterling	14,860	11,559
Swiss franc	3,092	6,544
US dollar	49,676	69,973

At the year end date, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £13,630,000 (2024 - £23,382,900).

Liquidity risk

The primary source of this risk to the Fund is the liability to shareholders for any cancellation of shares. 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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of financial assets and financial liabilities at the balance sheet date was as follows:

Currency	2025				2024			
	Floating rate financial assets £000's	Fixed rate financial assets £000's	Financial assets not carrying interest £000's	Total £000's	Floating rate financial assets £000's	Fixed rate financial assets £000's	Financial assets not carrying interest £000's	Total £000's
Canadian dollar	18	–	7,071	7,089	33	–	9,201	9,234
Chinese yuan	316	–	4,603	4,919	–	–	9,104	9,104
Danish krone	–	–	7,833	7,833	–	–	15,982	15,982
Euro	–	–	54,461	54,461	1	–	108,663	108,664
Hong Kong dollar	–	–	2,607	2,607	–	–	5,265	5,265
Japanese yen	–	–	2,941	2,941	–	–	–	–
South Korean won	–	–	3,682	3,682	–	–	9,244	9,244
Sterling	4,210	–	11,071	15,281	2,245	–	9,900	12,145
Swiss franc	–	–	3,092	3,092	–	–	6,544	6,544
US dollar	3	–	49,673	49,676	–	–	69,973	69,973

Currency	2025				2024			
	Floating rate financial liabilities £000's	Fixed rate financial liabilities £000's	Financial liabilities not carrying interest £000's	Total £000's	Floating rate financial liabilities £000's	Fixed rate financial liabilities £000's	Financial liabilities not carrying interest £000's	Total £000's
Euro	–	–	–	–	–	–	56	56
Hong Kong dollar	–	–	–	–	–	–	125	125
Sterling	–	–	421	421	–	–	586	586

At the year end, if changes in interest rates resulted in a 10% increase or decrease in the net assets of the fund, then the net assets would increase or decrease by approximately £454,700 (2024 - £227,900).

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 and amounts held or overdrawn at futures clearing houses and brokers bear interest at rates based on the Sterling Overnight Index Average 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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Global risk exposure

Commitment approach

When using derivatives, the Authorised Corporate Director 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.

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 31 December 2025 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

2025				2024			
Lowest	Highest	Average	Leverage 31 December	Lowest	Highest	Average	Leverage 31 December
0.00%	2.15%	0.11%	0.00%	0.00%	2.32%	0.16%	0.07%

13 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.

2025	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities ¹	73,215	33	25	73,273	0.05	0.03
Corporate actions purchases:						
Equities	904	-	-	904	-	-
	74,119	33	25	74,177		
Sales						
Equities	215,566	(86)	(22)	215,458	(0.04)	(0.01)
Total cost as a percentage of the Fund's average net asset value (%)		0.07	0.03			

1 Excluding corporate actions.

2024	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	266,126	109	161	266,396	0.04	0.06
Funds	11,180	-	-	11,180	-	-
	277,306	109	161	277,576		
Sales						
Equities	412,302	(171)	(77)	412,054	(0.04)	(0.02)
Funds	10,621	-	-	10,621	-	-
	422,923	(171)	(77)	422,675		
Total cost as a percentage of the Fund's average net asset value (%)		0.07	0.05			

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.23% (2024 – 0.44%).

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.

14 Shares in issue reconciliation

	Number of shares in issue 31.12.24	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 31.12.25
L Accumulation shares	170,324,572	6,436,110	(140,053,925)	(1,433,567)	35,273,190
L Income shares	1,443,085	123,182	(592,511)	37,495	1,011,251
Q1 Accumulation shares	117,371,396	5,704,804	(54,458,222)	2,976,421	71,594,399
Q1 Income shares	340,429,629	2,851,377	(198,670,733)	(1,843,360)	142,766,913
S Accumulation shares	34,253,570	8,641,697	(10,389,759)	–	32,505,508
S Income shares	25,901	1,588	(1)	–	27,488
Z Accumulation shares	37,046,181	16,552,468	(11,210,414)	140,806	42,529,041
Z Income shares	21,193,842	1,761,932	(6,534,712)	45,615	16,466,677

Distribution Tables

Quarterly distribution for the three months ended 31 March 2025

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.5.25 per share	Distribution paid 31.5.24 per share
L Accumulation shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
L Income shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
Q1 Accumulation shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
Q1 Income shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
S Accumulation shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
S Income shares				
Group 1	0.0019p	-	0.0019p	-
Group 2	0.0019p	-	0.0019p	-
Z Accumulation shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
Z Income shares				
Group 1	-	-	-	-
Group 2	-	-	-	-

Interim distribution for the three months ended 30 June 2025

Group 1 Shares purchased prior to 1 April 2025

Group 2 Shares purchased on or after 1 April 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.8.25 per share	Distribution paid 31.8.24 per share
L Accumulation shares				
Group 1	0.2083p	-	0.2083p	0.4232p
Group 2	0.1553p	0.0530p	0.2083p	0.4232p
L Income shares				
Group 1	0.2132p	-	0.2132p	0.4645p
Group 2	0.0671p	0.1461p	0.2132p	0.4645p
Q1 Accumulation shares				
Group 1	0.2542p	-	0.2542p	0.4644p
Group 2	0.1953p	0.0589p	0.2542p	0.4644p

Distribution Tables

(continued)

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.8.25 per share	Distribution paid 31.8.24 per share
Q1 Income shares				
Group 1	0.2420p	–	0.2420p	0.4617p
Group 2	0.2189p	0.0231p	0.2420p	0.4617p
S Accumulation shares				
Group 1	0.2751p	–	0.2751p	0.4957p
Group 2	0.0820p	0.1931p	0.2751p	0.4957p
S Income shares				
Group 1	0.2668p	–	0.2668p	0.4819p
Group 2	0.2668p	–	0.2668p	0.4819p
Z Accumulation shares				
Group 1	0.2096p	–	0.2096p	0.4002p
Group 2	0.1335p	0.0761p	0.2096p	0.4002p
Z Income shares				
Group 1	0.2055p	–	0.2055p	0.4063p
Group 2	0.1319p	0.0736p	0.2055p	0.4063p

Quarterly distribution for the three months ended 30 September 2025

Group 1 Shares purchased prior to 1 July 2025

Group 2 Shares purchased on or after 1 July 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 30.11.25 per share	Distribution paid 30.11.24 per share
L Accumulation shares				
Group 1	–	–	–	0.0271p
Group 2	–	–	–	0.0271p
L Income shares				
Group 1	–	–	–	0.0174p
Group 2	–	–	–	0.0174p
Q1 Accumulation shares				
Group 1	0.0006p	–	0.0006p	0.0459p
Group 2	–	0.0006p	0.0006p	0.0459p
Q1 Income shares				
Group 1	0.0005p	–	0.0005p	0.0446p
Group 2	–	0.0005p	0.0005p	0.0446p
S Accumulation shares				
Group 1	0.0126p	–	0.0126p	0.0588p
Group 2	0.0028p	0.0098p	0.0126p	0.0588p
S Income shares				
Group 1	0.0119p	–	0.0119p	0.0566p
Group 2	0.0119p	–	0.0119p	0.0566p
Z Accumulation shares				
Group 1	–	–	–	0.0197p
Group 2	–	–	–	0.0197p

Distribution Tables

(continued)

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 30.11.25 per share	Distribution paid 30.11.24 per share
Z Income shares				
Group 1	–	–	–	0.0192p
Group 2	–	–	–	0.0192p

Final distribution for the three months ended 31 December 2025

Group 1 Shares purchased prior to 1 October 2025

Group 2 Shares purchased on or after 1 October 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution payable 28.2.25 per share
L Accumulation shares				
Group 1	–	–	–	–
Group 2	–	–	–	–
L Income shares				
Group 1	–	–	–	–
Group 2	–	–	–	–
Q1 Accumulation shares				
Group 1	–	–	–	–
Group 2	–	–	–	–
Q1 Income shares				
Group 1	–	–	–	–
Group 2	–	–	–	–
S Accumulation shares				
Group 1	0.0003p	–	0.0003p	–
Group 2	0.0003p	–	0.0003p	–
S Income shares				
Group 1	–	–	–	–
Group 2	–	–	–	–
Z Accumulation shares				
Group 1	–	–	–	–
Group 2	–	–	–	–
Z Income shares				
Group 1	–	–	–	–
Group 2	–	–	–	–

Equalisation

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

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

Schroder Global Recovery Fund

Fund Information

Investment objective and policy

Schroder Global Recovery Fund (the 'Fund') aims to provide capital growth in excess of the MSCI World (Net Total Return) Index (after fees have been deducted) over a three to five year period by investing in equity and equity related securities of companies worldwide which are considered to be undervalued relative to their long term earnings potential.

The Fund is actively managed and invests at least 80% of its assets in equity and equity related securities of companies worldwide that have suffered a set back in either share price or profitability, but where long term prospects are believed to be good.

The Fund applies a disciplined value investment approach, seeking to invest in a select portfolio of companies that the Investment manager believes are significantly undervalued relative to their long-term earnings potential.

The Fund may invest directly in China H-Shares. The Fund may invest up to 20% of its assets (on a net basis) directly or indirectly (for example via participatory notes) in China AShares and / or China B-Shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect and shares listed on the STAR Board and the ChiNext.

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 derivative instruments for investment purposes as well as for efficient portfolio management (for more information please refer to Appendix 2 Section 6: Derivatives and Forwards of the Prospectus).

With effect from 19 February 2025 the Fund's Investment objective and policy changed, previously it was:

The Fund aims to provide capital growth in excess of the MSCI World (Net Total Return) Index (after fees have been deducted) over a three to five year period by investing in equity and equity related securities of companies worldwide which are considered to be undervalued relative to their long term earnings potential.

The Fund is actively managed and invests at least 80% of its assets in equity and equity related securities of companies worldwide that have suffered a set back in either share price or profitability, but where long term prospects are believed to be good.

The Fund applies a disciplined value investment approach, seeking to invest in a select portfolio of companies that the investment manager believes are significantly undervalued relative to their long-term earnings potential.

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 derivative instruments for investment purposes as well as for efficient portfolio management (for more information please refer to Appendix 2. Section 10: Derivatives and Forwards).

Fund characteristics

The Fund's performance should be assessed against its target benchmark, being to exceed the MSCI World (Net Total Return) index, and compared against the MSCI World Value (Net Total Return) index and the Investment Association Global 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 benchmarks have been selected because the Investment Manager and the Manager believe that these benchmarks are suitable comparisons for performance purposes given the Fund's investment objective and policy.

Review of Investment Activities

From 31 December 2024 to 31 December 2025, the price of Z Accumulation shares on a dealing price basis rose by 21.6%. In the same period, MSCI World index generated a net total return of 12.8%¹.

Global equities delivered solid gains over the 12 months to the end of December, with European companies leading the way of other regions. Fund performance was supported by strength in Financials and Consumer Discretionary. Stock selection in Industrials was the largest contributor to relative underperformance, whilst stock selection in Communication Services also impacted negatively.

During 2025, several key holdings made strong positive contributions to relative performance. Société Générale, the French universal bank, rallied as management outlined a clearer plan to improve profitability through cost efficiencies, non-core disposals and better interest-rate leverage, leading to a recovery from previously depressed valuations, and it was highlighted as the fund's single largest contributor to performance. Standard Chartered, the UK-listed emerging-markets-focused bank, also added value as profits improved, supported by robust wealth-management activity and a strong markets division. Kering, the global luxury group behind brands such as Gucci and Saint Laurent, rebounded as signs of brand repair, creative repositioning and cost discipline improved investor sentiment. Bayer, the German life-sciences conglomerate spanning pharmaceuticals, consumer health and crop science, saw its shares stabilise as incoming management pushed for restructuring progress and renewed operational discipline. Vodafone Group, the multinational telecoms operator, contributed positively as ongoing portfolio simplification, cost efficiency and clearer direction on strategic asset disposals supported a rerating, with the name highlighted among the year's notable contributors in UK exposures. On the other hand, several positions weighed on returns. WPP, the world's largest advertising services group, detracted meaningfully after reporting weaker-than-expected revenues and cutting its near-term profit outlook amid softer client spending, making it the fund's largest individual detractor among owned names. Manpower Group, the global staffing and workforce-solutions provider, underperformed as cooling labour markets and slower hiring trends pressured earnings expectations. LyondellBasell, the global chemicals and polymers producer, lagged as margins remained challenged by excess capacity and weaker demand in commodity chemicals. Finally, John Wiley & Sons, the academic publishing and research-services group, detracted as weakness in its learning division and mixed guidance overshadowed progress in its research business.

During 2025, trading activity continued to reflect the Global Value Team's disciplined focus on companies trading at substantial discounts to intrinsic value. New investments were introduced where fundamentals had become meaningfully mispriced, including Ambev, the Latin American brewer whose scale advantage and cash-generative beverage portfolio were overlooked amid cyclical softness, and Aptiv, the automotive-technology supplier whose exposure to safety systems and EV architectures offered long-term structural growth at a depressed valuation. The portfolio also initiated BNP Paribas, where strong capital generation and conservative risk management were not reflected in its muted market valuation, and Carrefour, the European food retailer benefiting from improving cost efficiency and stabilising margins. In energy services, Halliburton was added after industry underinvestment left service capacity tight and returns improving, while Hewlett Packard Enterprise entered the portfolio as markets underappreciated its growing cloud, networking and AI-infrastructure businesses. The team also established positions in Kering, where early signs of brand revitalisation created a compelling recovery opportunity; Kose, the Japanese cosmetics group with strong brands temporarily held back by weak domestic demand; Puma, whose brand equity and operational improvements were undervalued following a difficult period for sportswear; and SES, the satellite-communications provider whose resilient cash flows and growing defence-related demand were not recognised in its share price. Offsetting these additions, the portfolio fully exited several holdings where the margin of safety had eroded or investment theses had weakened. Disposals included insurers Ageas and AXA, where upside potential became less compelling; Alibaba, whose operational uncertainty and capital-allocation questions persisted; and UK financials Barclays, NatWest, and Tesco, where earlier recovery progress had been recognised by the market. The portfolio also sold Burberry as brand momentum faltered, Intel due to structural competitive pressures, and KDDI as its defensive telecom profile offered limited recovery potential. Finally, exits from La-Z-Boy, Renault, and Tiger Brands reflected reassessments of their long-term earnings power and the availability of more attractive contrarian opportunities elsewhere.

Co-Fund Managers:

Simon Adler – Fund Manager & Head of Schroder Global Value Team



Co-manager of Global Recovery, Global Income and Global Sustainable strategies

Joined the Global Value Team in July 2016 to manage value portfolios

Investment career commenced in 2008, at Schroders as a UK equity analyst

Previously sector analyst responsible for Chemicals, Media, Transport, Travel & Leisure and Utilities

Global Sustainability Specialist in Global Equity team until 2016

Chartered Financial Analyst

MA in Politics, Edinburgh University

Liam Nunn – Fund Manager, Schroder Global Value Team



Co-manager of Global Recovery, Global Income and Global Sustainable strategies

Managed value portfolios at Schroders since 2020

Joined the Global Value team in January 2019 as an analyst

Investment career commenced in 2011 at Schroders as a Pan European sector analyst

Moved to Merian Global Investors (formerly Old Mutual Global Investors) in 2015 as an equity analyst/fund manager

Chartered Financial Analyst

Degree in Politics, Philosophy and Economics, Durham University

¹ Source: Morningstar.

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 6 to 5 with effect from 24 September 2025.

For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com/en-gb/uk/individual/Fund-centre/.

Comparative Table

Financial year to 31 December	L Accumulation shares			L Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	116.91	107.95	94.93	96.78	91.76	82.51
Return before operating charges*	25.93	9.95	13.91	21.48	8.46	12.14
Operating charges	(1.06)	(0.99)	(0.89)	(0.89)	(0.84)	(0.78)
Return after operating charges*	24.87	8.96	13.02	20.59	7.62	11.36
Distributions**	(3.53)	(3.06)	(2.43)	(2.92)	(2.60)	(2.11)
Retained distributions**	3.53	3.06	2.43	-	-	-
Closing net asset value	141.78	116.91	107.95	114.45	96.78	91.76
*after direct transaction costs of	(0.05)	(0.11)	(0.05)	(0.04)	(0.10)	(0.05)
Performance						
Return after charges (%)	21.27	8.30	13.72	21.28	8.30	13.77
Other information						
Closing net asset value (£000's)	126,119	234,772	184,222	99,012	115,423	5,400
Closing number of shares	88,955,362	200,809,084	170,657,083	86,508,801	119,265,221	5,884,301
Operating charges (%)	0.85	0.87	0.87	0.85	0.87	0.87
Direct transaction costs (%)***	0.04	0.10	0.05	0.04	0.10	0.05
Prices						
Highest dealing price	142.70p	120.30p	108.30p	118.20p	102.30p	94.22p
Lowest dealing price	106.80p	104.30p	96.63p	88.38p	88.65p	84.04p

Comparative Table (continued)

Financial year to 31 December	Q Accumulation shares ¹	Q Income shares ²	S Income shares		
	2025 pence per share	2025 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value					
Opening net asset value	50.00	50.00	74.95	71.06	63.89
Return before operating charges*	8.41	12.27	16.68	6.56	9.42
Operating charges	(0.24)	(0.21)	(0.46)	(0.43)	(0.40)
Return after operating charges*	8.17	12.06	16.22	6.13	9.02
Distributions**	(1.55)	(1.25)	(2.50)	(2.24)	(1.85)
Retained distributions**	1.55	–	–	–	–
Closing net asset value	58.17	60.81	88.67	74.95	71.06
*after direct transaction costs of	(0.02)	(0.02)	(0.03)	(0.08)	(0.04)
Performance					
Return after charges (%)	16.34	24.12	21.64	8.63	14.12
Other information					
Closing net asset value (£000's)	180,651	10,107	248,439	213,119	97,773
Closing number of shares	310,554,851	16,620,976	280,190,560	284,341,560	137,591,765
Operating charges (%)	0.50	0.50	0.57	0.57	0.57
Direct transaction costs (%)***	0.04	0.04	0.04	0.10	0.05
Prices					
Highest dealing price	58.55p	62.47p	91.77p	79.44p	73.18p
Lowest dealing price	43.69p	50.00p	68.50p	68.66p	65.07p

Comparative Table

(continued)

Financial year to 31 December	W Accumulation shares ³		W Income shares ⁴	X Accumulation shares		
	2025 pence per share	2024 pence per share	2025 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	49.74	50.00	50.00	80.79	73.88	64.31
Return before operating charges*	11.06	(0.25)	12.24	18.14	6.94	9.60
Operating charges	(0.33)	(0.01)	(0.24)	(0.04)	(0.03)	(0.03)
Return after operating charges*	10.73	(0.26)	12.00	18.10	6.91	9.57
Distributions**	(1.64)	(0.06)	(1.20)	(3.26)	(2.86)	(2.40)
Retained distributions**	1.64	0.06	–	3.26	2.86	2.40
Closing net asset value	60.47	49.74	60.80	98.89	80.79	73.88
*after direct transaction costs of	(0.02)	(0.05)	(0.02)	(0.03)	(0.08)	(0.04)
Performance						
Return after charges (%)	21.57	(0.52)	24.00	22.40	9.35	14.88
Other information						
Closing net asset value (£000's)	19,066	1	23,979	2	2	1
Closing number of shares	31,529,412	3,000	39,438,999	2,000	2,000	2,000
Operating charges (%)	0.60	0.60	0.60	0.04	0.04	0.04
Direct transaction costs (%)***	0.04	0.10	0.04	0.04	0.10	0.05
Prices						
Highest dealing price	60.87p	50.00p	62.41p	99.52p	83.12p	74.15p
Lowest dealing price	45.44p	49.10p	50.00p	73.97p	71.42p	65.47p

Comparative Table

(continued)

Financial year to 31 December	X Income shares			Z Accumulation shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	57.48	54.52	49.07	116.16	107.33	94.45
Return before operating charges*	12.56	4.98	7.15	25.74	9.89	13.84
Operating charges	(0.02)	(0.02)	(0.02)	(1.14)	(1.06)	(0.96)
Return after operating charges*	12.54	4.96	7.13	24.60	8.83	12.88
Distributions**	(2.22)	(2.00)	(1.68)	(3.42)	(2.97)	(2.35)
Retained distributions**	–	–	–	3.42	2.97	2.35
Closing net asset value	67.80	57.48	54.52	140.76	116.16	107.33
*after direct transaction costs of	(0.02)	(0.06)	(0.03)	(0.05)	(0.11)	(0.05)
Performance						
Return after charges (%)	21.82	9.10	14.53	21.18	8.23	13.64
Other information						
Closing net asset value (£000's)	21,658	27,030	27,741	264,032	348,117	276,584
Closing number of shares	31,943,363	47,026,543	50,884,305	187,573,404	299,698,177	257,706,500
Operating charges (%)	0.04	0.04	0.04	0.92	0.94	0.94
Direct transaction costs (%)***	0.04	0.10	0.05	0.04	0.10	0.05
Prices						
Highest dealing price	68.75p	59.50p	55.60p	141.70p	119.60p	107.70p
Lowest dealing price	52.18p	52.69p	49.96p	106.00p	103.70p	96.14p

Comparative Table

(continued)

Financial year to 31 December	Z Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value			
Opening net asset value	96.68	91.67	82.43
Return before operating charges*	21.46	8.44	12.13
Operating charges	(0.96)	(0.90)	(0.84)
Return after operating charges*	20.50	7.54	11.29
Distributions**	(2.85)	(2.53)	(2.05)
Closing net asset value	114.33	96.68	91.67
*after direct transaction costs of	(0.04)	(0.10)	(0.05)
Performance			
Return after charges (%)	21.20	8.23	13.70
Other information			
Closing net asset value (£000's)	39,298	33,528	30,322
Closing number of shares	34,373,664	34,679,641	33,078,925
Operating charges (%)	0.92	0.94	0.94
Direct transaction costs (%)***	0.04	0.10	0.05
Prices			
Highest dealing price	118.00p	102.10p	94.06p
Lowest dealing price	88.27p	88.56p	83.95p

** 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.

1 Q Accumulation shares launched on 19 February 2025.

2 Q Income shares launched on 28 April 2025.

3 W Accumulation shares launched on 18 December 2024.

4 W Income shares launched on 28 April 2025.

The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share 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 Authorised Corporate Director fee, Registrar fees, Safe custody fees, Depositary's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are shares 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 31.12.25	Market Value £000's	% of net assets
Equities 98.50% (94.95%)			
Belgium 0.00% (1.60%)			
Brazil 2.24% (0.00%)			
Ambev	12,279,439	23,091	2.24
		23,091	2.24
Cayman Islands 3.05% (3.47%)			
Autohome ADR	587,826	9,628	0.93
Baidu	1,737,600	21,825	2.12
		31,453	3.05
China 1.02% (1.12%)			
Anhui Conch Cement	5,014,500	10,576	1.02
		10,576	1.02
France 8.79% (5.95%)			
BNP Paribas	258,309	18,222	1.76
Carrefour	1,233,556	15,316	1.48
Kering	58,787	15,451	1.50
Sanofi	273,914	19,784	1.92
Societe Generale	366,705	22,004	2.13
		90,777	8.79
Germany 9.68% (6.50%)			
Aumovio	500,068	18,723	1.81
BASF	412,524	16,040	1.55
Bayer	429,488	13,866	1.34
Continental	298,161	17,693	1.72
Puma	1,098,990	21,226	2.06
Volkswagen Preference	136,166	12,383	1.20
		99,931	9.68
Italy 1.86% (1.62%)			
Eni	1,360,779	19,177	1.86
		19,177	1.86
Japan 12.73% (13.89%)			
Dentsu Group	1,161,000	18,305	1.77
H.U. Group Holdings	682,900	10,932	1.06
Kose	612,600	15,223	1.47
Medipal Holdings	1,264,700	16,574	1.61
Nikon	1,615,900	13,367	1.30
Nippon Television Holdings	1,026,100	18,519	1.79
Rohm	1,592,600	16,766	1.62
Tokai Rika	1,477,200	21,755	2.11
		131,441	12.73
Jersey 3.05% (1.75%)			
Aptiv	282,768	16,045	1.55

	Holding at 31.12.25	Market Value £000's	% of net assets
WPP	4,574,948	15,440	1.50
		31,485	3.05
Luxembourg 2.73% (0.00%)			
SES ADR	2,224,323	10,634	1.03
Ternium ADR	619,155	17,515	1.70
		28,149	2.73
Netherlands 2.89% (3.45%)			
Koninklijke Ahold Delhaize	530,175	16,142	1.56
LyondellBasell Industries	424,144	13,676	1.33
		29,818	2.89
Russia 0.00% (0.00%)			
Alrosa^	17,451,635	0	0.00
		0	0.00
South Africa 0.00% (1.10%)			
South Korea 5.80% (2.97%)			
Hankook Tire & Technology	730,607	21,983	2.13
KB Financial Group	288,782	18,585	1.80
Shinhan Financial Group	487,450	19,321	1.87
		59,889	5.80
Spain 2.21% (1.75%)			
Repsol	1,643,597	22,854	2.21
		22,854	2.21
Switzerland 3.14% (3.63%)			
Adecco Group	606,691	13,163	1.28
Swatch Group	121,869	19,242	1.86
		32,405	3.14
United Kingdom 12.05% (18.62%)			
Anglo American	565,149	17,424	1.69
BT Group	10,040,897	18,480	1.79
GSK	1,696,215	30,947	3.00
Standard Chartered	1,719,812	31,318	3.03
Vodafone Group	26,500,314	26,204	2.54
		124,373	12.05
United States of America 27.26% (27.53%)			
Bristol-Myers Squibb	613,451	24,747	2.40
Halliburton	1,130,124	23,778	2.30
Hewlett Packard Enterprise	984,821	17,580	1.70
John Wiley & Sons	547,467	12,495	1.21
Kraft Heinz	980,408	17,727	1.72
Lear	178,309	15,151	1.47
Macy's	1,100,542	17,960	1.74
ManpowerGroup	700,500	15,639	1.52

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets
Mohawk Industries	257,580	20,989	2.03
Molson Coors Beverage	667,300	23,223	2.25
Pfizer	1,133,810	21,040	2.04
Sally Beauty Holdings	1,605,411	17,128	1.66
Stanley Black & Decker	354,242	19,637	1.90
Verizon Communications	561,677	17,071	1.65
Western Union	2,488,837	17,227	1.67
		281,392	27.26
Equities total		1,016,811	98.50

	Holding at 31.12.25	Market Value £000's	% of net assets
Collective Investment Schemes 1.15% (0.87%)			
Global Emerging Markets Equity Funds 1.15% (0.87%)			
Schroder Emerging Markets Value Fund Class Z Accumulation GBP	8,400,000	5,981	0.58
Schroder ISF Emerging Markets Value Fund Class I Accumulation USD	28,861	5,909	0.57
		11,890	1.15
Collective Investment Schemes total		11,890	1.15
Portfolio of investments		1,028,701	99.65
Net other assets		3,662	0.35
Net assets attributable to shareholders		1,032,363	100.00

The comparative percentage figures in brackets are as at 31 December 2024.

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

^ Unlisted, suspended or delisted security.

Statement of Total Return

For the year ended 31 December 2025

		2025	2024
	Notes	£000's	£000's
Income			
Net capital gains	2	167,650	42,158
Revenue	3	40,189	33,573
Expenses	4	(7,723)	(6,925)
Net revenue before taxation		32,466	26,648
Taxation	5	(3,760)	(3,518)
Net revenue after taxation		28,706	23,130
Total return before distributions		196,356	65,288
Distributions	6	(28,666)	(23,130)
Change in net assets attributable to shareholders from investment activities		167,690	42,158

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2025

	2025	2024
	£000's	£000's
Opening net assets attributable to shareholders	971,992	622,043
Amounts receivable on issue of shares	249,608	379,614
Amounts payable on cancellation of shares	(372,247)	(87,113)
	(122,639)	292,501
Dilution adjustment	448	251
Change in net assets attributable to shareholders from investment activities	167,690	42,158
Retained distribution on Accumulation shares	14,872	15,039
Closing net assets attributable to shareholders	1,032,363	971,992

Balance Sheet

As at 31 December 2025

		2025	2024
	Notes	£000's	£000's
Assets			
Investments		1,028,701	931,376
Current assets			
Debtors	8	4,061	4,310
Cash and bank balances		12,390	47,535
Total assets		1,045,152	983,221
Liabilities			
Creditors			
Distributions payable		(11,366)	(10,536)
Other creditors	9	(1,423)	(693)
Total liabilities		(12,789)	(11,229)
Net assets attributable to shareholders		1,032,363	971,992

Notes to the Accounts

For the year ended 31 December 2025

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by Schroder Global Recovery Fund are disclosed on pages 9 to 10.

2 Net capital gains

The net capital gains during the year comprise:

	2025	2024
	£000's	£000's
Non-derivative securities	167,549	42,272
Forward foreign currency contracts	62	179
Foreign currency gains/(losses)	39	(293)
Net capital gains	167,650	42,158

3 Revenue

	2025	2024
	£000's	£000's
UK dividends	4,908	6,038
Overseas dividends	33,958	26,357
Franked distributions	445	382
Bank interest	877	795
Annual management charge rebates	1	1
Total revenue	40,189	33,573

4 Expenses

	2025	2024
	£000's	£000's
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Schroders Annual Charge ¹	7,715	6,925
Other expenses:		
Interest payable	8	-
Total expenses	7,723	6,925

¹ Audit fees including VAT for the year were £8,848 (2024 – £8,848).

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

	2025	2024
	£000's	£000's
Overseas withholding tax	3,760	3,518
Total current tax (Note 5(b))	3,760	3,518

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for Open Ended Investment Companies of 20% (2024 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2025 £000's	2024 £000's
Net revenue before taxation	32,466	26,648
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	6,493	5,330
Effects of:		
Revenue not subject to corporation tax	(7,862)	(6,556)
Movement in excess management expenses	1,369	1,226
Overseas withholding tax	3,760	3,518
Total tax charge for the year (Note 5(a))	3,760	3,518

(c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £5,226,423 (2024 – £3,857,442) in respect of £26,132,115 (2024 – £19,287,212) 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 shares and revenue deducted on the cancellation of shares, and comprise:

	2025 £000's	2024 £000's
Quarterly Dividend distribution	196	229
Interim Dividend distribution	326	214
Quarterly Dividend distribution	173	347
Final Dividend distribution	26,238	25,575
	26,933	26,365
Add: Revenue deducted on cancellation of shares	6,327	1,222
Deduct: Revenue received on issue of shares	(4,594)	(4,457)
Distributions	28,666	23,130
Net revenue after taxation	28,706	23,130
Equalisation on conversions	(40)	–
Distributions	28,666	23,130

Details of the distributions per share are set out in the Distribution Tables on pages 121 to 123.

7 Fair value hierarchy

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

	2025		2024	
Basis of valuation	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	1,016,811	–	922,871	–
Level 2: Observable market data	11,890	–	8,505	–
Level 3: Unobservable data	–	–	–	–
Total	1,028,701	–	931,376	–

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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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 Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director with particular attention paid to the carrying value of the investments.

8 Debtors

	2025	2024
	£000's	£000's
Amounts receivable for issue of shares	1,294	1,562
Accrued revenue	1,962	1,787
Overseas withholding tax recoverable	805	961
Total debtors	4,061	4,310

9 Other creditors

	2025	2024
	£000's	£000's
Amounts payable for cancellation of shares	184	4
Accrued expenses	1,239	689
Total other creditors	1,423	693

10 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2024 – Nil).

11 Related party transactions

The Authorised Corporate Director provides key management personnel services for the Fund and is therefore considered a related party.

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

Annual management charge rebates received or receivable from the Authorised Corporate Director of £1,007 (2024 – £1,151) are disclosed under Revenue in the Notes to the Accounts.

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

Shares held or managed by the Authorised Corporate Director as a percentage of the Fund's net asset value at the balance sheet date were 0.00% (2024 – 0.00%).

12 Share classes

At the reporting date the Fund had eleven share classes. The costs and expenses due to the Manager are referred to as the Schroders Annual Charge. Details of the charges applied to each share class can be found in the prospectus.

The closing net asset value of each share class, the closing net asset value per share and the closing number of shares in issue are given in the Comparative Table on pages 107 to 111.

The distributions per share class are given in the Distribution Tables on pages 121 to 123.

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 Authorised Corporate Director'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 Authorised Corporate Director in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £102,870,100 (2024 - £93,137,600).

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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 Authorised Corporate Director 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	2025 £000's	2024 £000's
Brazilian real	23,472	–
Euro	260,348	189,914
Hong Kong dollar	32,401	35,430
Japanese yen	131,624	135,382
South African rand	–	10,652
South Korean won	59,889	28,908
Sterling	147,104	240,978
Swiss franc	32,405	35,289
US dollar	345,120	295,439

At the year end date, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £88,525,900 (2024 - £73,101,400).

Liquidity risk

The primary source of this risk to the Fund is the liability to shareholders for any cancellation of shares. 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 1.20% (2024 – 4.89%) 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 and bank overdrafts bear interest at rates based on the Sterling Overnight Index Average Rate. Foreign currency bank balances bear interest at rates based on the Sterling Overnight Index Average 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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Global risk exposure

Commitment approach

When using derivatives, the Authorised Corporate Director 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.

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 31 December 2025 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

2025				2024			
Lowest	Highest	Average	Leverage 31 December	Lowest	Highest	Average	Leverage 31 December
0.00%	2.77%	0.11%	0.00%	0.00%	5.13%	0.33%	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.

2025	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	445,009	196	326	445,531	0.04	0.07
Sales						
Equities	516,496	(223)	(74)	516,199	(0.04)	(0.01)
Total cost as a percentage of the Fund's average net asset value (%)		0.04	0.04			

2024	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	641,053	216	663	641,932	0.03	0.10
Funds	4,200	-	-	4,200	-	-
	645,253	216	663	646,132		
Sales						
Equities	362,123	(126)	(81)	361,916	(0.03)	(0.02)
Funds	4,034	-	-	4,034	-	-
	366,157	(126)	(81)	365,950		
Total cost as a percentage of the Fund's average net asset value (%)		0.04	0.09			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.17% (2024 – 0.15%).

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 31 December 2025 (continued)

15 Shares in issue reconciliation

	Number of shares in issue 31.12.24	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 31.12.25
L Accumulation shares	200,809,084	34,567,753	(103,292,199)	(43,129,276)	88,955,362
L Income shares	119,265,221	7,256,898	(31,269,655)	(8,743,663)	86,508,801
Q Accumulation shares	–	227,969,851	(24,498,847)	107,083,847	310,554,851
Q Income shares	–	16,592,986	(2,444)	30,434	16,620,976
S Income shares	284,341,560	596,293	(4,747,293)	–	280,190,560
W Accumulation shares	3,000	33,473,516	(1,947,104)	–	31,529,412
W Income shares	–	23,366,083	(1,177,711)	17,250,627	39,438,999
X Accumulation shares	2,000	–	–	–	2,000
X Income shares	47,026,543	–	(15,083,180)	–	31,943,363
Z Accumulation shares	299,698,177	26,304,947	(137,623,074)	(806,646)	187,573,404
Z Income shares	34,679,641	3,179,225	(3,195,847)	(289,355)	34,373,664

Distribution Tables

Quarterly distribution for the three months ended 31 March 2025

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.5.25 per share	Distribution paid 31.5.24 per share
X Income shares				
Group 1	0.4759p	–	0.4759p	0.4629p
Group 2	0.4759p	–	0.4759p	0.4629p

Interim distribution for the three months ended 30 June 2025

Group 1 Shares purchased prior to 1 April 2025

Group 2 Shares purchased on or after 1 April 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.8.25 per share	Distribution paid 31.8.24 per share
X Income shares				
Group 1	0.7969p	–	0.7969p	0.7237p
Group 2	0.7969p	–	0.7969p	0.7237p

Quarterly distribution for the three months ended 30 September 2025

Group 1 Shares purchased prior to 1 July 2025

Group 2 Shares purchased on or after 1 July 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 30.11.25 per share	Distribution paid 30.11.24 per share
X Income shares				
Group 1	0.4339p	–	0.4339p	0.4518p
Group 2	0.4339p	–	0.4339p	0.4518p

Final distribution for the three months ended 31 December 2025

Group 1 Shares purchased prior to 1 October 2025

Group 2 Shares purchased on or after 1 October 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
X Income shares				
Group 1	0.5115p	–	0.5115p	0.3612p
Group 2	0.5115p	–	0.5115p	0.3612p

Distribution Tables

(continued)

Final distribution for the year ended 31 December 2025

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
L Accumulation shares				
Group 1	3.5293p	–	3.5293p	3.0633p
Group 2	1.7469p	1.7824p	3.5293p	3.0633p
L Income shares				
Group 1	2.9231p	–	2.9231p	2.6037p
Group 2	1.5891p	1.3340p	2.9231p	2.6037p
S Income shares				
Group 1	2.5038p	–	2.5038p	2.2446p
Group 2	1.1484p	1.3554p	2.5038p	2.2446p
W Accumulation shares				
Group 1	1.6406p	–	1.6406p	0.0573p
Group 2	0.9325p	0.7081p	1.6406p	0.0573p
X Accumulation shares				
Group 1	3.2585p	–	3.2585p	2.8580p
Group 2	3.2585p	–	3.2585p	2.8580p
Z Accumulation shares				
Group 1	3.4177p	–	3.4177p	2.9654p
Group 2	1.6649p	1.7528p	3.4177p	2.9654p
Z Income shares				
Group 1	2.8462p	–	2.8462p	2.5327p
Group 2	1.2695p	1.5767p	2.8462p	2.5327p

Final distribution for the period ended 31 December 2025

Group 1 Shares purchased on 19 February 2025

Group 2 Shares purchased on or after 19 February 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share
Q Accumulation shares			
Group 1	1.5471p	–	1.5471p
Group 2	0.2710p	1.2761p	1.5471p

Distribution Tables

(continued)

Final distribution for the period ended 31 December 2025

Group 1 Shares purchased on 28 April 2025

Group 2 Shares purchased on or after 28 April 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share
Q Income shares			
Group 1	1.2540p	–	1.2540p
Group 2	0.2068p	1.0472p	1.2540p
W Income shares			
Group 1	1.1966p	–	1.1966p
Group 2	0.4787p	0.7179p	1.1966p

Equalisation

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

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

Schroder Global Sustainable Food and Water Fund

Fund Information

Investment objective and policy

Schroder Global Sustainable Food and Water Fund (the 'Fund') aims to provide capital growth by investing in equity and equity related securities of companies worldwide that the investment manager assesses as helping enable the world to meet the global need for food and water in a more sustainable way. These are companies that, through their activities linked to food and/or water, are assessed as providing a positive contribution to at least one of six key sustainability outcomes (food security; climate change and greenhouse gas emissions; biodiversity; water intensity and management; pollution and waste; and wellbeing and health). Such companies either (1) generate at least 50% of their revenue from such activities; or (2) meet the investment manager's criteria for performance of a 'critical role' in enabling the world to meet the global need for food and water in a more sustainable way.

The Fund is actively managed and invests at least 90% of its assets in a concentrated range of equity and equity related securities of companies worldwide that the investment manager assesses as helping enable the world to meet the global need for food and water in a more sustainable way. The investment manager takes into account both outputs (producing enough food and water) and the processes (producing the food and water in a way that can be sustained) of a company.

A company is considered to be sustainable if the investment manager determines that it makes a positive contribution to at least one the following outcomes:

- food security – includes companies in the food supply chain that provide or produce affordable food, or enable its production through the more efficient use of resources (such as land) through the application of technology. Relevant activities may include agricultural inputs and equipment; food technologies which enable more efficient food production; efficient food distribution systems; and food retail.
- climate change and greenhouse gas (GHG) emissions– includes companies that enable the reduction of GHG emissions, or GHG emission intensity, of the food and water system.
- biodiversity – includes companies encouraging the protection, preservation, restoration and sustainable use of diverse species of flora and fauna in various ecosystems, through their products, operations or sourcing policies. Relevant activities may include regenerative agriculture; sustainable forestry management; zero-deforestation sourcing of commodities; the provision of low land intensity protein; and products that promote life below water.
- water intensity and management – includes companies involved in the efficient use, management, production, treatment and recycling of water in human economic activities such as agriculture, industry and consumer usage.
- pollution and waste – includes companies involved in the prevention, reduction, collection and treatment of pollutants and waste materials. Relevant activities may include technology that enables the use of waste streams; technologies that reduce the risk of food waste from pests; the efficient production and processing of food and beverages; the efficient transportation and distribution of food and water; offering sustainable packaging for food and beverages; and managing food and packaging waste.
- wellbeing and health – includes companies involved in the provision, innovation, and promotion of products that are nutritionally healthy, and deemed necessary for human physical, mental, and social health.

A company can demonstrate this by either:

- generating at least 50% of its revenue from activities that provide a positive contribution to at least one of six key sustainability outcomes, based on revenue data from a third-party provider or the company itself; or
- meeting the investment manager's criteria for performance of a 'critical role' in enabling the world to meet the global need for food and water in a more sustainable way. This is a holistic assessment that takes into account market share and capital expenditure and operating expenditure associated with enabling the world to meet the global need for food and water in a more sustainable way. This is typically relevant, for example, where a company is one of the largest and/or one of the most important participants in a particular sustainable industry. Particularly, if that industry is relatively small and the company also has much wider operations, meaning it may be generating more significant revenue from other areas of its business. No more than 15% of the Fund's assets invested in such companies may contribute to the minimum 90% referred to above.
- The investment manager's assessment of whether a company plays a 'critical role' is reviewed by Schroders' Sustainable Investment Panel (the Panel), which is independent from the investment team, with representatives from Schroders' Sustainable Investment, Legal, Investment Risk, Compliance and Product teams. In order to maintain a consistent and systematic process, each Panel review is based on a set of key questions and considerations, to determine whether there is a positive contribution to one of the six key outcomes identified in the sustainability objective (based on factors such as whether the relevant activity is a material part of the company's business and the size of the benefit). The Panel also assesses what evidence has been provided to support this, and whether it is robust. The evidence provided could include, for example, the output of Schroders' systematic models, evidence from independent academic or industry studies and sustainability data published by companies or third party data providers.

Please see "What is the investment manager's approach to sustainability?" in the Prospectus for more details on how the investment manager assesses sustainability and why the investment manager has determined that this approach is an appropriate way to identify companies that are sustainable.

The Fund is not permitted to invest in any assets that conflict with the sustainability objective. Please see "What will the investment manager avoid investing in?" in the Prospectus for more details.

The investment manager also engages with selected companies held by the Fund on sustainability issues. Please see "How does the investment manager engage with the investments it holds to support their contribution to the Funds sustainability objective?" in the Prospectus for more details.

The Fund typically holds 35 to 60 companies.

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

With effect from 17 March 2025 the Fund's Investment objective and policy changed, previously it was:

The Fund aims to provide capital growth by investing in equity and equity related securities of companies worldwide which help the transition towards the sustainable provision of food and water and which meet the Investment Manager's sustainability criteria.

The Fund is actively managed and invests at least 80% of its assets in a concentrated range of equity and equity related securities of companies worldwide involved in the provision of sustainable food and water activities. Such companies will either (a) generate at least 50% of their revenue from food and water activities (including in the areas of water management, agricultural equipment, agricultural inputs, food production, processing, packaging and distribution, food and water retail and recycling); or (b) play critical roles in the transition towards the sustainable provision of food and water, and be increasing their exposure to such activities, provided that no more than 5% of the Fund's assets invested in companies falling under (b) may contribute to the minimum 80%.

At least 80% of the Fund's assets will meet the Investment Manager's sustainability criteria (please see the Fund Characteristics section of the Prospectus for more details).

The Fund typically holds 35 to 60 companies.

The Fund does not directly invest in certain activities, industries or groups of issuers above the limits listed under "Sustainability Information" on the Fund's webpage, accessed via www.schroders.com/en/uk/private-investor/gfc.

The Investment Manager may also engage with companies held by the Fund to challenge identified areas of weakness on sustainability issues. More details

Schroder Global Sustainable Food and Water Fund

Fund Information (continued)

on the Investment Manager's approach to sustainability and its engagement with companies are available on the website <https://www.schroders.com/en/uk/private-investor/strategic-capabilities/sustainability/>.

The Fund may also invest directly or indirectly in other securities (including 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 or managing the Fund more efficiently (for more information please refer to Appendix 2. Section 10: Derivatives and Forwards of the Prospectus).

Fund characteristics

The Fund does not have a target benchmark. The Fund's performance should be compared against the MSCI All Country World (Net Total Return) Index (GBP). The comparator benchmark has been selected because the Investment Adviser and the ACD believe that the benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy.

Significant events

With effect from 17 March 2025, the Sustainability Focus SDR label was applied to the Fund.

Review of Investment Activities

From 31 December 2024 to 31 December 2025, the price of Z Accumulation shares on a dealing price basis rose by 4.9%. In comparison, the MSCI All Country World Index generated a net total return of 13.9%¹.

In 2025, the sustainable food and water sector navigated a complex backdrop marked by disinflation, ongoing geopolitical uncertainty, and climate-driven volatility, resulting in a year where investors increasingly differentiated between resilient business models and those exposed to cyclical pressures. Against this environment, the Fund lagged broader global equities, which were supported by continued strength in large-cap growth. Volatility was particularly acute in the aftermath of the April “liberation day” tariff announcements, though longer-term sector fundamentals remained supported by policy aimed at food security, water-infrastructure renewal, and the premium placed on productivity-enhancing inputs and efficiency solutions.

The operating environment was shaped by three intersecting forces: easing input-cost pressure as disinflation took hold, intensifying climate volatility affecting agricultural and water systems, and continued policy support for investment in water treatment, leakage reduction and upgraded distribution networks. Farmer economics stabilised as crop prices moderated and fertiliser markets moved toward balanced supply-demand conditions. Agricultural equipment markets deteriorated as dealer destocking and tariff uncertainty weighed on volumes. In proteins and food technology, the anticipated consumer recovery failed to materialise, weighing on packaging, food ingredients and branded food producers, while food retail benefitted from strengthened own brand offerings. Water infrastructure provided a comparatively stable demand backdrop, underpinned by ageing municipal networks and tightening regulation. In this environment, returns were primarily driven by company-specific factors such as margin delivery, evidence of demand resilience and credible capital allocation.

In 2025, the largest positive contributors came from fertilisers and agricultural inputs, proteins, and water infrastructure. Companies such as Nutrien and Yara benefitted from tighter potash, nitrogen, and phosphate markets. Proteins and food production also contributed to return driven by aquaculture operators like Mowi. Water infrastructure delivered steady contributions aided by strong demand for advanced treatment, monitoring and municipal investment. These areas offered diversification relative to rate-sensitive growth exposures and reflected the Fund’s focus on high-quality businesses with visible earnings and strong balance sheets.

Conversely, the main detractors were in packaging and food technology, where weaker volumes, cost pressures, and integration challenges weighed on performance. Sustainable packaging names such as Graphic Packaging and Smurfit Westrock suffered from soft volumes, pricing pressure, and capital-intensive integration programmes. Food-technology names including DSM-Firmenich and Ingredion also detracted.

The year marked an important turning point, with stabilising farmer economics, supportive long-cycle water investment, and innovation across proteins, inputs, and supply-chain resilience reinforcing the long-term investment case. Looking ahead, structural demand drivers for sustainable food and water remain robust: population growth, shifting dietary patterns, climate-driven resource stress and policy-backed investment in water systems continue to support the need for productivity, efficiency and resilience across the value chain. While macro uncertainty persists and agricultural equipment remains in a prolonged downcycle, the expected recovery in farmer margins, tight fertiliser markets, improving aquaculture dynamics, and undemanding valuations position the Fund well to participate in earnings normalisation. High free-cash-flow yields, combined with disciplined capital allocation and exposure to under-owned, structurally important sectors, suggest a promising outlook for 2026.

¹ Source: Morningstar.

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.

Fund Manager:
Mark Lacey



Mark Lacey joined Schroders in 2013
Head of Resource Equities - Global Thematics
Portfolio Manager of Global Energy, Global Energy Transition and Global Sustainable Food and Water strategies
Formerly portfolio manager of Investec Global Energy funds
Formerly head of global energy at Goldman Sachs
Was previously ranked as #1 energy investment specialist in Thompson Exel survey
Career commenced in 1996 at Credit Suisse Asset Management, managing gold and resource equity funds

Fund Manager:
Felix Odey



Felix Odey is a Portfolio Manager at Schroders working on the Global Resource Equities Team
He joined Schroders in 2016 as a graduate, following summer work placements with Egerton Capital
Felix initially started working in the Schroders’ Sustainable Investment Team, before joining the investment team in 2017

Fund Manager:
Alexander Monk



Alexander Monk joined Schroders in 2016
Portfolio Manager – Resource Equities – Global Thematics
Portfolio Manager of the Global Energy, Global Energy Transition and Global Sustainable Food and Water strategies
Alexander was a Sustainable Investment Analyst at Schroders from 2016 to 2018, which involved analysing sustainability risks and opportunities associated with companies in the utilities and telecommunications sectors
Qualifications: MSc in Environmental Policy and Regulation from the London School of Economics and Political Science (LSE); BA in Geography from Oxford University

Risk Profile

Risk and reward indicator



The risk category was calculated using simulated 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 6 to 5 with effect from 16 September 2025 for all share classes.

For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com/en-gb/uk/individual/Fund-centre/.

Comparative Table

Financial year to 31 December	L Accumulation shares			L Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	46.14	50.27	50.00	45.00	50.06	50.00
Return before operating charges*	2.72	(3.70)	0.71	2.64	(3.65)	0.71
Operating charges	(0.42)	(0.43)	(0.44)	(0.40)	(0.43)	(0.44)
Return after operating charges*	2.30	(4.13)	0.27	2.24	(4.08)	0.27
Distributions**	(0.99)	(0.97)	(0.21)	(0.97)	(0.98)	(0.21)
Retained distributions**	0.99	0.97	0.21	-	-	-
Closing net asset value	48.44	46.14	50.27	46.27	45.00	50.06
*after direct transaction costs of	(0.03)	(0.01)	(0.09)	(0.03)	(0.01)	(0.09)
Performance						
Return after charges (%)	4.98	(8.22)	0.54	4.98	(8.15)	0.54
Other information						
Closing net asset value (£000's)	2	1	2	1	2	2
Closing number of shares	3,000	3,000	3,000	3,000	3,000	3,000
Operating charges (%)	0.88	0.88	0.88	0.88	0.88	0.88
Direct transaction costs (%)***	0.07	0.02	0.18	0.07	0.02	0.18
Prices						
Highest dealing price	49.67p	51.96p	52.24p	48.06p	51.75p	52.23p
Lowest dealing price	41.39p	45.57p	46.98p	40.37p	44.71p	46.98p

Comparative Table

(continued)

Financial year to 31 December	Q1 Accumulation shares			Q1 Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	46.24	50.31	50.00	45.01	50.05	50.00
Return before operating charges*	2.67	(3.73)	0.66	2.59	(3.66)	0.66
Operating charges	(0.33)	(0.34)	(0.35)	(0.32)	(0.34)	(0.35)
Return after operating charges*	2.34	(4.07)	0.31	2.27	(4.00)	0.31
Distributions**	(1.02)	(1.03)	(0.24)	(1.01)	(1.04)	(0.26)
Retained distributions**	1.02	1.03	0.24	-	-	-
Closing net asset value	48.58	46.24	50.31	46.27	45.01	50.05
*after direct transaction costs of	(0.03)	(0.01)	(0.09)	(0.03)	(0.01)	(0.09)
Performance						
Return after charges (%)	5.06	(8.09)	0.62	5.04	(7.99)	0.62
Other information						
Closing net asset value (£000's)	2	1	2	4	1,956	4,839
Closing number of shares	3,000	3,000	3,000	8,161	4,344,964	9,667,454
Operating charges (%)	0.70	0.70	0.70	0.70	0.70	0.70
Direct transaction costs (%)***	0.07	0.02	0.18	0.07	0.02	0.18
Prices						
Highest dealing price	49.80p	52.02p	52.25p	48.07p	51.77p	52.25p
Lowest dealing price	41.47p	45.66p	47.00p	40.38p	44.74p	47.01p

Comparative Table

(continued)

Financial year to 31 December	S Accumulation shares			S Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	46.37	50.35	50.00	45.02	50.06	50.00
Return before operating charges*	2.72	(3.70)	0.64	2.62	(3.64)	0.64
Operating charges	(0.28)	(0.28)	(0.29)	(0.27)	(0.28)	(0.29)
Return after operating charges*	2.44	(3.98)	0.35	2.35	(3.92)	0.35
Distributions**	(1.12)	(1.13)	(0.29)	(1.08)	(1.12)	(0.29)
Retained distributions**	1.12	1.13	0.29	–	–	–
Closing net asset value	48.81	46.37	50.35	46.29	45.02	50.06
*after direct transaction costs of	(0.03)	(0.01)	(0.09)	(0.03)	(0.01)	(0.09)
Performance						
Return after charges (%)	5.26	(7.90)	0.70	5.22	(7.83)	0.70
Other information						
Closing net asset value (£000's)	2	1	1	1	1	1
Closing number of shares	3,000	3,000	3,000	3,000	3,000	3,000
Operating charges (%)	0.58	0.58	0.58	0.58	0.58	0.58
Direct transaction costs (%)***	0.07	0.02	0.18	0.07	0.02	0.18
Prices						
Highest dealing price	50.03p	52.11p	52.26p	48.09p	51.81p	52.26p
Lowest dealing price	41.62p	45.79p	47.03p	40.41p	44.78p	47.03p

Comparative Table

(continued)

Financial year to 31 December	X Accumulation shares			Z Accumulation shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	46.63	50.45	50.00	46.11	50.26	50.00
Return before operating charges*	2.66	(3.81)	0.46	2.72	(3.69)	0.72
Operating charges	(0.01)	(0.01)	(0.01)	(0.44)	(0.46)	(0.46)
Return after operating charges*	2.65	(3.82)	0.45	2.28	(4.15)	0.26
Distributions**	(1.31)	(1.32)	(0.38)	(0.95)	(0.95)	(0.20)
Retained distributions**	1.31	1.32	0.38	0.95	0.95	0.20
Closing net asset value	49.28	46.63	50.45	48.39	46.11	50.26
*after direct transaction costs of	(0.03)	(0.01)	(0.09)	(0.03)	(0.01)	(0.09)
Performance						
Return after charges (%)	5.68	(7.57)	0.90	4.94	(8.26)	0.52
Other information						
Closing net asset value (£000's)	20,335	20,961	36,426	5	10	9
Closing number of shares	41,267,337	44,951,573	72,205,516	11,087	22,305	18,731
Operating charges (%)	0.03	0.03	0.03	0.95	0.95	0.95
Direct transaction costs (%)***	0.07	0.02	0.18	0.07	0.02	0.18
Prices						
Highest dealing price	50.47p	52.28p	52.28p	49.61p	51.94p	52.24p
Lowest dealing price	41.90p	46.05p	47.09p	41.35p	45.55p	46.97p

Comparative Table (continued)

Financial year to 31 December	Z Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value			
Opening net asset value	45.02	50.06	50.00
Return before operating charges*	2.62	(3.66)	0.73
Operating charges	(0.44)	(0.46)	(0.47)
Return after operating charges*	2.18	(4.12)	0.26
Distributions**	(0.91)	(0.92)	(0.20)
Closing net asset value	46.29	45.02	50.06
*after direct transaction costs of	(0.03)	(0.01)	(0.09)
Performance			
Return after charges (%)	4.84	(8.23)	0.52
Other information			
Closing net asset value (£000's)	3	2	2
Closing number of shares	7,339	3,036	3,000
Operating charges (%)	0.95	0.95	0.95
Direct transaction costs (%)***	0.07	0.02	0.18
Prices			
Highest dealing price	48.08p	51.73p	52.24p
Lowest dealing price	40.37p	44.70p	46.97p

The Fund launched on 30 June 2023.

** 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 share 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 Authorised Corporate Director fee, Registrar fees, Safe custody fees, Depositary's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are shares 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 31.12.25	Market Value £000's	% of net assets
Equities 96.97% (97.90%)			
Canada 6.01% (6.76%)			
Ag Growth International	13,230	168	0.83
Jamieson Wellness	17,196	314	1.54
Nutrien	16,197	742	3.64
		1,224	6.01
Cayman Islands 0.00% (1.18%)			
Denmark 3.56% (2.13%)			
Schouw	9,428	725	3.56
		725	3.56
Faroe Islands 1.67% (0.00%)			
Bakkafrost	8,896	339	1.67
		339	1.67
Finland 3.48% (3.99%)			
Kemira	41,472	708	3.48
		708	3.48
France 3.76% (4.69%)			
Carrefour	61,705	766	3.76
		766	3.76
Germany 3.40% (5.97%)			
Evonik Industries	29,309	341	1.68
KWS Saat	5,876	351	1.72
		692	3.40
Iceland 0.00% (1.11%)			
Ireland 9.22% (9.11%)			
Glanbia	49,995	637	3.13
Kerry Group	9,444	641	3.15
Smurfit WestRock	20,947	599	2.94
		1,877	9.22
Japan 1.77% (1.88%)			
METAWATER	22,500	359	1.77
		359	1.77
Mauritius 1.85% (1.66%)			
Golden Agri-Resources	2,330,800	377	1.85
		377	1.85
Mexico 0.63% (0.64%)			
Orbia Advance	200,926	128	0.63
		128	0.63
Netherlands 2.10% (1.40%)			
CNH Industrial	31,642	219	1.07
NX Filtration	86,644	209	1.03
		428	2.10

	Holding at 31.12.25	Market Value £000's	% of net assets
Norway 16.41% (12.08%)			
Leroy Seafood Group	173,120	647	3.18
Mowi	54,037	968	4.75
Salmar	13,134	598	2.94
TOMRA Systems	49,532	494	2.43
Yara International	20,776	634	3.11
		3,341	16.41
Singapore 2.37% (2.47%)			
First Resources	401,800	483	2.37
		483	2.37
Sweden 2.00% (3.71%)			
Husqvarna	108,400	406	2.00
		406	2.00
Switzerland 5.96% (4.42%)			
Bunge Global	5,463	364	1.79
DSM-Firmenich	10,714	643	3.16
SGS	2,418	206	1.01
		1,213	5.96
United Kingdom 10.80% (10.07%)			
Bunzl	16,104	334	1.64
J Sainsbury	199,810	649	3.19
Marks & Spencer Group	75,129	248	1.22
Mondi	41,174	374	1.83
Tesco	134,530	594	2.92
		2,199	10.80
United States of America 21.98% (24.63%)			
A O Smith	11,877	593	2.91
Advanced Drainage Systems	2,951	319	1.57
AGCO	6,304	492	2.42
American Vanguard	104,531	301	1.48
Darling Ingredients	23,561	633	3.11
Deere	532	185	0.91
Graphic Packaging Holding	41,087	463	2.28
Ingredion	8,197	673	3.31
Lindsay	3,404	298	1.46
Mosaic	17,444	314	1.54
Veralto	2,695	202	0.99
		4,473	21.98
Equities total		19,738	96.97
Portfolio of investments		19,738	96.97
Net other assets		617	3.03
Net assets attributable to shareholders		20,355	100.00

The comparative percentage figures in brackets are as at 31 December 2024.
Unless otherwise stated, all securities are admitted to official stock exchange listings.

Statement of Total Return

For the year ended 31 December 2025

		2025	2024
	Notes	£000's	£000's
Income			
Net capital gains/(losses)	2	700	(3,469)
Revenue	3	650	1,184
Expenses	4	(17)	(42)
Net revenue before taxation		633	1,142
Taxation	5	(52)	(99)
Net revenue after taxation		581	1,043
Total return before distributions		1,281	(2,426)
Distributions	6	(581)	(1,043)
Change in net assets attributable to shareholders from investment activities		700	(3,469)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2025

	2025	2024
	£000's	£000's
Opening net assets attributable to shareholders	22,935	41,284
Amounts receivable on issue of shares	100	589
Amounts payable on cancellation of shares	(3,926)	(16,330)
	(3,826)	(15,741)
Dilution adjustment	6	24
Change in net assets attributable to shareholders from investment activities	700	(3,469)
Retained distribution on Accumulation shares	540	837
Closing net assets attributable to shareholders	20,355	22,935

Balance Sheet

As at 31 December 2025

		2025	2024
	Notes	£000's	£000's
Assets			
Investments		19,738	22,454
Current assets			
Debtors	8	76	56
Cash and bank balances		544	443
Total assets		20,358	22,953
Liabilities			
Creditors			
Distributions payable		-	(12)
Other creditors	9	(3)	(6)
Total liabilities		(3)	(18)
Net assets attributable to shareholders		20,355	22,935

Notes to the Accounts

For the year ended 31 December 2025

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by Schroder Global Sustainable Food and Water Fund are disclosed on pages 9 to 10.

2 Net capital gains/(losses)

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

	2025	2024
	£000's	£000's
Non-derivative securities	700	(3,494)
Derivative contracts	-	(1)
Forward foreign currency contracts	-	2
Foreign currency gains	-	24
Net capital gains/(losses)	700	(3,469)

3 Revenue

	2025	2024
	£000's	£000's
UK dividends	111	176
Overseas dividends	512	946
Bank interest	27	62
Total revenue	650	1,184

4 Expenses

	2025	2024
	£000's	£000's
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Schroders Annual Charge ¹	17	42
Total expenses	17	42

¹ Audit fees including VAT for the year were £8,848 (2024 – £8,848).

Notes to the Accounts

For the year ended 31 December 2025 (continued)

5 Taxation

(a) Analysis of the tax charge for the year

	2025 £000's	2024 £000's
Corporation tax	2	4
Overseas withholding tax	50	95
Total current tax (Note 5(b))	52	99

Corporation tax has been provided for at a rate of 20% (2024 – 20%).

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

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for Open Ended Investment Companies of 20% (2024 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2025 £000's	2024 £000's
Net revenue before taxation	633	1,142
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	127	228
Effects of:		
Revenue not subject to corporation tax	(125)	(224)
Overseas withholding tax	50	95
Movement in deferred tax for the year	-	-
Total tax charge for the year (Note 5(a))	52	99

6 Distributions

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

	2025 £000's	2024 £000's
Interim Dividend distribution	411	720
Final Dividend distribution	162	207
	573	927
Add: Revenue deducted on cancellation of shares	8	118
Deduct: Revenue received on issue of shares	-	(2)
Distributions	581	1,043

Details of the distributions per share are set out in the Distribution Tables on pages 141 to 142.

7 Fair value hierarchy

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

	2025		2024	
Basis of valuation	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	19,738	-	22,454	-
Level 2: Observable market data	-	-	-	-
Level 3: Unobservable data	-	-	-	-
Total	19,738	-	22,454	-

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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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 Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director with particular attention paid to the carrying value of the investments.

8 Debtors

	2025	2024
	£000's	£000's
Amounts receivable for issue of shares	1	–
Accrued revenue	7	3
Overseas withholding tax recoverable	68	53
Total debtors	76	56

9 Other creditors

	2025	2024
	£000's	£000's
Accrued expenses	1	2
Corporation tax payable	2	4
Total other creditors	3	6

10 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2024 – Nil).

11 Related party transactions

The Authorised Corporate Director provides key management personnel services for the Fund and is therefore considered a related party.

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

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

Shares held or managed by the Authorised Corporate Director as a percentage of the Fund's net asset value at the balance sheet date were 0.06% (2024 – 0.05%).

12 Share classes

At the reporting date the Fund had nine share classes. The costs and expenses due to the Manager are referred to as the Schroders Annual Charge. Details of the charges applied to each share class can be found in the prospectus.

The closing net asset value of each share class, the closing net asset value per share and the closing number of shares in issue are given in the Comparative Tables on pages 128 to 132.

The distributions per share class are given in the Distribution Tables on pages 141 to 142.

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, derivative, foreign currency, liquidity and interest rate risks. The Authorised Corporate Director's policies for managing these risks are summarised below and have been applied throughout the year.

Market price risk

The Fund's investment portfolio is exposed to market price fluctuations which are monitored by the Authorised Corporate Director in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £1,973,800 (2024 – £2,245,400).

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 Authorised Corporate Director 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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Currency risk profile

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

Currency	2025 £000's	2024 £000's
Canadian dollar	481	681
Danish krone	733	493
Euro	4,346	6,659
Japanese yen	359	431
Mexican peso	127	147
Norwegian krone	3,682	2,771
Singapore dollar	860	946
Sterling	3,345	2,789
Swedish krona	405	855
Swiss franc	206	-
US dollar	5,811	7,163

At the year end date, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £1,701,000 (2024 - £2,014,600).

Liquidity risk

The primary source of this risk to the Fund is the liability to shareholders for any cancellation of shares. 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.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of financial assets and financial liabilities at the balance sheet date was as follows:

Currency	2025				2024			
	Floating rate financial assets £000's	Fixed rate financial assets £000's	Financial assets not carrying interest £000's	Total £000's	Floating rate financial assets £000's	Fixed rate financial assets £000's	Financial assets not carrying interest £000's	Total £000's
Canadian dollar	-	-	481	481	-	-	681	681
Danish krone	-	-	733	733	-	-	493	493
Euro	-	-	4,346	4,346	-	-	6,659	6,659
Japanese yen	-	-	359	359	-	-	431	431
Mexican peso	-	-	127	127	-	-	147	147
Norwegian krone	-	-	3,682	3,682	-	-	2,771	2,771
Singapore dollar	-	-	860	860	-	-	946	946
Sterling	543	-	2,805	3,348	443	-	2,364	2,807
Swedish krona	-	-	405	405	-	-	855	855
Swiss franc	-	-	206	206	-	-	-	-
US dollar	1	-	5,810	5,811	-	-	7,163	7,163

Currency	2025				2024			
	Floating rate financial liabilities £000's	Fixed rate financial liabilities £000's	Financial liabilities not carrying interest £000's	Total £000's	Floating rate financial liabilities £000's	Fixed rate financial liabilities £000's	Financial liabilities not carrying interest £000's	Total £000's
Sterling	-	-	3	3	-	-	18	18

At the year end, if changes in interest rates resulted in a 10% increase or decrease in the net assets of the fund, then the net assets would increase or decrease by approximately £54,400 (2024 - £44,300).

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Floating rate financial assets and financial liabilities

Sterling denominated bank balances and bank overdrafts bear interest at rates based on the Sterling Overnight Index Average Rate. Foreign currency bank balances bear interest at rates based on the Sterling Overnight Index Average 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 Authorised Corporate Director 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.

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 31 December 2025 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

2025				2024			
Lowest	Highest	Average	Leverage 31 December	Lowest	Highest	Average	Leverage 31 December
0.00%	2.48%	0.09%	0.00%	0.00%	3.07%	0.10%	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.

2025	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	9,739	3	14	9,756	0.03	0.14
Sales						
Equities ¹	13,074	(4)	–	13,071	(0.03)	–
Corporate actions sale activity:						
Equities	71	–	–	71	–	–
	13,145	(4)	–	13,141		
Total cost as a percentage of the Fund's average net asset value (%)		0.03	0.07			

1 Excluding corporate actions

2024	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	14,380	4	19	14,403	0.03	0.13
Sales						
Equities	27,416	(9)	(2)	27,405	(0.03)	(0.01)
Total cost as a percentage of the Fund's average net asset value (%)		0.04	0.06			

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.21% (2024 – 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.

15 Shares in issue reconciliation

	Number of shares in issue 31.12.24	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 31.12.25
L Accumulation shares	3,000	–	–	–	3,000
L Income shares	3,000	–	–	–	3,000
Q1 Accumulation shares	3,000	–	–	–	3,000
Q1 Income shares	4,344,964	121,625	(4,458,428)	–	8,161
S Accumulation shares	3,000	–	–	–	3,000
S Income shares	3,000	–	–	–	3,000
X Accumulation shares	44,951,573	–	(3,684,236)	–	41,267,337
Z Accumulation shares	22,305	91,050	(102,268)	–	11,087
Z Income shares	3,036	4,339	(36)	–	7,339

Distribution Tables

Interim distribution for the six months ended 30 June 2025

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.8.25 per share	Distribution paid 31.8.24 per share
L Accumulation shares				
Group 1	0.7640p	–	0.7640p	0.7103p
Group 2	0.7640p	–	0.7640p	0.7103p
L Income shares				
Group 1	0.7360p	–	0.7360p	0.7103p
Group 2	0.7360p	–	0.7360p	0.7103p
Q1 Accumulation shares				
Group 1	0.7756p	–	0.7756p	0.7460p
Group 2	0.7756p	–	0.7756p	0.7460p
Q1 Income shares				
Group 1	0.7644p	–	0.7644p	0.7504p
Group 2	0.5765p	0.1879p	0.7644p	0.7504p
S Accumulation shares				
Group 1	0.8213p	–	0.8213p	0.7966p
Group 2	0.8213p	–	0.8213p	0.7966p
S Income shares				
Group 1	0.7973p	–	0.7973p	0.7913p
Group 2	0.7973p	–	0.7973p	0.7913p
X Accumulation shares				
Group 1	0.9176p	–	0.9176p	0.8897p
Group 2	0.9176p	–	0.9176p	0.8897p
Z Accumulation shares				
Group 1	0.7367p	–	0.7367p	0.7051p
Group 2	0.6309p	0.1058p	0.7367p	0.7051p
Z Income shares				
Group 1	0.7157p	–	0.7157p	0.6927p
Group 2	0.3607p	0.3550p	0.7157p	0.6927p

Final distribution for the six months ended 31 December 2025

Group 1 Shares purchased prior to 1 July 2025

Group 2 Shares purchased on or after 1 July 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
L Accumulation shares				
Group 1	0.2220p	–	0.2220p	0.2606p
Group 2	0.2220p	–	0.2220p	0.2606p
L Income shares				
Group 1	0.2353p	–	0.2353p	0.2676p
Group 2	0.2353p	–	0.2353p	0.2676p

Distribution Tables

(continued)

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
Q1 Accumulation shares				
Group 1	0.2436p	–	0.2436p	0.2866p
Group 2	0.2436p	–	0.2436p	0.2866p
Q1 Income shares				
Group 1	0.2460p	–	0.2460p	0.2907p
Group 2	0.2460p	–	0.2460p	0.2907p
S Accumulation shares				
Group 1	0.2953p	–	0.2953p	0.3380p
Group 2	0.2953p	–	0.2953p	0.3380p
S Income shares				
Group 1	0.2780p	–	0.2780p	0.3293p
Group 2	0.2780p	–	0.2780p	0.3293p
X Accumulation shares				
Group 1	0.3915p	–	0.3915p	0.4316p
Group 2	0.3915p	–	0.3915p	0.4316p
Z Accumulation shares				
Group 1	0.2087p	–	0.2087p	0.2466p
Group 2	0.0290p	0.1797p	0.2087p	0.2466p
Z Income shares				
Group 1	0.1896p	–	0.1896p	0.2299p
Group 2	0.1181p	0.0715p	0.1896p	0.2299p

Equalisation

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

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

Schroder Global Sustainable Growth Fund

Fund Information

Investment objective and policy

Schroder Global Sustainable Growth Fund (the 'Fund') aims to provide capital growth in excess of the MSCI All Country World (Net Total Return) Index (after the deduction of fees) over any three to five year period by investing in equity and equity related securities of companies worldwide which the investment manager classifies as sustainable. These are companies that, through the way they are managed and/or the goods and services that they sell, make a positive contribution to the planet (the environment); and/or people (employee wellbeing; customer wellbeing; healthy, inclusive and connected communities; and/or effective and accountable institutions).

The Fund is actively managed and invests at least 80% of its assets in a concentrated portfolio of equity and equity related securities of companies worldwide. The Fund typically holds 30 to 50 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 or managing the Fund more efficiently (for more information please refer to Appendix 2 Section 6: Derivatives and Forwards of the Prospectus).

The Fund invests at least 70% of its portfolio in assets that the investment manager classifies as sustainable. A company is considered to be sustainable if it makes a positive contribution to:

- Planet. This includes contributions to the environment - such as reducing greenhouse gas (GHG) emissions, which helps slow down climate change. and/or
- People. This includes contributions to one or more of the following:
 - employee wellbeing - such as paying more than living wages or providing training to employees, which supports their professional development and prosperity.
 - customer wellbeing - such as developing new products and services that improve customers' quality of life, for example medical drugs, therapies, diagnostic tools and healthy food.
 - healthy, inclusive and connected communities - such as providing access to clean water and sanitation (which promotes good health).
 - effective and accountable institutions - such as promoting financial stability, which supports people's prosperity and financial security.

A company is classified as sustainable if it achieves a positivescore in Schroders' systematic model (SustainEx™).

SustainEx™ produces an assessment of the company's effect on a defined set of benefits and costs for people and the planet, which are then combined to calculate an overall sustainability score for the company. A company must achieve a positive score to be deemed sustainable. The model is based on in-depth internal research, which has included establishing the relevance of various factors to the sustainability outcomes referred to above.

In some exceptional cases, SustainEx™ does not provide a fair reflection of a company's contribution to people and/or the planet. The investment manager can refer such companies to Schroders' Sustainable Investment Panel (the Panel), an independent panel of experts. The Panel reviews additional robust evidence provided by the investment manager to determine whether, if such evidence was available to SustainEx™, the company would achieve a positive score. This could be relevant where SustainEx™ does not capture an area of positive contribution - such as where a company produces a particularly sustainable product whose importance to people or the planet is not fully captured by the company's overall score. Alternatively, it could be relevant where the investment manager is able to supply additional data to enhance a calculation - such as where a company does not publish details of employee salaries, but the investment manager is able to obtain or more accurately estimate this from other sources.

With effect from 17 March 2025 the Fund's Investment objective and policy changed, previously it was:

The Fund aims to provide capital growth in excess of the MSCI All Country World (Net Total Return) Index (after the deduction of fees) over any three to five year period by investing in equity and equity related securities of companies worldwide which meet the Investment Manager's sustainability criteria.

The Fund is actively managed and invests at least 80% of its assets in a concentrated portfolio of equity and equity related securities of companies worldwide which meet the Investment Manager's sustainability criteria (please see the Fund Characteristics section of the Prospectus for more details).

The Fund typically holds 30 to 50 companies.

The Fund only invests in companies that have good governance procedures, as determined by the Investment Manager's rating criteria (please see the Fund Characteristics section of the Prospectus for more details).

The Investment Manager also engages with companies held by the Fund to challenge identified areas of weakness on sustainability issues. More details on the Investment Manager's approach to sustainability and its engagement with companies are available on the website <https://www.schroders.com/en-gb/uk/individual/what-we-do/sustainable-investing/>.

The Fund does not directly invest in certain activities, industries or groups of issuers above the limits listed under "Sustainability Information" on the Fund's webpage, accessed via <https://www.schroders.com/en-gb/uk/individual/fund-centre/>.

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 or managing the Fund more efficiently (for more information please refer to Appendix 2 Section 10: Derivatives and Forwards of the Prospectus).

Fund characteristics

The Fund's performance should be assessed against its target benchmark, being to exceed the MSCI All Country World (Net Total Return) index. The Investment Manager invests on a discretionary basis and is not limited to investing in accordance with the composition of this 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.

Significant events

With effective from 17 February 2025, the Sustainability Focus SDR label was applied to the Fund.

Review of Investment Activities

From 31 December 2024 to 31 December 2025, the price of Z Accumulation shares on a dealing price basis rose by 7.0%. In the same period, the MSCI All Country World Index generated a net return of 13.9%¹ in sterling terms.

Stock selection within information technology, healthcare and industrials proved to be the largest detractors over the period, whereas holdings within financials and communication services added value. Zero weights to energy and real estate sectors proved to be additive. By region, Japan, North America and the UK weighed on returns, whilst Continental Europe and Pacific ex Japan contributed to gains. At the end of the period, the largest sector overweight exposure is information technology, whereas the largest underweight is energy. The most significant change in sector exposure over the period was the increased exposure to financials and the decreased exposure to industrials. The largest region overweight exposure is Continental Europe whereas the largest underweight is North America. The most significant change in region exposure over the period was the increased exposure to emerging markets and decreased exposure to the UK.

Co-Fund Manager:
Scott MacLennan



Scott is a Portfolio Manager of the Global Sustainable Growth strategy and Lead Portfolio Manager of the Sustainable Growth & Income strategy in the Global & International Equities Team at Schroders

Scott has previously managed Institutional European ex-UK portfolios since 2017, and co-managed the Schroder ISF European Sustainable Equity fund since launch in late 2018, the Schroder ISF European Market Neutral fund from early 2021, the Schroder European Sustainable Equity ex UK fund from late 2021, and the Hartford Schroders Sustainable International Core fund since launch in 2022

Scott joined Schroders in 2015 as an investment analyst in the European Blend Team, initially responsible for the European Autos, Consumer and Leisure sectors, extending into Materials and Utilities & Renewables

His investment experience began at Neptune Investment Management in 2012, where he started a Research Analyst, responsible for Global Industrials, and then later as a Fund Manager, focusing on all-cap UK companies

He has an MA in Classics from Cambridge University and is a CFA Charterholder

Co-Fund Manager:
Charles Somers



Charles is a Portfolio Manager for the Schroder Global Sustainable Growth strategy and a number of specialist institutional global equity portfolios

Charles initially joined Schroders in 1998 as a research analyst on the US desk in London

In 2001 he was seconded to Schroders' New York office, where he covered healthcare and financial stocks

He returned to London in 2003 to join the Pan European research team, taking responsibility for the consumer staples sector

In 2006 Charles left Schroders to take a position as a portfolio manager at Intrinsic Value Investors, a long-only fund management company focused on European equities

He returned to Schroders in 2008 to take the position of Global Sector Specialist for consumer discretionary and consumer staples

Charles has a BA in Classics from University of Oxford and is a CFA Charterholder

¹ Source: Morningstar.

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 simulated 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 6 to 5 with effect from 8 July 2025.

For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com/en-gb/uk/individual/Fund-centre/.

Comparative Table

Financial year to 31 December	L Accumulation shares			L Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	71.47	63.13	54.06	69.65	62.08	53.57
Return before operating charges*	5.69	8.86	9.52	5.50	8.68	9.42
Operating charges	(0.55)	(0.52)	(0.45)	(0.53)	(0.51)	(0.44)
Return after operating charges*	5.14	8.34	9.07	4.97	8.17	8.98
Distributions**	(0.59)	(0.60)	(0.47)	(0.57)	(0.60)	(0.47)
Retained distributions**	0.59	0.60	0.47	-	-	-
Closing net asset value	76.61	71.47	63.13	74.05	69.65	62.08
*after direct transaction costs of	(0.02)	(0.02)	(0.03)	(0.02)	(0.02)	(0.03)
Performance						
Return after charges (%)	7.19	13.21	16.78	7.14	13.16	16.76
Other information						
Closing net asset value (£000's)	21,452	30,390	43,861	368	1,267	1,236
Closing number of shares	28,000,631	42,523,902	69,470,833	497,570	1,818,525	1,990,914
Operating charges (%)	0.77	0.77	0.77	0.77	0.77	0.77
Direct transaction costs (%)***	0.03	0.03	0.05	0.03	0.03	0.05
Prices						
Highest dealing price	78.39p	73.44p	63.37p	75.91p	71.73p	62.40p
Lowest dealing price	60.25p	61.63p	54.39p	58.72p	60.60p	53.90p

Comparative Table

(continued)

Financial year to 31 December	S Accumulation shares			S Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	72.26	63.67	54.37	69.57	61.99	53.49
Return before operating charges*	5.79	8.94	9.60	5.50	8.69	9.40
Operating charges	(0.38)	(0.35)	(0.30)	(0.35)	(0.34)	(0.29)
Return after operating charges*	5.41	8.59	9.30	5.15	8.35	9.11
Distributions**	(0.78)	(0.80)	(0.63)	(0.75)	(0.77)	(0.61)
Retained distributions**	0.78	0.80	0.63	-	-	-
Closing net asset value	77.67	72.26	63.67	73.97	69.57	61.99
*after direct transaction costs of	(0.02)	(0.02)	(0.03)	(0.02)	(0.02)	(0.03)
Performance						
Return after charges (%)	7.49	13.49	17.11	7.40	13.47	17.03
Other information						
Closing net asset value (£000's)	20,420	14,539	16,943	63,292	110,785	303,864
Closing number of shares	26,291,164	20,119,358	26,610,696	85,565,803	159,236,425	490,146,736
Operating charges (%)	0.51	0.51	0.51	0.51	0.51	0.51
Direct transaction costs (%)***	0.03	0.03	0.05	0.03	0.03	0.05
Prices						
Highest dealing price	79.44p	74.25p	63.90p	75.89p	71.73p	62.40p
Lowest dealing price	60.97p	62.16p	54.73p	58.70p	60.52p	53.85p

Comparative Table

(continued)

Financial year to 31 December	X Accumulation shares			X Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	73.63	64.54	54.84	69.59	62.00	53.49
Return before operating charges*	5.91	9.12	9.72	5.55	8.74	9.44
Operating charges	(0.03)	(0.03)	(0.02)	(0.03)	(0.03)	(0.02)
Return after operating charges*	5.88	9.09	9.70	5.52	8.71	9.42
Distributions**	(1.15)	(1.17)	(0.93)	(1.12)	(1.12)	(0.91)
Retained distributions**	1.15	1.17	0.93	-	-	-
Closing net asset value	79.51	73.63	64.54	73.99	69.59	62.00
*after direct transaction costs of	(0.02)	(0.02)	(0.03)	(0.02)	(0.02)	(0.03)
Performance						
Return after charges (%)	7.99	14.08	17.69	7.93	14.05	17.61
Other information						
Closing net asset value (£000's)	50,916	52,336	1	1	1	1
Closing number of shares	64,035,512	71,078,570	2,000	2,000	2,000	2,000
Operating charges (%)	0.04	0.04	0.04	0.04	0.04	0.04
Direct transaction costs (%)***	0.03	0.03	0.05	0.03	0.03	0.05
Prices						
Highest dealing price	81.26p	75.64p	64.78p	76.04p	71.92p	62.55p
Lowest dealing price	62.20p	63.02p	55.26p	58.80p	60.54p	53.90p

Comparative Table

(continued)

Financial year to 31 December	Z Accumulation shares			Z Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	71.30	63.03	54.00	69.51	61.94	53.46
Return before operating charges*	5.68	8.84	9.52	5.48	8.68	9.39
Operating charges	(0.60)	(0.57)	(0.49)	(0.58)	(0.56)	(0.48)
Return after operating charges*	5.08	8.27	9.03	4.90	8.12	8.91
Distributions**	(0.55)	(0.56)	(0.43)	(0.52)	(0.55)	(0.43)
Retained distributions**	0.55	0.56	0.43	-	-	-
Closing net asset value	76.38	71.30	63.03	73.89	69.51	61.94
*after direct transaction costs of	(0.02)	(0.02)	(0.03)	(0.02)	(0.02)	(0.03)
Performance						
Return after charges (%)	7.12	13.12	16.72	7.05	13.11	16.67
Other information						
Closing net asset value (£000's)	58,332	56,367	33,836	9,694	14,763	16,941
Closing number of shares	76,372,119	79,059,605	53,685,778	13,118,424	21,240,087	27,350,417
Operating charges (%)	0.84	0.84	0.84	0.84	0.84	0.84
Direct transaction costs (%)***	0.03	0.03	0.05	0.03	0.03	0.05
Prices						
Highest dealing price	78.16p	73.27p	63.26p	75.73p	71.56p	62.25p
Lowest dealing price	60.10p	61.53p	54.32p	58.59p	60.47p	53.78p

** 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 share 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 Authorised Corporate Director fee, Registrar fees, Safe custody fees, Depositary's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are shares 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 31.12.25	Market Value £000's	% of net assets
Equities 99.86% (99.54%)			
Brazil 0.00% (0.87%)			
Denmark 0.78% (0.82%)			
Pandora	21,127	1,745	0.78
		1,745	0.78
France 3.55% (3.93%)			
Legrand	47,991	5,309	2.36
Schneider Electric	12,998	2,666	1.19
		7,975	3.55
Germany 2.56% (3.73%)			
SAP	31,439	5,750	2.56
		5,750	2.56
India 1.81% (0.00%)			
HDFC Bank	495,814	4,072	1.81
		4,072	1.81
Ireland 1.53% (0.00%)			
Trane Technologies	11,846	3,439	1.53
		3,439	1.53
Italy 3.48% (2.56%)			
FinecoBank Banca Fineco	164,598	3,185	1.42
Intesa Sanpaolo	892,867	4,616	2.06
		7,801	3.48
Japan 10.19% (11.83%)			
Fast Retailing	12,300	3,321	1.48
FUJIFILM Holdings	256,300	4,064	1.81
Hitachi	251,800	5,853	2.61
Keyence	15,500	4,167	1.86
Recruit Holdings	94,900	3,982	1.77
Terumo	137,300	1,478	0.66
		22,865	10.19
Netherlands 2.69% (2.32%)			
ASML Holding	7,506	6,027	2.69
		6,027	2.69
Norway 1.46% (1.58%)			
Norsk Hydro	569,631	3,277	1.46
		3,277	1.46
Singapore 2.13% (2.68%)			
DBS Group Holdings	147,040	4,791	2.13
		4,791	2.13
Spain 4.36% (4.37%)			
Banco Bilbao Vizcaya Argentaria	307,757	5,388	2.40

	Holding at 31.12.25	Market Value £000's	% of net assets
Industria de Diseno Textil			
	89,610	4,408	1.96
		9,796	4.36
Switzerland 2.83% (2.01%)			
Roche Holding	20,619	6,351	2.83
		6,351	2.83
Taiwan 4.19% (3.08%)			
Taiwan Semiconductor Manufacturing	257,000	9,395	4.19
		9,395	4.19
United Kingdom 12.87% (16.22%)			
AstraZeneca	51,633	7,119	3.17
Bunzl	130,500	2,707	1.20
Greggs	97,636	1,635	0.73
GSK	262,911	4,797	2.14
Haleon	1,293,771	4,844	2.16
RELX	140,751	4,249	1.89
Unilever	73,065	3,550	1.58
		28,901	12.87
United States of America 45.43% (43.54%)			
Alphabet	62,311	14,515	6.47
Arista Networks	43,016	4,216	1.88
Emerson Electric	55,428	5,502	2.45
Estee Lauder	50,027	3,887	1.73
Lowe's	15,433	2,781	1.24
Mastercard	11,918	5,079	2.26
MercadoLibre	2,254	3,373	1.50
Microsoft	42,575	15,367	6.85
Morgan Stanley	51,766	6,844	3.05
Netflix	55,665	3,889	1.73
NVIDIA	88,621	12,433	5.54
Salesforce	18,041	3,553	1.58
ServiceNow	29,732	3,394	1.51
Tapestry	54,538	5,193	2.31
Texas Instruments	17,979	2,333	1.04
Thermo Fisher Scientific	10,789	4,669	2.08
Visa	18,898	4,951	2.21
		101,979	45.43
Equities total		224,164	99.86
Portfolio of investments		224,164	99.86
Net other assets		311	0.14
Net assets attributable to shareholders		224,475	100.00

The comparative percentage figures in brackets are as at 31 December 2024.
Unless otherwise stated, all securities are admitted to official stock exchange listings.

Statement of Total Return

For the year ended 31 December 2025

		2025	2024
	Notes	£000's	£000's
Income			
Net capital gains	2	13,250	42,233
Revenue	3	4,778	6,753
Expenses	4	(1,453)	(2,040)
Net revenue before taxation		3,325	4,713
Taxation	5	(478)	(631)
Net revenue after taxation		2,847	4,082
Total return before distributions		16,097	46,315
Distributions	6	(2,862)	(4,082)
Change in net assets attributable to shareholders from investment activities		13,235	42,233

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2025

	2025	2024
	£000's	£000's
Opening net assets attributable to shareholders	280,448	416,683
Amounts receivable on issue of shares	59,102	115,725
Amounts payable on cancellation of shares	(130,066)	(295,548)
	(70,964)	(179,823)
Dilution adjustment	91	183
Change in net assets attributable to shareholders from investment activities	13,235	42,233
Retained distribution on Accumulation shares	1,665	1,172
Closing net assets attributable to shareholders	224,475	280,448

Balance Sheet

As at 31 December 2025

		2025	2024
	Notes	£000's	£000's
Assets			
Investments		224,164	279,143
Current assets			
Debtors	8	564	500
Cash and bank balances	9	1,970	1,625
Total assets		226,698	281,268
Liabilities			
Creditors			
Bank overdrafts	10	(160)	(172)
Distributions payable		(211)	(413)
Other creditors	11	(1,852)	(235)
Total liabilities		(2,223)	(820)
Net assets attributable to shareholders		224,475	280,448

Notes to the Accounts

For the year ended 31 December 2025

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by Schroder Global Sustainable Growth Fund are disclosed on pages 9 to 10.

2 Net capital gains

The net capital gains during the year comprise:

	2025	2024
	£000's	£000's
Non-derivative securities	13,361	41,946
Derivative contracts	–	172
Forward foreign currency contracts	(39)	–
Foreign currency (losses)/gains	(72)	115
Net capital gains	13,250	42,233

3 Revenue

	2025	2024
	£000's	£000's
UK dividends	981	1,533
Overseas dividends	3,647	4,862
Bank interest	150	359
Net revenue return from derivative contracts	–	(1)
Total revenue	4,778	6,753

4 Expenses

	2025	2024
	£000's	£000's
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Schroders Annual Charge ¹	1,450	2,040
Other expenses:		
Interest payable	3	–
Total expenses	1,453	2,040

1 Audit fees including VAT for the year were £8,848 (2024 – £8,848).

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

	2025	2024
	£000's	£000's
Overseas withholding tax	478	631
Total current tax (Note 5(b))	478	631

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for Open Ended Investment Companies of 20% (2024 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2025 £000's	2024 £000's
Net revenue before taxation	3,325	4,713
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	665	943
Effects of:		
Revenue not subject to corporation tax	(926)	(1,279)
Movement in excess management expenses	261	336
Overseas withholding tax	478	631
Total tax charge for the year (Note 5(a))	478	631

(c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £1,241,376 (2024 – £980,704) in respect of £6,206,879 (2024 – £4,903,521) 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 shares and revenue deducted on the cancellation of shares, and comprise:

	2025 £000's	2024 £000's
Interim Dividend distribution	2,015	2,394
Final Dividend distribution	675	943
	2,690	3,337
Add: Revenue deducted on cancellation of shares	208	1,131
Deduct: Revenue received on issue of shares	(36)	(386)
Distributions	2,862	4,082
Net revenue after taxation	2,847	4,082
Equalisation on conversions	15	–
Distributions	2,862	4,082

Details of the distributions per share are set out in the Distribution Tables on pages 158 to 159.

7 Fair value hierarchy

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

	2025		2024	
Basis of valuation	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	224,164	–	279,143	–
Level 2: Observable market data	–	–	–	–
Level 3: Unobservable data	–	–	–	–
Total	224,164	–	279,143	–

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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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 Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director with particular attention paid to the carrying value of the investments.

8 Debtors

	2025	2024
	£000's	£000's
Amounts receivable for issue of shares	54	272
Sales awaiting settlement	308	–
Accrued revenue	98	144
Overseas withholding tax recoverable	104	84
Total debtors	564	500

9 Cash and bank balances

	2025	2024
	£000's	£000's
Cash and bank balances	1,810	1,453
Amounts held at futures clearing houses and brokers	160	172
Total cash and bank balances	1,970	1,625

10 Bank overdrafts

	2025	2024
	£000's	£000's
Amounts overdrawn at futures clearing houses and brokers	160	172
Total bank overdrafts	160	172

11 Other creditors

	2025	2024
	£000's	£000's
Amounts payable for cancellation of shares	170	100
Purchases awaiting settlement	1,479	–
Accrued expenses	203	135
Total other creditors	1,852	235

12 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2024 – Nil).

13 Related party transactions

The Authorised Corporate Director provides key management personnel services for the Fund and is therefore considered a related party.

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

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

Shares held or managed by the Authorised Corporate Director as a percentage of the Fund's net asset value at the balance sheet date were 0.01% (2024 – 0.00%).

14 Share classes

At the reporting date the Fund had eight share classes. The costs and expenses due to the Manager are referred to as the Schroders Annual Charge. Details of the charges applied to each share class can be found in the prospectus.

The closing net asset value of each share class, the closing net asset value per share and the closing number of shares in issue are given in the Comparative

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Table on pages 146 to 149.

The distributions per share class are given in the Distribution Tables on pages 158 to 159.

All classes have the same rights on winding up.

15 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 Authorised Corporate Director'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 Authorised Corporate Director in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £22,416,400 (2024 - £27,914,300).

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 Authorised Corporate Director 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	2025 £000's	2024 £000's
Brazilian real	–	2,455
Danish krone	1,751	2,290
Euro	37,445	47,488
Indian rupee	4,072	–
Japanese yen	21,694	33,170
Norwegian krone	3,277	4,443
Singapore dollar	4,791	7,519
Sterling	28,368	42,771
Swiss franc	6,350	5,637
Taiwan dollar	9,424	8,679
US dollar	107,303	125,996

At the year end date, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £19,610,700 (2024 - £23,767,700).

Liquidity risk

The primary source of this risk to the Fund is the liability to shareholders for any cancellation of shares. 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 or payable on bank overdraft positions will be affected by fluctuations in interest rates.

At the year end date 0.81% (2024 - 0.52%) 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 Sterling Overnight Index Average 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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Global risk exposure

Commitment approach

When using derivatives, the Authorised Corporate Director 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.

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 31 December 2025 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

2025				2024			
Lowest	Highest	Average	Leverage 31 December	Lowest	Highest	Average	Leverage 31 December
0.00%	3.61%	0.18%	0.52%	0.00%	17.31%	0.38%	0.00%

16 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.

2025	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	114,623	26	92	114,741	0.02	0.08
Sales						
Equities	183,062	(31)	(21)	183,010	(0.02)	(0.01)
Total cost as a percentage of the Fund's average net asset value (%)		0.02	0.05			

2024	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	146,986	21	154	147,161	0.01	0.10
Sales						
Equities	325,609	(61)	(55)	325,493	(0.02)	(0.02)
Total cost as a percentage of the Fund's average net asset value (%)		0.02	0.06			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.11% (2024 – 0.22%).

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 31 December 2025 (continued)

17 Shares in issue reconciliation

	Number of shares in issue 31.12.24	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 31.12.25
L Accumulation shares	42,523,902	6,834,685	(21,357,956)	–	28,000,631
L Income shares	1,818,525	182,940	(1,503,895)	–	497,570
S Accumulation shares	20,119,358	731,453	(22,748,515)	28,188,868	26,291,164
S Income shares	159,236,425	15,102,543	(88,773,165)	–	85,565,803
X Accumulation shares	71,078,570	–	(7,043,058)	–	64,035,512
X Income shares	2,000	–	–	–	2,000
Z Accumulation shares	79,059,605	57,602,511	(31,062,429)	(29,227,568)	76,372,119
Z Income shares	21,240,087	2,442,778	(11,171,848)	607,407	13,118,424

Distribution Tables

Interim distribution for the six months ended 30 June 2025

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.8.25 per share	Distribution paid 31.8.24 per share
L Accumulation shares				
Group 1	0.4484p	–	0.4484p	0.4438p
Group 2	0.3715p	0.0769p	0.4484p	0.4438p
L Income shares				
Group 1	0.4325p	–	0.4325p	0.4516p
Group 2	0.3948p	0.0377p	0.4325p	0.4516p
S Accumulation shares				
Group 1	0.5424p	–	0.5424p	0.5459p
Group 2	0.3678p	0.1746p	0.5424p	0.5459p
S Income shares				
Group 1	0.5219p	–	0.5219p	0.5314p
Group 2	0.4491p	0.0728p	0.5219p	0.5314p
X Accumulation shares				
Group 1	0.7203p	–	0.7203p	0.7295p
Group 2	0.7203p	–	0.7203p	0.7295p
X Income shares				
Group 1	0.6980p	–	0.6980p	0.7000p
Group 2	0.6980p	–	0.6980p	0.7000p
Z Accumulation shares				
Group 1	0.4341p	–	0.4341p	0.4337p
Group 2	0.3729p	0.0612p	0.4341p	0.4337p
Z Income shares				
Group 1	0.4139p	–	0.4139p	0.4239p
Group 2	0.3953p	0.0186p	0.4139p	0.4239p

Final distribution for the six months ended 31 December 2025

Group 1 Shares purchased prior to 1 July 2025

Group 2 Shares purchased on or after 1 July 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
L Accumulation shares				
Group 1	0.1392p	–	0.1392p	0.1536p
Group 2	0.0697p	0.0695p	0.1392p	0.1536p
L Income shares				
Group 1	0.1334p	–	0.1334p	0.1489p
Group 2	0.0781p	0.0553p	0.1334p	0.1489p
S Accumulation shares				
Group 1	0.2406p	–	0.2406p	0.2493p
Group 2	0.0899p	0.1507p	0.2406p	0.2493p

Distribution Tables

(continued)

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
S Income shares				
Group 1	0.2294p	–	0.2294p	0.2406p
Group 2	0.1478p	0.0816p	0.2294p	0.2406p
X Accumulation shares				
Group 1	0.4268p	–	0.4268p	0.4375p
Group 2	0.4268p	–	0.4268p	0.4375p
X Income shares				
Group 1	0.4215p	–	0.4215p	0.4205p
Group 2	0.4215p	–	0.4215p	0.4205p
Z Accumulation shares				
Group 1	0.1150p	–	0.1150p	0.1310p
Group 2	0.0496p	0.0654p	0.1150p	0.1310p
Z Income shares				
Group 1	0.1100p	–	0.1100p	0.1268p
Group 2	–	0.1100p	0.1100p	0.1268p

Equalisation

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

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

Schroder India Equity Fund

Fund Information

Investment objective and policy

Schroder India Equity Fund (the 'Fund') aims to provide capital growth in excess of the MSCI India (Net Total Return) index (after fees have been deducted) over a three to five year period by investing in equity and equity related securities of Indian companies.

The Fund invests at least 80% of its assets in equity and equity related securities of Indian companies or companies which have their principal business activities in India.

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 other Schroder funds), warrants and money market instruments, and hold cash.

The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently (for more information please refer to section 10 of Appendix 2 of the Prospectus).

With effect from 7 July 2025 the Fund's Investment objective and policy changed, previously it was:

The Fund aims to provide capital growth in excess of the MSCI India (Net Total Return) index (after fees have been deducted) over a three to five year period by investing in equity and equity related securities of Indian companies.

The Fund invests at least 80% of its assets in equity and equity related securities of Indian companies or companies which have their principal business activities in India. Typically, the Fund holds 30 to 70 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 other Schroder funds), warrants and money market instruments, and hold cash.

The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently (for more information please refer to section 10 of Appendix 2 of the Prospectus).

Fund characteristics

The Fund's performance should be assessed against its target benchmark, being to exceed the MSCI India (Net Total Return) index. The Investment Manager invests on a discretionary basis and is not limited to investing in accordance with the composition of this 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.

Review of Investment Activities

From 31 December 2024 to 31 December 2025, the price of Z Accumulation shares on a dealing price basis fell by 10.0%. In the same period, the MSCI India Index generated a negative net total return of 4.4%¹ in sterling terms.

During the year, the Fund added and initiated a number of positions within financials, including HDFC Bank, RBL Bank, and Shriram Finance. With RBI shifting its stance over the year by cutting interest rates, we narrowed our underweight position in banks and added to NBFCs, which are expected to benefit from lower funding cost and stabilization of asset quality pressure. Within real estate, we reduced our overweight exposure by trimming our holdings in Brigade Enterprises. While the real estate sector witnessed a post-Covid super-cycle, FY25 marked the beginning of a saturation phase, with delayed approvals impacting launch timelines and sales velocity. We also trimmed our position in Torrent Power. While we continue to expect steady growth in the core business, slower demand and rising gas prices are headwinds for the business.

Indian equities ended 2025 with its worst relative performance versus emerging markets since 1994 after four consecutive years of outperformance. The primary drag came from the reciprocal tariffs imposed by the US, where India faced the steepest levies among the affected nations. Elevated valuations, subdued earnings and sustained foreign portfolio outflows totalling USD 18 billion contributed to market volatility. However, strong inflows from domestic institutional investors, amounting to USD 86 billion helped mitigate the impact, although strong capital market momentum in IPO activities and INR weakness diluted the positive impact. Against such backdrop, the Fund underperformed the target benchmark. Softer selection in consumer discretionary and industrials was notably negative. Meanwhile, underweight in index heavyweight energy name detracted as share price gained on operational turnaround. On the positive side, selection within financials added to relative returns, while underweight in IT service segment also contributed positively as global economic uncertainty and AI-related disruption reduces the medium term revenue visibility for the Indian IT service companies.

Fund Manager: Asian Investment Team

The Fund is managed by the Schroders Asian investment team and advised by Axis AMC, who have thirteen investment professionals based in Mumbai

Axis AMC is a joint venture between Axis Bank and Schroders

¹ Source: Morningstar.

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 simulated 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 6 to 5 with effect from 22 July 2025.

For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com/en-gb/uk/individual/Fund-centre/.

Comparative Table

Financial year to 31 December	L Accumulation shares			X Accumulation shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	83.20	69.17	61.46	86.94	71.67	63.17
Return before operating charges*	(7.65)	14.74	8.26	(8.00)	15.31	8.53
Operating charges	(0.66)	(0.71)	(0.55)	(0.04)	(0.04)	(0.03)
Return after operating charges*	(8.31)	14.03	7.71	(8.04)	15.27	8.50
Distributions**	-	-	-	(0.45)	(0.47)	(0.38)
Retained distributions**	-	-	-	0.45	0.47	0.38
Closing net asset value	74.89	83.20	69.17	78.90	86.94	71.67
*after direct transaction costs of	(0.17)	(0.30)	(0.05)	(0.17)	(0.29)	(0.05)
Performance						
Return after charges (%)	(9.99)	20.28	12.54	(9.25)	21.31	13.46
Other information						
Closing net asset value (£000's)	71	79	1	9,468	10,433	8,601
Closing number of shares	94,914	94,914	2,000	12,000,000	12,000,000	12,000,000
Operating charges (%)	0.87	0.87	0.87	0.05	0.05	0.05
Direct transaction costs (%)***	0.22	0.36	0.08	0.22	0.36	0.08
Prices						
Highest dealing price	85.20p	85.33p	71.47p	89.03p	89.13p	74.05p
Lowest dealing price	70.06p	67.74p	55.87p	73.32p	70.24p	57.54p

Comparative Table

(continued)

Financial year to 31 December	Z Accumulation shares		
	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value			
Opening net asset value	82.78	68.86	61.24
Return before operating charges*	(7.61)	14.66	8.21
Operating charges	(0.72)	(0.74)	(0.59)
Return after operating charges*	(8.33)	13.92	7.62
Distributions**	-	-	-
Retained distributions**	-	-	-
Closing net asset value	74.45	82.78	68.86
*after direct transaction costs of	(0.16)	(0.28)	(0.05)
Performance			
Return after charges (%)	(10.06)	20.21	12.44
Other information			
Closing net asset value (£000's)	3,394	3,797	2,260
Closing number of shares	4,558,686	4,587,265	3,281,879
Operating charges (%)	0.95	0.95	0.95
Direct transaction costs (%)***	0.22	0.36	0.08
Prices			
Highest dealing price	84.77p	84.90p	71.16p
Lowest dealing price	69.69p	67.44p	55.66p

** 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 share 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 Authorised Corporate Director fee, Registrar fees, Safe custody fees, Depositary's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are shares 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 31.12.25	Market Value £000's	% of net assets
Equities 97.84% (98.17%)			
Basic Materials 3.86% (2.62%)			
Coromandel International	3,102	58	0.45
Galaxy Surfactants	2,769	47	0.36
Hindalco Industries	10,305	75	0.58
Jindal Steel	7,562	66	0.51
Jubilant Ingrevia	10,040	58	0.45
KPR Mill	6,387	50	0.39
Pidilite Industries	6,464	79	0.61
Welspun	9,731	66	0.51
		499	3.86
Consumer Discretionary 17.78% (16.87%)			
Arvind Fashions	9,660	40	0.31
Ather Energy	11,506	72	0.56
Chalet Hotels	7,211	52	0.40
Craftsman Automation	2,272	143	1.11
Dixon Technologies India	694	69	0.53
Gabriel India	8,384	70	0.54
Hyundai Motor India	4,142	79	0.61
InterGlobe Aviation	873	37	0.29
ITC Hotels	38,496	63	0.49
Jubilant Foodworks	11,918	55	0.42
Lenskart Solutions	17,315	64	0.49
LG Electronics India	2,416	30	0.23
Mahindra & Mahindra	7,422	228	1.76
Maruti Suzuki India	604	83	0.64
Minda	53,291	252	1.95
Samvardhana Motherson International	52,884	52	0.40
Sansera Engineering	8,717	120	0.93
Sapphire Foods India	18,918	41	0.32
Schaeffler India	4,016	129	1.00
Sona Blw Precision Forgings	26,814	106	0.82
Swiggy	7,457	24	0.19
Tenneco Clean Air India	7,890	33	0.25
Titan	2,271	76	0.59
Travel Food Services	5,102	49	0.38
TVS Motor	4,683	144	1.11
TVS Motor Preferred Stock	17,724	2	0.02

	Holding at 31.12.25	Market Value £000's	% of net assets
UNO Minda	8,073	85	0.66
Vishal Mega Mart	89,494	101	0.78
		2,299	17.78
Consumer Staples 4.01% (2.31%)			
Avenue Supermarts	1,893	59	0.45
Britannia Industries	1,400	70	0.54
CCL Products India	8,101	63	0.49
Doms Industries	4,329	93	0.72
Godrej Consumer Products	1,337	13	0.10
Hindustan Unilever	2,959	57	0.44
Jyothy Labs	7,507	18	0.14
Kwality Wall's India	2,959	1	0.01
Tata Consumer Products	7,094	70	0.54
Varun Beverages	18,397	75	0.58
		519	4.01
Energy 4.68% (3.61%)			
Premier Energies	20,843	145	1.12
Reliance Industries	35,509	461	3.56
		606	4.68
Financials 26.30% (17.84%)			
Bajaj Finance	22,491	184	1.42
Cholamandalam Investment and Finance	5,916	83	0.64
City Union Bank	29,591	71	0.55
Federal Bank	72,791	160	1.24
HDFC Asset Management	1,725	38	0.29
HDFC Bank	93,564	768	5.94
HDFC Life Insurance	15,193	94	0.73
ICICI Bank	40,656	452	3.50
Indian Bank	16,920	117	0.91
Karur Vysya Bank	69,016	150	1.16
Kfin Technologies	5,684	51	0.39
Kotak Mahindra Bank	9,681	176	1.36
Multi Commodity Exchange of India	2,399	221	1.71
National Securities Depository	3,433	30	0.23
PB Fintech	6,602	100	0.77
PNB Housing Finance	7,954	63	0.49
RBL Bank	62,675	164	1.27

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets
Shriram Finance	29,866	246	1.90
State Bank of India	28,647	233	1.80
		3,401	26.30
Health Care 11.06% (11.85%)			
Apollo Hospitals Enterprise	837	49	0.38
Cohance Lifesciences	4,042	18	0.14
Divi's Laboratories	2,111	112	0.87
Fortis Healthcare	40,388	295	2.28
Gland Pharma	4,334	62	0.48
Glenmark Pharmaceuticals	3,608	61	0.47
JB Chemicals & Pharmaceuticals	5,719	86	0.67
Krishna Institute of Medical Sciences	9,948	50	0.39
Laurus Labs	10,744	98	0.76
Lupin	3,256	57	0.44
Mankind Pharma	6,156	111	0.86
Narayana Hrudayalaya	2,405	38	0.29
Rainbow Children's Medicare	5,646	62	0.48
Sagility	170,433	73	0.56
SAI Life Sciences	14,514	109	0.84
Sun Pharmaceutical Industries	4,605	65	0.50
Torrent Pharmaceuticals	1,271	40	0.31
Vijaya Diagnostic Centre	4,999	44	0.34
		1,430	11.06
Industrials 17.09% (20.25%)			
Apar Industries	1,978	137	1.06
Ashok Leyland	71,840	106	0.82
Berger Paints India	19,450	86	0.66
Bharat Electronics	46,180	152	1.18
Bharat Heavy Electricals	38,923	93	0.72
Blue Star	11,407	163	1.26
CG Power & Industrial Solutions	24,961	134	1.04
Cummins India	3,070	112	0.87
Delhivery	27,890	93	0.72
eClerx Services	4,091	158	1.22
Firstsource Solutions	38,733	107	0.83

	Holding at 31.12.25	Market Value £000's	% of net assets
GE Vernova T&D India	6,508	169	1.31
Hindustan Aeronautics	1,754	64	0.49
Hitachi Energy India	159	24	0.19
JK Cement	1,093	50	0.39
Jyoti CNC Automation	18,297	150	1.16
KEI Industries	2,384	88	0.68
PG Electroplast	18,165	86	0.66
UltraTech Cement	1,072	104	0.80
V-Guard Industries	26,794	73	0.56
Voltamp Transformers	948	61	0.47
		2,210	17.09
Real Estate 2.75% (7.12%)			
Anant Raj	10,687	48	0.37
Awfis Space Solutions	20,155	82	0.63
Brigade Enterprises	3,900	29	0.22
Phoenix Mills	5,564	85	0.66
Prestige Estates Projects	3,708	49	0.38
Wework India Management	12,493	63	0.49
		356	2.75
Technology 7.22% (11.53%)			
Birlasoft	19,093	68	0.53
Capillary Technologies India	4,381	24	0.18
Coforge	11,061	152	1.17
Eternal	86,150	198	1.53
Infosys	15,059	202	1.56
Mphasis	4,466	103	0.80
Persistent Systems	2,217	115	0.89
Tech Mahindra	5,456	72	0.56
		934	7.22
Telecommunications 2.63% (1.95%)			
Bharti Airtel	16,388	285	2.20
Indus Towers	15,714	55	0.43
		340	2.63
Utilities 0.46% (2.22%)			
Torrent Power	5,607	60	0.46
		60	0.46
Equities total		12,654	97.84
Portfolio of investments		12,654	97.84
Net other assets		279	2.16
Net assets attributable to shareholders		12,933	100.00

The comparative percentage figures in brackets are as at 31 December 2024.
Unless otherwise stated, all securities are admitted to official stock exchange listings.

Statement of Total Return

For the year ended 31 December 2025

		2025	2024
	Notes	£000's	£000's
Income			
Net capital (losses)/gains	2	(1,428)	2,843
Revenue	3	101	111
Expenses	4	(41)	(49)
Net revenue before taxation		60	62
Taxation	5	18	(508)
Net revenue/(expense) after taxation		78	(446)
Total return before distributions		(1,350)	2,397
Distributions	6	(54)	(53)
Change in net assets attributable to shareholders from investment activities		(1,404)	2,344

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2025

	2025	2024
	£000's	£000's
Opening net assets attributable to shareholders	14,309	10,862
Amounts receivable on issue of shares	1,716	2,713
Amounts payable on cancellation of shares	(1,745)	(1,668)
	(29)	1,045
Dilution adjustment	3	1
Change in net assets attributable to shareholders from investment activities	(1,404)	2,344
Retained distribution on Accumulation shares	54	57
Closing net assets attributable to shareholders	12,933	14,309

Balance Sheet

As at 31 December 2025

		2025	2024
	Notes	£000's	£000's
Assets			
Investments		12,654	14,047
Current assets			
Debtors	8	5	12
Cash and bank balances		527	615
Total assets		13,186	14,674
Liabilities			
Provisions for liabilities	9	(243)	(358)
Creditors			
Other creditors	10	(10)	(7)
Total liabilities		(253)	(365)
Net assets attributable to shareholders		12,933	14,309

Notes to the Accounts

For the year ended 31 December 2025

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by Schroder India Equity Fund are disclosed on pages 9 to 10.

2 Net capital (losses)/gains

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

	2025 £000's	2024 £000's
Non-derivative securities	(1,417)	2,827
Foreign currency (losses)/gains	(11)	16
Net capital (losses)/gains	(1,428)	2,843

3 Revenue

	2025 £000's	2024 £000's
Overseas dividends	85	92
Bank interest	16	19
Total revenue	101	111

4 Expenses

	2025 £000's	2024 £000's
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Schroders Annual Charge ¹	41	37
Other expenses:		
Professional fee	–	12
Total expenses	41	49

¹ Audit fees including VAT for the year were £8,848 (2024 – £8,848).

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

	2025 £000's	2024 £000's
Indian capital gains tax	79	494
Overseas withholding tax	18	21
Total current tax	97	515
Deferred tax (Note 5(c))		
Indian capital gains tax	(115)	(7)
Total taxation (Note 5(b))	(18)	508

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for Open Ended Investment Companies of 20% (2024 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2025 £000's	2024 £000's
Net revenue before taxation	60	62
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	12	12
Effects of:		
Revenue not subject to corporation tax	(17)	(18)
Movement in excess management expenses	5	6
Overseas withholding tax	18	21
Overseas capital gains tax	(36)	487
Total tax charge for the year (Note 5(a))	(18)	508

(c) Provision for deferred tax

	2025 £000's	2024 £000's
Provision at the start of the year	358	365
Movement in deferred tax for the year (Note 5(a))	(115)	(7)
Provision at the end of the year	243	358

(d) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £29,283 (2024 – £24,281) in respect of £146,413 (2024 – £121,405) 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 shares and revenue deducted on the cancellation of shares, and comprise:

	2025 £000's	2024 £000's
Final Dividend distribution	54	57
Add: Revenue deducted on cancellation of shares	–	6
Deduct: Revenue received on issue of shares	–	(10)
Distributions	54	53
Net revenue/(expense) after taxation	78	(446)
Indian capital gains tax	(36)	487
Deficit taken to capital	12	12
Distributions	54	53

Details of the distributions per share are set out in the Distribution Table on page 174.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

7 Fair value hierarchy

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

Basis of valuation	2025		2024	
	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	12,651	–	14,047	–
Level 2: Observable market data	–	–	–	–
Level 3: Unobservable data	3	–	–	–
Total	12,654	–	14,047	–

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 Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director with particular attention paid to the carrying value of the investments.

8 Debtors

	2025 £000's	2024 £000's
Amounts receivable for issue of shares	5	12
Total debtors	5	12

9 Provision for liabilities

	2025 £000's	2024 £000's
Provision for Indian capital gains tax	243	358
Total provisions for liabilities	243	358

The deferred tax liability provision at the balance sheet date of £243,000 (2024 – £358,000) relates to a potential liability for Indian capital gains tax that may arise on the Fund's Indian investments should they be sold in the future, based on the net unrealised taxable capital gain at the period end and on enacted Indian tax rates. The amount of any future tax amounts payable may differ from this provision, depending on the value and timing of any future sales of such investments and future Indian tax rates.

10 Other creditors

	2025 £000's	2024 £000's
Amounts payable for cancellation of shares	4	4
Accrued expenses	6	3
Total other creditors	10	7

11 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2024 – Nil).

Notes to the Accounts

For the year ended 31 December 2025 (continued)

12 Related party transactions

The Authorised Corporate Director provides key management personnel services for the Fund and is therefore considered a related party.

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

The Authorised Corporate Director acts as principal on all transactions of shares in the Fund. The aggregate monies received through the issue and cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders and Distributions in the Notes to the Accounts. Amounts due from or to the Authorised Corporate Director in respect of share transactions at the balance sheet date are included under Debtors and Other creditors in the Notes to the Accounts.

Shares held or managed by the Authorised Corporate Director as a percentage of the Fund's net asset value at the balance sheet date were 0.02% (2024 – 0.02%).

13 Share classes

At the reporting date the Fund had three share classes. The costs and expenses due to the Manager are referred to as the Schroders Annual Charge. Details of the charges applied to each share class can be found in the prospectus.

The closing net asset value of each share class, the closing net asset value per share and the closing number of shares in issue are given in the Comparative Table on pages 163 to 164.

The distributions per share class are given in the Distribution Table on page 174.

All classes have the same rights on winding up.

14 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 Authorised Corporate Director'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 Authorised Corporate Director in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £1,265,400 (2024 - £1,404,700).

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 Authorised Corporate Director 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	2025 £000's	2024 £000's
Indian rupee	12,411	13,689
Sterling	521	618
US dollar	1	2

At the year end date, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £1,241,200 (2024 - £1,369,100).

Liquidity risk

The primary source of this risk to the Fund is the liability to shareholders for any cancellation of shares. 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 or payable on bank overdraft positions will be affected by fluctuations in interest rates.

At the year end date 4.07% (2024 – 4.30%) 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 Sterling Overnight Index Average 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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Global risk exposure

Commitment approach

When using derivatives, the Authorised Corporate Director 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.

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 31 December 2025 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

2025				2024			
Lowest	Highest	Average	Leverage 31 December	Lowest	Highest	Average	Leverage 31 December
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

15 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.

2025	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	8,808	6	10	8,824	0.07	0.11
Sales						
Equities	8,814	(6)	(10)	8,798	(0.07)	(0.11)
Total cost as a percentage of the Fund's average net asset value (%)		0.09	0.15			

2024	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	13,324	9	15	13,348	0.07	0.11
Sales						
Equities	13,321	(9)	(15)	13,297	(0.07)	(0.11)
Total cost as a percentage of the Fund's average net asset value (%)		0.14	0.23			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.12% (2024 – 0.16%).

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 31 December 2025 (continued)

16 Shares in issue reconciliation

	Number of shares in issue 31.12.24	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 31.12.25
L Accumulation shares	94,914	–	–	–	94,914
X Accumulation shares	12,000,000	–	–	–	12,000,000
Z Accumulation shares	4,587,265	2,291,239	(2,319,818)	–	4,558,686

Distribution Table

Final distribution for the year ended 31 December 2025

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
L Accumulation shares				
Group 1	–	–	–	–
Group 2	–	–	–	–
X Accumulation shares				
Group 1	0.4477p	–	0.4477p	0.4749p
Group 2	0.4477p	–	0.4477p	0.4749p
Z Accumulation shares				
Group 1	–	–	–	–
Group 2	–	–	–	–

Equalisation

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

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

Schroder Islamic Global Equity Fund

Fund Information

Investment objective and policy

Schroder Islamic Global Equity Fund (the 'Fund') aims to provide capital growth in excess of the Dow Jones Islamic Market World (Net Total Return) index (after fees have been deducted) over a three to five year period by investing in equity and equity-related securities of companies worldwide.

The Fund is actively managed and invests its assets in equity and equity-related securities of Shariah compliant companies worldwide. The Fund also focuses on a range of equity factors (also commonly known as investment styles). Companies will be simultaneously assessed on all targeted equity factors using a fully integrated systematic, bottom-up investment approach.

The Fund will focus on a range of equity factors (also commonly known as investment styles) that may include the following:

Low volatility – involves evaluating indicators such as share price movement and historical performance to determine those securities that the investment manager believes will experience smaller price movements than the global equity markets on average.

Momentum – involves evaluating trends in stocks, sectors or countries within the relevant equity market.

Quality – involves evaluating indicators such as a company's profitability, stability and financial strength.

Value – involves evaluating indicators such as cash flows, dividends and earnings to identify securities that the investment manager believes have been undervalued by the market.

Small cap – involves investing in small-sized companies being companies that, at the time of purchase, are considered to be in the bottom 30% by market capitalisation of the global equity market and exhibit attractive characteristics based on the styles described above.

The Fund may also hold cash.

The Fund may also hold warrants acquired as a result of corporate actions performed by the issuers of the Fund's equity holdings. The Fund will not otherwise invest in warrants.

The Fund will not use derivatives.

The Fund is limited to investing in accordance with the composition of the benchmark but has the discretion to vary the weightings in the benchmark's securities.

Fund characteristics

The Fund's performance should be assessed against its constraining benchmark being the Dow Jones Islamic Market World (Net Total Return) index and compared against the Investment Association Global sector average return. The investment manager is limited to investing in accordance with the composition of the benchmark but has the discretion to vary the weightings in the benchmark's securities. The benchmark has been selected because the Investment manager is constrained by reference to the value, price or components of that benchmark as stated in the investment objective. The comparator benchmark has been selected because the investment manager and the manager believe that the benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy.

Review of Investment Activities

From 31 December 2024 to 31 December 2025, the price of Z Accumulation shares on a dealing price basis rose by 12.1%. In the same period, the Dow Jones Islamic Market World Index generated a net total return of 11.2%¹.

2025 was a positive but uneven year for global equities, shaped by shifting macroeconomic conditions, sharp style rotations, and a gradual broadening of market leadership. Against this backdrop, the Fund delivered a solid absolute return and modest outperformance relative to its benchmark. Whilst returns were driven in part by supportive market conditions, relative performance reflected a combination of effective factor exposures and a marked improvement in stock-specific outcomes during the second half of the year.

The year began with heightened uncertainty and volatile market conditions. After a turbulent close to 2024, equity markets remained unsettled in the first quarter as investors grappled with policy uncertainty, uneven economic data, and shifting regional dynamics. Market leadership rotated away from the US and Japan toward Emerging Markets, particularly China and Korea, where policy conditions were perceived to be more stable. At the same time, factor leadership shifted decisively. Momentum and Profitability, which had performed well late in the prior year, gave way to Value and Low Volatility as investor risk appetite softened. In this environment, the strategy performed well. Value was the primary driver of relative returns, supported by positive contributions from Governance and Sustainability, reflecting investor preference for attractively priced companies with stronger fundamentals. Although January was held back by weak stock-specific performance, this recovered over February and March, allowing the strategy to finish the quarter ahead of the benchmark.

The second quarter proved more challenging from a relative perspective, despite a strong rebound in global equity markets. Early April saw a sharp sell-off following the announcement of new US trade tariffs, but markets recovered quickly as policy measures were softened and investor confidence returned. By the end of the quarter, both developed and emerging market equities had delivered strong gains, helped by a weaker US dollar and resilient corporate earnings. However, the strategy underperformed during this period. Whilst Profitability exposures contributed positively, persistent stock-specific headwinds dominated performance, particularly within US Information Technology and Industrials. Other factor exposures were broadly neutral, and Governance detracted modestly. These stock selection challenges persisted throughout the quarter, limiting the strategy's ability to participate fully in the market rally.

Performance improved meaningfully in the third quarter as macroeconomic conditions became more supportive and investor sentiment strengthened. Global equities continued to advance, aided by easing trade tensions, renewed enthusiasm around artificial intelligence, and a turning point in monetary policy as the Federal Reserve delivered its first rate cut of the cycle. Emerging Markets led returns, benefiting from currency strength and accommodative policy settings. Against this backdrop, the strategy outperformed its benchmark. Value, Momentum, and Governance exposures all contributed positively, and stock-specific performance turned decisively supportive. August was particularly strong, reflecting favourable stock selection across regions and sectors. September was more mixed, with increased residual volatility and weaker Governance and Sustainability signals as markets favoured more cyclical, lower-quality names. Even so, the quarter as a whole marked a clear recovery after the difficulties of the first half of the year.

The year ended on a strong note in the fourth quarter. Moderating inflation, a more dovish stance from major central banks, and improving confidence in global growth supported further gains in equity markets. Importantly, leadership broadened beyond the narrow group of large-cap technology stocks that had dominated earlier periods, creating a more supportive environment for the strategy. Relative performance was positive over the quarter, driven by Value and Momentum exposures and a continued improvement in stock-specific returns. October was modestly weaker, reflecting ongoing selection challenges in US Technology and Industrials, but this improved in November and December. December was the strongest month of the quarter, with broad-based contributions across regions, including improved stock selection in the US and a rebound in technology-related holdings in Asia.

Overall, 2025 was a year of transition, characterised by frequent rotations and changing leadership across regions and styles. Whilst the first half of the year, particularly the second quarter, was constrained by persistent stock-specific headwinds, the second half demonstrated the benefits of the strategy's diversified and disciplined approach. Value and Momentum were the most consistent contributors over the year, whilst the recovery in stock-specific performance played a crucial role in delivering positive relative returns. Looking ahead, the portfolio remains positioned to benefit from a more balanced market environment, with its systematic framework designed to navigate a wide range of potential outcomes.

Fund Manager:

Schroders Systematic Investment Team

The Schroders Systematic Investments Team was established in 2011 and manages around £17 billion (as at 31 December 2025) across a range of quantitative equity strategies

The investment team consists of 13 members based in London

¹ Source: Morningstar.

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 simulated 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.

For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com/en-gb/uk/individual/fund-centre/.

Comparative Table

Financial year to 31 December	Q2 Accumulation shares			Z Accumulation shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	81.03	68.55	57.57	78.12	66.24	55.69
Return before operating charges*	10.59	12.78	11.23	10.20	12.28	10.89
Operating charges	(0.33)	(0.30)	(0.25)	(0.44)	(0.40)	(0.34)
Return after operating charges*	10.26	12.48	10.98	9.76	11.88	10.55
Distributions**	(0.89)	(0.83)	(0.76)	(0.73)	(0.68)	(0.64)
Retained distributions**	0.89	0.83	0.76	0.73	0.68	0.64
Closing net asset value	91.29	81.03	68.55	87.88	78.12	66.24
*after direct transaction costs of	(0.05)	(0.03)	(0.04)	(0.05)	(0.03)	(0.04)
Performance						
Return after charges (%)	12.66	18.21	19.07	12.49	17.93	18.94
Other information						
Closing net asset value (£000's)	202,223	185,266	159,378	33,865	19,273	14,539
Closing number of shares	221,511,080	228,638,667	232,496,284	38,536,484	24,669,682	21,950,230
Operating charges (%)	0.40	0.40	0.40	0.55	0.55	0.55
Direct transaction costs (%)	0.06	0.05	0.06	0.06	0.05	0.06
Prices						
Highest dealing price	93.07p	83.11p	68.89p	89.61p	80.14p	66.52p
Lowest dealing price	66.95p	67.16p	57.93p	64.52p	64.85p	56.03p

** These figures have been rounded to 2 decimal places.

The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share 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 Authorised Corporate Director fee, Registrar fees, Safe custody fees, Depositary's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are shares 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 31.12.25	Market Value £000's	% of net assets
Equities 99.05% (99.33%)			
Australia 2.45% (1.96%)			
BHP Group AUD	43,880	989	0.42
BHP Group GBP	56,976	1,287	0.54
Fortescue	153,712	1,676	0.71
Regis Resources	491,773	1,838	0.78
		5,790	2.45
Belgium 0.91% (0.65%)			
Deme Group	2,165	264	0.11
D'ieteren Group	14,048	1,881	0.80
		2,145	0.91
Bermuda 0.36% (0.22%)			
China Foods	70,000	29	0.01
Man Wah Holdings	790,400	344	0.15
VTech Holdings	81,500	475	0.20
		848	0.36
Brazil 0.25% (0.13%)			
CSN Mineracao	783,727	579	0.25
		579	0.25
Canada 0.71% (0.08%)			
Constellation Software (Constellation Software Inc/ Canada) Warrant 31/03/2040^	265	0	0.00
Kinross Gold	44,417	937	0.40
MDA Space	51,642	745	0.31
		1,682	0.71
Cayman Islands 0.39% (0.89%)			
SITC International Holdings	89,000	237	0.10
Topsports International Holdings	1,765,000	489	0.21
Xiaomi	52,600	197	0.08
		923	0.39
Chile 0.00% (0.14%)			
China 0.17% (1.24%)			
PetroChina	88,000	70	0.03
Sinopec Engineering Group	458,500	334	0.14
		404	0.17
Denmark 0.55% (0.85%)			
Pandora	15,720	1,299	0.55
		1,299	0.55
Finland 0.81% (0.21%)			
Kone	22,971	1,217	0.52
Wartsila	25,886	688	0.29
		1,905	0.81
France 0.44% (0.99%)			
Hermes International	384	711	0.30
Schneider Electric	1,560	320	0.14
		1,031	0.44
Germany 0.19% (0.84%)			
SAP	2,467	451	0.19
		451	0.19

	Holding at 31.12.25	Market Value £000's	% of net assets
Hong Kong 0.89% (0.10%)			
BYD Electronic International	465,000	1,494	0.63
Techtronic Industries	70,500	605	0.26
		2,099	0.89
Hungary 0.20% (0.00%)			
Richter Gedeon	20,947	472	0.20
		472	0.20
India 1.19% (1.46%)			
HCL Technologies	18,440	247	0.11
Hindustan Zinc	25,241	128	0.05
Infosys ADR	68,647	915	0.39
Page Industries	1,209	361	0.15
Tata Consultancy Services	42,415	1,126	0.48
Tata Motors Passenger Vehicles	10,658	32	0.01
		2,809	1.19
Indonesia 0.08% (0.00%)			
Triputra Agro Persada	2,947,700	197	0.08
		197	0.08
Ireland 1.62% (1.16%)			
Accenture	1,159	232	0.10
Eaton	3,229	767	0.32
Medtronic	15,112	1,083	0.46
TE Connectivity	10,237	1,740	0.74
		3,822	1.62
Japan 1.67% (2.65%)			
Advantest	7,200	671	0.29
dip	79,800	836	0.35
Japan Aviation Electronics Industry	14,400	172	0.07
Kaken Pharmaceutical	18,500	352	0.15
Komatsu	27,000	640	0.27
Recruit Holdings	12,400	520	0.22
Tokyo Electron	200	33	0.01
Tokyu Construction	117,700	730	0.31
		3,954	1.67
Malaysia 0.14% (0.00%)			
Sunway Construction Group	308,100	319	0.14
		319	0.14
Netherlands 0.56% (0.87%)			
ASML Holding	1,641	1,318	0.56
		1,318	0.56
Singapore 0.07% (0.49%)			
Bumitama Agri	209,900	164	0.07
		164	0.07
South Africa 1.15% (0.41%)			
Kumba Iron Ore	123,581	1,935	0.82
Life Healthcare Group Holdings	1,102,977	562	0.24
Tiger Brands	12,627	207	0.09
		2,704	1.15

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets
South Korea 2.66% (1.56%)			
HD Korea Shipbuilding & Offshore Engineering	4,662	978	0.41
Kia	587	37	0.02
Samsung E&A	50,314	623	0.26
Samsung Electronics	64,786	4,009	1.70
SK Hynix	1,910	641	0.27
		6,288	2.66

Spain 0.71% (0.86%)			
Industria de Diseno Textil	34,284	1,687	0.71
		1,687	0.71

Sweden 0.10% (1.74%)			
H & M Hennes & Mauritz	12,191	183	0.08
Sandvik	2,300	56	0.02
		239	0.10

Switzerland 4.65% (2.72%)			
ABB	11,384	633	0.27
Geberit	1,811	1,053	0.44
Logitech International	14,091	1,078	0.46
Nestle	15,590	1,152	0.49
Novartis	33,110	3,405	1.44
Roche Holding	10,477	3,227	1.37
Schindler Holding	1,540	432	0.18
		10,980	4.65

Taiwan 4.02% (3.61%)			
Gemtek Technology	56,000	36	0.02
MediaTek	24,000	812	0.34
Realtek Semiconductor	7,000	81	0.03
Taiwan Semiconductor Manufacturing	158,000	5,776	2.45
United Integrated Services	75,000	1,682	0.71
United Microelectronics	873,000	1,016	0.43
WNC	35,000	82	0.04
		9,485	4.02

Turkey 0.03% (0.00%)			
Logo Yazilim Sanayi ve Ticaret	28,349	74	0.03
		74	0.03

United Kingdom 4.54% (2.30%)			
Associated British Foods	50,469	1,073	0.45
AstraZeneca	4,707	649	0.28
Dunelm Group	69,321	782	0.33
Endeavour Mining	66,065	2,549	1.08
Fresnillo	81,305	2,711	1.15
GSK	57,403	1,047	0.44
Howden Joinery Group	127,501	1,061	0.45
Rio Tinto GBP	13,007	780	0.33

	Holding at 31.12.25	Market Value £000's	% of net assets
Smiths Group	1,690	40	0.02
TechnipFMC	1,019	34	0.01
		10,726	4.54

United States of America 67.54% (71.20%)			
A O Smith	3,131	156	0.07
Abbott Laboratories	5,446	509	0.22
AbbVie	22,936	3,918	1.66
Adobe	8,139	2,121	0.90
Alphabet	51,754	12,056	5.11
Amazon.com	42,223	7,266	3.08
Apple	87,567	17,757	7.52
Applied Materials	3,399	654	0.28
Best Buy	43,472	2,174	0.92
Booking Holdings	750	2,995	1.27
Broadcom	18,597	4,811	2.04
Carlisle	96	23	0.01
CF Industries Holdings	19,260	1,101	0.47
Chevron	5,663	640	0.27
Cisco Systems	36,952	2,126	0.90
Cognizant Technology Solutions	7,941	493	0.21
Colgate-Palmolive	9,704	572	0.24
ConocoPhillips	7,304	508	0.22
Constellation Energy	3,051	805	0.34
Cummins	262	100	0.04
Danaher	506	86	0.04
Devon Energy	11,351	308	0.13
DocuSign	15,463	791	0.33
Dropbox	109,981	2,269	0.96
Eli Lilly	1,901	1,524	0.65
Emerson Electric	1,587	158	0.07
EOG Resources	5,023	391	0.17
Equinix REIT	116	66	0.03
Exxon Mobil	18,828	1,680	0.71
Fastenal	35,210	1,058	0.45
Fortive	10,231	423	0.18
Gilead Sciences	29,363	2,685	1.14
H&R Block	26,960	869	0.37
Hershey	4,222	574	0.24
Home Depot	5,403	1,388	0.59
IDEXX Laboratories	1,091	552	0.23
Illinois Tool Works	12,838	2,362	1.00
Illumina	496	48	0.02
Johnson & Johnson	24,129	3,714	1.57
KLA	1,276	1,163	0.49
Lam Research	16,091	2,063	0.87
Lowe's	9,848	1,775	0.75
Masco	21,562	1,021	0.43
Mastercard	4,950	2,110	0.89
Medpace Holdings	4,036	1,694	0.72
Merck	16,960	1,332	0.56
Meta Platforms	14,905	7,343	3.11
Mettler-Toledo International	503	523	0.22

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets
Micron Technology	557	119	0.05
Microsoft	42,483	15,334	6.49
MSC Industrial Direct	5,167	324	0.14
NIKE	12,341	586	0.25
NVIDIA	127,737	17,921	7.59
Oracle	4,792	700	0.30
PepsiCo	6,094	651	0.28
Procter & Gamble	4,628	495	0.21
Prologis REIT	2,310	220	0.09
QUALCOMM	22,889	2,932	1.24
Rockwell Automation	1,013	294	0.12
Salesforce	2,306	454	0.19
ServiceNow	1,005	115	0.05
Skyworks Solutions	46,871	2,237	0.95
Southern Copper	9,215	983	0.42
Starbucks	102	6	0.00
Symbotic	3,722	168	0.07
Tapestry	26,377	2,512	1.06
Tesla	9,330	3,146	1.33

	Holding at 31.12.25	Market Value £000's	% of net assets
Thermo Fisher Scientific	209	90	0.04
Toro	10,512	619	0.26
United Parcel Service	6,260	463	0.20
United Rentals	625	378	0.16
UnitedHealth Group	3,765	926	0.39
VeriSign	13,193	2,390	1.01
Visa	10,644	2,788	1.18
Walmart	2,626	218	0.09
Welltower REIT	1,765	244	0.10
Williams-Sonoma	6,994	935	0.40
WW Grainger	586	442	0.19
		159,445	67.54
Equities total		233,839	99.05
Portfolio of investments		233,839	99.05
Net other assets		2,249	0.95
Net assets attributable to shareholders		236,088	100.00

The comparative percentage figures in brackets are as at 31 December 2024.
Unless otherwise stated, all securities are admitted to official stock exchange listings.

^ Unlisted, suspended or delisted security.

Statement of Total Return

For the year ended 31 December 2025

		2025	2024
	Notes	£000's	£000's
Income			
Net capital gains	2	24,537	29,483
Revenue	3	3,583	3,283
Expenses	4	(919)	(822)
Net revenue before taxation		2,664	2,461
Taxation	5	(419)	(379)
Net revenue after taxation		2,245	2,082
Total return before distributions		26,782	31,565
Distributions	6	(2,245)	(2,082)
Change in net assets attributable to shareholders from investment activities		24,537	29,483

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2025

	2025	2024
	£000's	£000's
Opening net assets attributable to shareholders	204,539	173,917
Amounts receivable on issue of shares	18,704	14,772
Amounts payable on cancellation of shares	(13,945)	(15,690)
	4,759	(918)
Change in net assets attributable to shareholders from investment activities	24,537	29,483
Retained distribution on Accumulation shares	2,253	2,057
Closing net assets attributable to shareholders	236,088	204,539

Balance Sheet

As at 31 December 2025

	2025	2024
	£000's	£000's
Assets		
Investments	233,839	203,166
Current assets		
Debtors	1,708	428
Cash and bank balances	789	1,261
Total assets	236,336	204,855
Liabilities		
Creditors		
Other creditors	(248)	(316)
Total liabilities	(248)	(316)
Net assets attributable to shareholders	236,088	204,539

Notes to the Accounts

For the year ended 31 December 2025

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by Schroder Islamic Global Equity Fund are disclosed on pages 9 to 10.

2 Net capital gains

The net capital gains during the year comprise:

	2025	2024
	£000's	£000's
Non-derivative securities	24,565	29,500
Foreign currency losses	(28)	(17)
Net capital gains	24,537	29,483

3 Revenue

	2025	2024
	£000's	£000's
UK dividends	211	192
Overseas dividends	3,352	3,076
Real estate income distributions	20	15
Total revenue	3,583	3,283

4 Expenses

	2025	2024
	£000's	£000's
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Schroders Annual Charge ¹	864	771
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Dividend expenses	–	1
Other expenses:		
Professional fee	16	28
Shariah purification fee ²	39	22
	55	50
Total expenses	919	822

1 Audit fees including VAT for the year were £8,848 (2024 – £8,848).

2 **Purification of non-Shariah compliant income**

The Shariah Supervisory Board and the Shariah Adviser from time to time issues guidelines to quantify the annual amount of income of a Fund that should be donated to charity, being derived from eligible securities for investment pursuant to the investment objective, policy and restrictions set out in the prospectus, but that are engaged in an activity or activities of a marginal nature which are not Shariah-compliant and which are not screened out by the Shariah restrictions. Such amount is calculated on each relevant transaction, based on the purification ratios, expressed as a percentage of each target company's dividend payments. The resulting amount is donated to a charity. Any such amounts are deducted only upon their actual determination and no anticipated accrual thereof is made.

For the year ended 31 December 2025 and the year ended 31 December 2024, this amount was donated to the Islamic Relief Worldwide.

Notes to the Accounts

For the year ended 31 December 2025 (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

	2025 £000's	2024 £000's
Overseas withholding tax	419	379
Total current tax (Note 5(b))	419	379

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

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for Open Ended Investment Companies of 20% (2024 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2025 £000's	2024 £000's
Net revenue before taxation	2,664	2,461
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	533	492
Effects of:		
Revenue not subject to corporation tax	(707)	(646)
Expenses not deductible for tax purposes	8	4
Movement in excess management expenses	166	150
Overseas withholding tax	419	379
Total tax charge for the year (Note 5(a))	419	379

(c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £663,702 (2024 – £497,615) in respect of £3,318,510 (2024 – £2,488,075) 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 shares and revenue deducted on the cancellation of shares, and comprise:

	2025 £000's	2024 £000's
Final Dividend distribution	2,253	2,057
Add: Revenue deducted on cancellation of shares	87	99
Deduct: Revenue received on issue of shares	(95)	(74)
Distributions	2,245	2,082

Details of the distributions per share are set out in the Distribution Table on page 188.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

7 Fair value hierarchy

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

Basis of valuation	2025		2024	
	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	233,839	–	203,166	–
Level 2: Observable market data	–	–	–	–
Level 3: Unobservable data	–	–	–	–
Total	233,839	–	203,166	–

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 Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director with particular attention paid to the carrying value of the investments.

8 Debtors

	2025 £000's	2024 £000's
Amounts receivable for issue of shares	1,488	294
Accrued revenue	145	87
Overseas withholding tax recoverable	75	47
Total debtors	1,708	428

9 Other creditors

	2025 £000's	2024 £000's
Amounts payable for cancellation of shares	22	275
Purchases awaiting settlement	93	–
Accrued expenses	133	41
Total other creditors	248	316

10 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2024 – Nil).

11 Related party transactions

The Authorised Corporate Director provides key management personnel services for the Fund and is therefore considered a related party.

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

The Authorised Corporate Director acts as principal on all transactions of shares in the Fund. The aggregate monies received through the issue and cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders and Distributions in the Notes to the Accounts. Amounts due from or to the Authorised Corporate Director in respect of share transactions at the balance sheet date are included under Debtors and Other creditors in the Notes to the Accounts.

Shares held or managed by the Authorised Corporate Director as a percentage of the Fund's net asset value at the balance sheet date were 0.00% (2024 – 0.00%).

12 Share classes

At the reporting date the Fund had two share classes. The costs and expenses due to the Manager are referred to as the Schroders Annual Charge. Details of the charges applied to each share class can be found in the prospectus.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

The closing net asset value of each share class, the closing net asset value per share and the closing number of shares in issue are given in the Comparative Table on page 178.

The distributions per share class are given in the Distribution Table on page 188.

All classes have the same rights on winding up.

13 Other financial instruments

The main risks arising from the Fund's financial instruments are market price, foreign currency, liquidity and interest rate risks. The Authorised Corporate Director'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 Authorised Corporate Director in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £23,383,900 (2024 - £20,316,600).

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 Authorised Corporate Director 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	2025 £000's	2024 £000's
Australian dollar	4,460	2,807
Brazilian real	579	147
Canadian dollar	4,231	170
Chilean peso	-	292
Danish krone	1,282	1,746
Euro	8,575	9,081
Hong Kong dollar	4,251	4,627
Hungarian forint	472	-
Indian rupee	1,894	1,654
Indonesian rupiah	197	-
Japanese yen	3,954	5,444
Malaysian ringgit	330	-
Singapore dollar	164	1,009
South African rand	2,716	831
South Korean won	6,311	3,199
Sterling	11,564	7,157
Swedish krona	249	3,555
Swiss franc	10,980	5,557
Taiwan dollar	9,506	7,394
Turkish lira	74	-
US dollar	164,299	149,869

At the year end date, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £22,452,400 (2024 - £19,738,200).

Liquidity risk

The primary source of this risk to the Fund is the liability to shareholders for any cancellation of shares. 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 0.33% (2024 - 0.62%) of the net assets of the Fund were interest bearing and as such the interest rate risk is not considered significant.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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.

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 and money market instruments) 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.

2025	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	139,561	25	50	139,636	0.02	0.04
Sales						
Equities	133,485	(23)	(33)	133,429	(0.02)	(0.02)
Total cost as a percentage of the Fund's average net asset value (%)		0.02	0.04			

2024	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	112,564	19	20	112,603	0.02	0.02
Sales						
Equities	110,775	(19)	(28)	110,728	(0.02)	(0.03)
Total cost as a percentage of the Fund's average net asset value (%)		0.02	0.03			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.08% (2024 – 0.12%).

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.

15 Shares in issue reconciliation

	Number of shares in issue 31.12.24	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 31.12.25
Q2 Accumulation shares	228,638,667	7,633,950	(14,761,537)	–	221,511,080
Z Accumulation shares	24,669,682	16,127,129	(2,260,327)	–	38,536,484

Distribution Table

Final distribution for the year ended 31 December 2025

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
Q2 Accumulation shares				
Group 1	0.8897p	–	0.8897p	0.8264p
Group 2	0.4982p	0.3915p	0.8897p	0.8264p
Z Accumulation shares				
Group 1	0.7327p	–	0.7327p	0.6790p
Group 2	0.3104p	0.4223p	0.7327p	0.6790p

Equalisation

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

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

Schroder Sterling Corporate Bond Fund

Fund Information

Investment objective and policy

Schroder Sterling Corporate Bond Fund (the 'Fund') aims to provide income and capital growth in excess of the Bank of America Merrill Lynch Sterling Corporate & Collateralised (Gross Total Return) index (after fees have been deducted) over a three to five year period by investing in fixed and floating rate securities issued by UK companies and companies worldwide.

The Fund is actively managed and invests at least 80% of its assets in fixed and floating rate securities denominated in sterling (or in other currencies and hedged back into sterling) and issued by UK companies and companies worldwide.

The Fund may also invest in fixed and floating rate securities issued by governments, government agencies, and supranationals.

The Fund may invest up to 20% of its assets, directly or indirectly through credit default swaps and credit default swap indices, 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 Appendix 2 Section 6: Derivatives and Forwards of the prospectus). The Fund may use leverage and take short positions.

With effect from 13 June 2025 the Fund's Investment objective and policy changed, previously it was:

The Fund aims to provide income and capital growth in excess of the Bank of America Merrill Lynch Sterling Corporate & Collateralised (Gross Total Return) index (after fees have been deducted) over a three to five year period by investing in fixed and floating rate securities issued by UK companies and companies worldwide.

The Fund is actively managed and invests at least 80% of its assets in fixed and floating rate securities denominated in sterling (or in other currencies and hedged back into sterling) and issued by UK companies and companies worldwide.

The Fund may also invest in fixed and floating rate securities issued by governments, government agencies, and supra-nationals.

The Fund may invest up to 20% 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 Appendix 2. Section 6: Derivatives and Forwards of the Prospectus). The Fund may use leverage and take short positions.

Fund characteristics

The Fund's performance should be assessed against its target benchmark, being to exceed the Bank of America Merrill Lynch Sterling Corporate & Collateralised (Gross Total Return) index, and compared against the Investment Association Sterling Corporate Bond 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.

Review of Investment Activities

From 31 December 2024 to 31 December 2025, the price of Z Accumulation shares on a dealing price basis rose by 8.8%. In the same period, the Bank of America Merrill Lynch Sterling Corporate & Collateralised Index generated a total return of 7.1%¹.

The fund delivered a positive return and outperformed its reference index over the period. Performance was primarily driven by effective bottom up security selection, with duration and rates positioning also adding to performance.

Security selection contributed positively across GBP real estate, senior financial services, utilities, and media. From a sector allocation perspective, our overweight to GBP real estate, along with off benchmark exposure to USD services, USD financials, and European senior financials, further supported returns. These gains were partially offset by modest underperformance from off benchmark positions in European real estate and USD insurance. Going into 2026, the fund maintains defensive positioning. We continued to hold a meaningful allocation to covered bonds, which we view as an attractive segment given its combination of relatively low volatility and stable return potential.

Co-Fund Manager:
Julien Houdain



Julien Houdain joined Schroders in 2019 and holds the role of Head of Credit, Europe and is responsible for managing a range of credit strategies

Julien joined from Legal & General Investment Management where he held the role of Head of Global Bond Strategies

PhD, Ecole Normale Supérieure, France, Applied Mathematics
Master of Research, University of Paris XII, France, Applied Mathematics

University Paris XII, Graduate in Econometrics

Co-Fund Manager:
Martin Couke



Martin Couke became a credit portfolio manager in 2017

He joined Schroders in 2015 as a portfolio analyst

Feb-July 2015: Société Générale CIB, Long/Short Equity Analyst Intern

MSc in Risk and Finance, EDHEC Business School

BSc in Applied Mathematics, Université Paris 1 Panthéon Sorbonne

¹ Source: Morningstar.

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 4 for the L Income shares with effect from 15 July 2025.

For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com/en-gb/uk/individual/Fund-centre/.

Comparative Table

Financial year to 31 December	A Accumulation shares			A Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	87.99	84.53	75.38	54.64	55.32	51.99
Return before operating charges*	8.53	4.43	10.03	5.20	2.86	6.72
Operating charges	(1.03)	(0.97)	(0.88)	(0.63)	(0.62)	(0.59)
Return after operating charges*	7.50	3.46	9.15	4.57	2.24	6.13
Distributions**	(5.00)	(4.55)	(4.14)	(3.04)	(2.92)	(2.80)
Retained distributions**	5.00	4.55	4.14	-	-	-
Closing net asset value	95.49	87.99	84.53	56.17	54.64	55.32
*after direct transaction costs of	-	-	-	-	-	-
Performance						
Return after charges (%)	8.52	4.09	12.14	8.36	4.05	11.79
Other information						
Closing net asset value (£000's)	22,255	22,139	25,326	6,312	6,826	7,582
Closing number of shares	23,306,973	25,160,932	29,961,864	11,236,143	12,492,084	13,705,131
Operating charges (%)	1.12	1.12	1.12	1.12	1.12	1.12
Direct transaction costs (%)***	-	-	-	-	-	-
Prices						
Highest dealing price	95.59p	90.07p	85.19p	56.99p	57.43p	56.45p
Lowest dealing price	87.06p	83.40p	74.68p	54.07p	54.37p	50.18p

Comparative Table

(continued)

Financial year to 31 December	C Accumulation shares			C Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	173.51	165.84	147.15	55.74	56.15	52.51
Return before operating charges*	16.84	8.71	19.64	5.31	2.91	6.81
Operating charges	(1.12)	(1.04)	(0.95)	(0.35)	(0.35)	(0.34)
Return after operating charges*	15.72	7.67	18.69	4.96	2.56	6.47
Distributions**	(9.88)	(8.94)	(8.10)	(3.11)	(2.97)	(2.83)
Retained distributions**	9.88	8.94	8.10	-	-	-
Closing net asset value	189.23	173.51	165.84	57.59	55.74	56.15
*after direct transaction costs of	-	-	-	-	-	-
Performance						
Return after charges (%)	9.06	4.62	12.70	8.90	4.56	12.32
Other information						
Closing net asset value (£000's)	73	99	392	78	103	182
Closing number of shares	38,469	56,841	236,245	135,550	185,432	324,428
Operating charges (%)	0.62	0.62	0.62	0.62	0.62	0.62
Direct transaction costs (%)***	-	-	-	-	-	-
Prices						
Highest dealing price	189.40p	177.40p	167.10p	58.43p	58.51p	57.30p
Lowest dealing price	171.70p	163.70p	146.20p	55.17p	55.28p	50.81p

Comparative Table

(continued)

Financial year to 31 December	L Accumulation shares ¹			L Income shares ²		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	57.04	54.44	50.00	53.67	53.97	50.00
Return before operating charges*	5.54	2.90	4.71	5.17	2.84	4.71
Operating charges	(0.31)	(0.30)	(0.27)	(0.29)	(0.28)	(0.27)
Return after operating charges*	5.23	2.60	4.44	4.88	2.56	4.44
Distributions**	(3.25)	(2.94)	(0.47)	(2.99)	(2.86)	(0.47)
Retained distributions**	3.25	2.94	0.47	–	–	–
Closing net asset value	62.27	57.04	54.44	55.56	53.67	53.97
*after direct transaction costs of	–	–	–	–	–	–
Performance						
Return after charges (%)	9.17	4.78	8.88	9.09	4.74	8.88
Other information						
Closing net asset value (£000's)	12,442	17,481	2	23	2	2
Closing number of shares	19,981,027	30,647,273	3,000	40,545	3,000	3,000
Operating charges (%)	0.52	0.52	0.52	0.52	0.52	0.52
Direct transaction costs (%)***	–	–	–	–	–	–
Prices						
Highest dealing price	62.34p	58.29p	54.86p	56.37p	56.30p	54.86p
Lowest dealing price	56.45p	53.74p	49.86p	53.13p	53.16p	49.86p

Comparative Table

(continued)

Financial year to 31 December	Q Accumulation shares			Q Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	56.14	53.52	47.37	43.50	43.73	40.82
Return before operating charges*	5.47	2.86	6.36	4.17	2.27	5.30
Operating charges	(0.25)	(0.24)	(0.21)	(0.19)	(0.19)	(0.18)
Return after operating charges*	5.22	2.62	6.15	3.98	2.08	5.12
Distributions**	(3.20)	(2.89)	(2.61)	(2.43)	(2.31)	(2.21)
Retained distributions**	3.20	2.89	2.61	-	-	-
Closing net asset value	61.36	56.14	53.52	45.05	43.50	43.73
*after direct transaction costs of	-	-	-	-	-	-
Performance						
Return after charges (%)	9.30	4.90	12.98	9.15	4.76	12.54
Other information						
Closing net asset value (£000's)	19,221	13,890	1	1,797	2,754	3,696
Closing number of shares	31,325,275	24,739,993	2,000	3,988,894	6,329,455	8,452,221
Operating charges (%)	0.42	0.42	0.42	0.42	0.42	0.42
Direct transaction costs (%)***	-	-	-	-	-	-
Prices						
Highest dealing price	61.43p	57.36p	53.94p	45.70p	45.64p	44.63p
Lowest dealing price	55.57p	52.84p	47.12p	43.06p	43.09p	39.53p

Comparative Table

(continued)

Financial year to 31 December	S Accumulation shares			S Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	187.73	179.08	158.58	50.25	50.51	47.14
Return before operating charges*	18.25	9.42	21.19	4.80	2.62	6.12
Operating charges	(0.83)	(0.77)	(0.69)	(0.22)	(0.21)	(0.20)
Return after operating charges*	17.42	8.65	20.50	4.58	2.41	5.92
Distributions**	(10.70)	(9.66)	(8.74)	(2.81)	(2.67)	(2.55)
Retained distributions**	10.70	9.66	8.74	-	-	-
Closing net asset value	205.15	187.73	179.08	52.02	50.25	50.51
*after direct transaction costs of	-	-	-	-	-	-
Performance						
Return after charges (%)	9.28	4.83	12.93	9.11	4.77	12.56
Other information						
Closing net asset value (£000's)	220	217	696	2,861	4,599	12,510
Closing number of shares	107,137	115,806	388,852	5,500,123	9,152,887	24,766,704
Operating charges (%)	0.42	0.42	0.42	0.42	0.42	0.42
Direct transaction costs (%)***	-	-	-	-	-	-
Prices						
Highest dealing price	205.40p	191.80p	180.50p	52.78p	52.71p	51.55p
Lowest dealing price	185.80p	176.80p	157.70p	49.73p	49.77p	45.66p

Comparative Table

(continued)

Financial year to 31 December	Z Accumulation shares			Z Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	185.16	176.98	157.04	108.95	109.75	102.63
Return before operating charges*	17.98	9.31	20.95	10.40	5.69	13.31
Operating charges	(1.20)	(1.13)	(1.01)	(0.69)	(0.69)	(0.65)
Return after operating charges*	16.78	8.18	19.94	9.71	5.00	12.66
Distributions**	(10.54)	(9.54)	(8.64)	(6.08)	(5.80)	(5.54)
Retained distributions**	10.54	9.54	8.64	–	–	–
Closing net asset value	201.94	185.16	176.98	112.58	108.95	109.75
*after direct transaction costs of	–	–	–	–	–	–
Performance						
Return after charges (%)	9.06	4.62	12.70	8.91	4.56	12.34
Other information						
Closing net asset value (£000's)	376,359	440,434	500,539	124,324	115,214	101,610
Closing number of shares	186,372,078	237,865,370	282,816,103	110,436,238	105,747,945	92,583,924
Operating charges (%)	0.62	0.62	0.62	0.62	0.62	0.62
Direct transaction costs (%)***	–	–	–	–	–	–
Prices						
Highest dealing price	202.20p	189.30p	178.40p	114.20p	114.40p	112.00p
Lowest dealing price	183.20p	174.70p	156.00p	107.80p	108.10p	99.31p

** 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.

1 L Accumulation shares launched on 25 October 2023.

2 L Income shares launched on 25 October 2023.

The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share 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 Authorised Corporate Director fee, Registrar fees, Safe custody fees, Depositary's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are shares 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 31.12.25	Market Value £000's	% of net assets
Corporate Bonds 91.20% (89.98%)			
Australia 0.00% (0.45%)			
Austria 2.40% (2.99%)			
Supernova Invest 5% 24/06/2030	3,779,000	3,369	0.59
Volksbank Wien FRN 5.75% 21/06/2034	1,500,000	1,359	0.24
Volksbank Wien FRN 5.5% 04/12/2035	3,900,000	3,523	0.62
Raiffeisen Bank International FRN 6% Perpetual	4,600,000	4,054	0.72
Raiffeisen Bank International FRN 7.375% Perpetual	1,400,000	1,308	0.23
		13,613	2.40
Belgium 0.70% (0.66%)			
Fluxys 4% 28/11/2030	2,600,000	2,307	0.41
Silfin 4.25% 25/05/2032	1,900,000	1,664	0.29
		3,971	0.70
Bermuda 5.29% (2.80%)			
Athora Holding 6.625% 16/06/2028	6,400,000	5,958	1.05
SP Cruises Intermediate 11.5% 14/03/2030	3,250,000	2,375	0.42
RLGH Finance Bermuda 8.25% 17/07/2031	8,672,000	7,315	1.29
DaVinciRe Holdings 5.95% 15/04/2035	6,139,000	4,699	0.83
Hiscox FRN 7% 11/06/2036	2,797,000	2,233	0.40
Lancashire Holdings FRN 5.625% 18/09/2041	8,391,000	6,169	1.09
Fidelis Insurance Holdings FRN 7.75% 15/06/2055	1,479,000	1,185	0.21
		29,934	5.29
Canada 1.89% (0.32%)			
Canadian Imperial Bank of Commerce FRN 4.281% 12/09/2028	3,453,000	3,459	0.61
Bank of Nova Scotia FRN 4.27% 15/09/2028	4,739,000	4,746	0.84
CI Financial 4.625% 12/12/2031	2,810,000	2,469	0.44
		10,674	1.89
Czech Republic 1.43% (1.64%)			
Raiffeisenbank FRN 1% 09/06/2028	3,100,000	2,627	0.46

	Holding at 31.12.25	Market Value £000's	% of net assets
UniCredit Bank Czech Republic & Slovakia 2.625% 03/03/2030	2,000,000	1,730	0.31
Czechoslovak Group 6.5% 10/01/2031	1,560,000	1,192	0.21
EPH Financing International 4.625% 02/07/2032	280,000	248	0.04
CEZ 4.125% 30/04/2033	2,616,000	2,296	0.41
		8,093	1.43
Denmark 0.41% (1.40%)			
Orsted FRN 2.5% 18/02/3021	3,000,000	2,301	0.41
		2,301	0.41
France 3.65% (3.10%)			
Verallia 3.5% 14/11/2029	1,500,000	1,307	0.23
BPCE FRN 2.5% 30/11/2032	2,300,000	2,204	0.39
Verallia 4.375% 14/11/2033	1,500,000	1,298	0.23
Orange 3.5% 13/11/2034	3,600,000	3,096	0.55
CCF Holding FRN 5% 27/05/2035	5,700,000	5,051	0.89
Orange 3.75% 13/05/2038	4,800,000	4,065	0.72
La Mondiale FRN 4.8% 18/01/2048	4,909,000	3,626	0.64
		20,647	3.65
Germany 1.82% (2.86%)			
Aareal Bank 5.875% 29/05/2026	2,600,000	2,298	0.41
Aareal Bank 5% 10/03/2028	2,000,000	2,031	0.36
Deutsche EuroShop 4.5% 15/10/2030	5,000,000	4,390	0.77
Aareal Bank FRN 9.875% Perpetual	2,000,000	1,604	0.28
		10,323	1.82
Guernsey 3.17% (2.37%)			
Sirius Real Estate 1.125% 22/06/2026	2,900,000	2,512	0.45
Sirius Real Estate 1.75% 24/11/2028	11,700,000	9,800	1.73
Sirius Real Estate 4% 22/01/2032	4,900,000	4,255	0.75
Pershing Square Holdings 5.5% 28/10/2032	1,812,000	1,350	0.24
		17,917	3.17
Hungary 1.73% (0.94%)			
MVM Energetika 0.875% 18/11/2027	2,036,000	1,701	0.30

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets
OTP Jelzalogbank 3.137% 31/03/2031	5,840,000	5,088	0.90
Raiffeisen Bank FRN 4.191% 01/07/2031	3,400,000	2,980	0.53
		9,769	1.73
Ireland 2.71% (2.52%)			
CA Auto Bank 6% 06/12/2026	7,065,000	7,169	1.27
Grenke Finance 5.25% 08/04/2030	2,770,000	2,542	0.45
GTC Finance 6.5% 15/10/2030	3,099,000	2,514	0.44
DCC Group Finance 4.375% 27/06/2031	3,107,000	2,785	0.49
Roadster Finance 2.375% 08/12/2032	365,000	314	0.06
		15,324	2.71
Israel 0.58% (0.52%)			
Energean Israel Finance 5.375% 30/03/2028	3,000,000	2,200	0.39
Energean Israel Finance 5.875% 30/03/2031	1,497,000	1,076	0.19
		3,276	0.58
Italy 0.67% (0.00%)			
Immobiliare Grande Distribuzione SIIQ REIT 4.45% 04/11/2030	4,350,000	3,808	0.67
		3,808	0.67
Jersey 2.47% (1.87%)			
Gatwick Funding 6.125% 02/03/2028	7,406,000	7,427	1.31
Heathrow Funding 2.625% 16/03/2028	2,000,000	1,912	0.34
Heathrow Funding 6% 05/03/2032	4,500,000	4,637	0.82
		13,976	2.47
Latvia 0.43% (0.00%)			
Citadele Banka FRN 3.875% 23/12/2029	2,800,000	2,450	0.43
		2,450	0.43
Luxembourg 1.86% (5.62%)			
Blackstone Property Partners Europe Holdings 1.25% 26/04/2027	2,937,000	2,519	0.44
P3 Group 1.625% 26/01/2029	1,567,000	1,309	0.23
CPI Property Group FRN 7.5% Perpetual	8,293,000	6,713	1.19
		10,541	1.86
Netherlands 1.10% (6.37%)			
Citycon Treasury 1.625% 12/03/2028	1,569,000	1,267	0.22

	Holding at 31.12.25	Market Value £000's	% of net assets
Citycon Treasury 6.5% 08/03/2029	2,386,000	2,111	0.37
Citycon Treasury 5% 11/03/2030	1,440,000	1,194	0.21
Digital Dutch Finco REIT 3.875% 13/09/2033	1,931,000	1,674	0.30
		6,246	1.10
New Zealand 0.32% (0.00%)			
Contact Energy 3.537% 03/11/2032	2,074,000	1,792	0.32
		1,792	0.32
Poland 1.51% (1.12%)			
mBank FRN 0.966% 21/09/2027	6,800,000	5,835	1.03
MLP Group 6.125% 15/10/2029	3,000,000	2,718	0.48
		8,553	1.51
Portugal 0.00% (0.47%)			
Romania 1.09% (0.22%)			
Banca Transilvania FRN 5.125% 30/09/2030	5,486,000	4,913	0.87
Societatea Nationala de Gaze Naturale ROMGAZ 4.625% 04/11/2031	1,459,000	1,272	0.22
		6,185	1.09
Singapore 0.00% (0.88%)			
Slovakia 1.25% (0.15%)			
Tatra Banka FRN 4.971% 29/04/2030	1,100,000	1,001	0.18
Tatra Banka 2.875% 11/09/2031	4,200,000	3,631	0.64
Slovenske Elektrarne 3.875% 20/11/2032	2,819,000	2,443	0.43
		7,075	1.25
Spain 0.28% (0.77%)			
Redexis Gas 4.375% 30/05/2031	1,800,000	1,610	0.28
		1,610	0.28
Sweden 0.00% (0.37%)			
Switzerland 0.00% (1.12%)			
United Kingdom 40.79% (43.00%)			
NatWest Markets 6.625% 22/06/2026	814,000	823	0.14
Informa 3.125% 05/07/2026	8,231,000	8,185	1.45
InterContinental Hotels Group 2.125% 24/08/2026	5,500,000	5,430	0.96
TSB Bank FRN 4.342% 14/02/2027	7,914,000	7,933	1.40
ICG 1.625% 17/02/2027	7,638,000	6,569	1.16

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets		Holding at 31.12.25	Market Value £000's	% of net assets
Co-Operative Bank FRN 4.257% 21/06/2027	3,800,000	3,807	0.67	Mitchells & Butlers Finance 5.574% 15/12/2030	1,113,323	1,129	0.20
Yorkshire Building Society FRN 7.375% 12/09/2027	2,168,000	2,212	0.39	Mitchells & Butlers Finance FRN 4.478% 15/12/2030	4,784,804	3,398	0.60
Coventry Building Society FRN 7% 07/11/2027	2,890,000	2,957	0.52	Berkeley Group 2.5% 11/08/2031	12,372,000	10,677	1.89
Santander UK FRN 4.407% 12/01/2028	12,650,000	12,710	2.25	NatWest Group FRN 2.105% 28/11/2031	4,266,000	4,198	0.74
Grainger 3.375% 24/04/2028	9,949,000	9,643	1.70	Utmot Group 4% 15/12/2031	2,373,000	2,156	0.38
Marex Group 5.829% 08/05/2028	4,360,000	3,295	0.58	Investec FRN 2.625% 04/01/2032	8,898,000	8,745	1.54
Inchcape 6.5% 09/06/2028	11,458,000	11,882	2.10	TP ICAP Finance 6.375% 12/06/2032	5,798,000	5,968	1.05
Weir Group 6.875% 14/06/2028	1,308,000	1,363	0.24	Barclays FRN 8.407% 14/11/2032	2,577,000	2,738	0.48
Investec FRN 1.875% 16/07/2028	3,230,000	3,100	0.55	Quilter FRN 8.625% 18/04/2033	2,739,000	2,925	0.52
OSB Group FRN 9.5% 07/09/2028	4,432,000	4,762	0.84	Lloyds Banking Group FRN 6.625% 02/06/2033	2,213,000	2,298	0.41
InterContinental Hotels Group 3.375% 08/10/2028	10,067,000	9,769	1.73	OSB Group FRN 9.993% 27/07/2033	2,239,000	2,467	0.44
UNITE Group REIT 3.5% 15/10/2028	2,881,000	2,799	0.49	Greene King Finance 5.106% 15/03/2034	2,934,065	2,916	0.51
RL Finance Bonds No. 3 6.125% 13/11/2028	3,084,000	3,197	0.56	Greene King Finance 3.593% 15/03/2035	1,981,066	1,846	0.33
TP ICAP Finance 2.625% 18/11/2028	5,950,000	5,575	0.98	Harbour Energy 6.327% 01/04/2035	5,342,000	4,028	0.71
Santander UK 3% 12/03/2029	1,965,000	1,733	0.31	Manchester Airport Group Funding 6.125% 30/09/2041	3,796,000	3,884	0.69
Skipton Building Society FRN 6.25% 25/04/2029	4,073,000	4,234	0.75	Tesco Property Finance 5 5.661% 13/10/2041	1,798,830	1,794	0.32
Severn Trent Utilities Finance 6.25% 07/06/2029	4,551,000	4,802	0.85	Channel Link Enterprises Finance FRN 2.706% 30/06/2050	6,303,000	5,479	0.97
TSB Bank FRN 4.261% 11/09/2029	4,083,000	4,085	0.72	BUPA Finance FRN 4% Perpetual	2,797,000	2,388	0.42
Quadgas Finance 3.375% 17/09/2029	6,210,000	5,827	1.03	Just Group FRN 5% Perpetual	1,104,000	1,001	0.18
Marex Group 6.404% 04/11/2029	11,220,000	8,657	1.53				
OSB Group FRN 8.875% 16/01/2030	1,767,000	1,965	0.35			230,853	40.79
Leeds Building Society FRN 4.241% 15/08/2030	2,617,000	2,621	0.46	United States of America 13.65% (5.45%)			
Skipton Building Society FRN 4.218% 22/08/2030	3,595,000	3,600	0.64	Blackstone Private Credit Fund 4.875% 14/04/2026	5,000,000	5,001	0.88
IG Group Holdings 6.125% 22/10/2030	9,421,000	9,725	1.72	MPT Operating Partnership REIT 0.993% 15/10/2026	1,800,000	1,493	0.26
Nationwide Building Society FRN 4.421% 24/10/2030	7,500,000	7,558	1.34	Athene Global Funding FRN 4.585% 05/03/2027	6,000,000	5,991	1.06
				HAT Holdings I 8% 15/06/2027	2,300,000	1,775	0.31
				Ares Strategic Income Fund 5.7% 15/03/2028	2,205,000	1,661	0.29

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets		Holding at 31.12.25	Market Value £000's	% of net assets
MPT Operating Partnership REIT 3.692% 05/06/2028	1,471,000	1,252	0.22	Citadel Securities Global Holdings 6.2% 18/06/2035	491,000	385	0.07
Athene Global Funding 2.875% 21/07/2028	2,000,000	1,740	0.31	HA Sustainable Infrastructure Capital 6.75% 15/07/2035	1,500,000	1,167	0.21
SBL Holdings 5.9% 26/09/2028	3,103,000	2,295	0.41	Western Alliance Bank FRN 6.537% 15/11/2035	2,320,000	1,730	0.31
American National Global Funding 4.625% 15/12/2028	2,942,000	2,196	0.39	Westlake 5.55% 15/11/2035	3,259,000	2,428	0.43
Citadel Finance 5.9% 10/02/2030	5,186,000	3,939	0.70	LYB International Finance III 5.875% 15/01/2036	2,800,000	2,075	0.37
Bain Capital Specialty Finance 5.95% 15/03/2030	1,247,000	924	0.16	TXNM Energy FRN 7% 31/07/2056	1,693,000	1,256	0.22
Oaktree Strategic Credit Fund 6.19% 15/07/2030	1,682,000	1,258	0.22			77,248	13.65
Sammons Financial Group Global Funding 4.8% 12/12/2030	6,000,000	4,474	0.79	Corporate Bonds total		516,179	91.20
Apollo Global Management 4.6% 15/01/2031	7,772,000	5,816	1.03	Government Bonds 3.89% (3.76%)			
HA Sustainable Infrastructure Capital 6.15% 15/01/2031	2,000,000	1,530	0.27	Mexico 0.27% (0.00%)			
Blue Owl Credit Income 4.25% 31/01/2031	2,277,000	1,924	0.34	Mexico Government Bond 4.5% 19/03/2034	1,727,000	1,503	0.27
MSD Investment 6.125% 05/02/2031	1,138,000	841	0.15			1,503	0.27
Global Payments 4.875% 17/03/2031	4,856,000	4,415	0.78	United Kingdom 3.62% (3.76%)			
Computershare US 1.125% 07/10/2031	2,000,000	1,498	0.26	UK Treasury 4.125% 22/07/2029	5,350,000	5,398	0.95
Citadel 6.375% 23/01/2032	383,000	303	0.05	UK Treasury 4.25% 31/07/2034	5,900,000	5,830	1.03
MPT Operating Partnership REIT 7% 15/02/2032	2,988,000	2,711	0.48	UK Treasury 0.875% 31/01/2046	4,728,000	2,227	0.39
MPT Operating Partnership REIT 8.5% 15/02/2032	1,049,000	833	0.15	UK Treasury 1.75% 22/01/2049	3,000,000	1,629	0.29
GA Global Funding Trust 3.75% 20/06/2032	3,816,000	3,297	0.58	UK Treasury 1.25% 31/07/2051	5,700,000	2,528	0.45
Verizon Communications 4.75% 15/01/2033	2,638,000	1,964	0.35	UK Treasury 3.75% 22/10/2053	3,667,352	2,880	0.51
National Health Investors REIT 5.35% 01/02/2033	560,000	416	0.07			20,492	3.62
Equinix Europe 2 Financing REIT 4% 19/05/2034	2,180,000	1,906	0.34	Government Bonds total		21,995	3.89
SBL Holdings 7.2% 30/10/2034	6,000,000	4,328	0.76	Convertible Bonds 0.57% (1.34%)			
Alphabet 3.125% 06/11/2034	2,850,000	2,426	0.43	France 0.57% (0.24%)			
				Worldline 0% 30/07/2026	3,753,200	3,195	0.57
						3,195	0.57
				Italy 0.00% (1.10%)			
				Convertible Bonds total		3,195	0.57
				Forward Foreign Currency Contracts 0.49% (0.24%)			
				Buy EUR 4,161,399 Sell GBP 3,661,352 27/01/2026		(24)	0.00
				Buy EUR 3,972,485 Sell GBP 3,507,442 25/02/2026		(30)	(0.01)

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets		Holding at 31.12.25	Market Value £000's	% of net assets
Buy SGD 603,836 Sell GBP 353,757 27/01/2026		(4)	0.00	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 3.998% 12/12/2028	10,200,000	133	0.02
Buy USD 4,024,681 Sell GBP 3,021,948 27/01/2026		(31)	(0.01)	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 3.84% 13/12/2028	10,000,000	86	0.02
Buy USD 8,515,315 Sell GBP 6,480,551 25/02/2026		(151)	(0.03)	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 3.436% 21/12/2028	10,000,000	(27)	0.00
Sell EUR 111,499,878 Buy GBP 97,717,018 27/01/2026		263	0.05	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 3.796% 26/01/2029	14,170,000	44	0.01
Sell EUR 106,983,598 Buy GBP 94,683,266 25/02/2026		1,046	0.18	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 3.927% 14/02/2029	29,452,000	251	0.04
Sell USD 76,780,266 Buy GBP 57,670,225 27/01/2026		606	0.11	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 4.037% 20/12/2029	6,470,000	106	0.02
Sell USD 68,367,434 Buy GBP 51,929,669 25/02/2026		1,114	0.20	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 3.835% 03/06/2030	56,498,000	405	0.07
Forward Foreign Currency Contracts total		2,789	0.49	Interest Rate Swap Morgan Stanley Pay fixed 3.663% Receive floating SOFR 1 day 05/06/2030	42,391,000	(229)	(0.04)
Futures 0.36% ((0.61)%)				Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 3.712% 11/08/2030	19,181,000	43	0.01
Euro-Bobl March 2026	(203)	78	0.01	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 3.742% 27/11/2032	16,000,000	(43)	(0.01)
Euro-Bund March 2026	(511)	484	0.09	Interest Rate Swap Morgan Stanley Pay fixed 4.327% Receive floating SONIA 1 day 29/06/2033	13,000,000	(437)	(0.08)
Euro-Buxl March 2026	(14)	25	0.01	Interest Rate Swap Morgan Stanley Pay fixed 4.564% Receive floating SONIA 1 day 20/10/2033	13,000,000	(637)	(0.11)
Euro-Schatz March 2026	(4)	0	0.00				
Long Gilt March 2026	1,850	1,129	0.20				
US 2 Year Note March 2026	(38)	3	0.00				
US 5 Year Note March 2026	(801)	224	0.04				
US 10 Year Note March 2026	260	(169)	(0.03)				
US 10 Year Ultra Bond March 2026	(239)	191	0.03				
US Long Bond March 2026	(45)	56	0.01				
US Ultra Bond March 2026	(9)	19	0.00				
Futures total		2,040	0.36				
Swaps 0.28% ((0.12)%)							
Credit Default Swap Morgan Stanley Sell ITRAXX.EUROPE. MAIN.40-V1 20/12/2026	13,786,094	109	0.02				
Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 5.018% 29/06/2028	24,000,000	965	0.17				
Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 4.764% 20/10/2028	24,000,000	819	0.14				

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets
Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 4.374% 27/11/2045	5,000,000	(9)	0.00

	Holding at 31.12.25	Market Value £000's	% of net assets
Swaps total		1,579	0.28
Portfolio of investments		547,777	96.79
Net other assets		18,188	3.21
Net assets attributable to shareholders		565,965	100.00

The comparative percentage figures in brackets are as at 31 December 2024.
Unless otherwise stated, all securities are admitted to official stock exchange listings.

Statement of Total Return

For the year ended 31 December 2025

		2025	2024
	Notes	£000's	£000's
Income			
Net capital gains/(losses)	2	22,490	(537)
Revenue	3	31,912	35,531
Expenses	4	(3,900)	(4,560)
Net revenue before taxation		28,012	30,971
Taxation	5	(59)	(78)
Net revenue after taxation		27,953	30,893
Total return before distributions		50,443	30,356
Distributions	6	(31,644)	(35,192)
Change in net assets attributable to shareholders from investment activities		18,799	(4,836)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2025

	2025	2024
	£000's	£000's
Opening net assets attributable to shareholders	623,758	652,538
Amounts receivable on issue of shares	30,878	155,940
Amounts payable on cancellation of shares	(131,376)	(208,262)
	(100,498)	(52,322)
Dilution adjustment	49	539
Change in net assets attributable to shareholders from investment activities	18,799	(4,836)
Retained distribution on Accumulation shares	23,857	27,839
Closing net assets attributable to shareholders	565,965	623,758

Balance Sheet

As at 31 December 2025

		2025	2024
	Notes	£000's	£000's
Assets			
Investments		549,568	601,945
Current assets			
Debtors	8	8,299	9,572
Cash and bank balances	9	17,772	29,499
Total assets		575,639	641,016
Liabilities			
Investment liabilities		(1,791)	(11,952)
Creditors			
Bank overdrafts	10	(4,817)	(3,065)
Distributions payable		(1,820)	(1,739)
Other creditors	11	(1,246)	(502)
Total liabilities		(9,674)	(17,258)
Net assets attributable to shareholders		565,965	623,758

Notes to the Accounts

For the year ended 31 December 2025

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by Schroder Sterling Corporate Bond Fund are disclosed on pages 9 to 10.

2 Net capital gains/(losses)

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

	2025	2024
	£000's	£000's
Non-derivative securities	21,547	5,664
Derivative contracts	1,354	(21,906)
Forward foreign currency contracts	(442)	15,201
Foreign currency gains	31	504
Net capital gains/(losses)	22,490	(537)

3 Revenue

	2025	2024
	£000's	£000's
Interest on debt securities	28,529	31,303
Bank interest	727	1,239
Net revenue return from derivative contracts	2,656	2,989
Total revenue	31,912	35,531

4 Expenses

	2025	2024
	£000's	£000's
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Schroders Annual Charge ¹	3,691	4,299
Other expenses:		
Professional fee	49	–
Interest payable	160	261
Total expenses	3,900	4,560

1 Audit fees including VAT for the year were £8,848 (2024 – £8,848).

5 Taxation

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

(a) Analysis of the tax charge for the year

	2025	2024
	£000's	£000's
Overseas withholding tax	59	78
Total current tax (Note 5(b))	59	78

Notes to the Accounts

For the year ended 31 December 2025 (continued)

(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 Open Ended Investment Companies of 20% (2024 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2025 £000's	2024 £000's
Net revenue before taxation	28,012	30,971
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	5,602	6,194
Effects of:		
Interest distributions deductible for tax purposes	(5,602)	(6,194)
Overseas withholding tax	59	78
Total tax charge for the year (Note 5(a))	59	78

6 Distributions

The distributions, which are on an effective yield basis, take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	2025 £000's	2024 £000's
Quarterly Interest distribution	7,282	8,595
Interim Interest distribution	8,045	8,757
Quarterly Interest distribution	8,174	9,427
Final Interest distribution	7,532	8,289
	31,033	35,068
Add: Revenue deducted on cancellation of shares	850	1,152
Deduct: Revenue received on issue of shares	(239)	(1,028)
Distributions	31,644	35,192

Net revenue after taxation	27,953	30,893
Expenses taken to capital	3,691	4,299
Distributions	31,644	35,192

Details of the distributions per share are set out in the Distribution Tables on pages 213 to 216.

7 Fair value hierarchy

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

	2025		2024	
Basis of valuation	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	22,701	(169)	26,330	(6,673)
Level 2: Observable market data	526,867	(1,622)	575,615	(5,279)
Level 3: Unobservable data	–	–	–	–
Total	549,568	(1,791)	601,945	(11,952)

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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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 Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director with particular attention paid to the carrying value of the investments.

8 Debtors

	2025	2024
	£000's	£000's
Amounts receivable for issue of shares	350	324
Amounts receivable on derivative contracts	–	34
Accrued revenue	7,943	9,208
Overseas withholding tax recoverable	6	6
Total debtors	8,299	9,572

9 Cash and bank balances

	2025	2024
	£000's	£000's
Cash and bank balances	3,263	6,481
Amounts held at futures clearing houses and brokers	14,509	23,018
Total cash and bank balances	17,772	29,499

10 Bank overdrafts

	2025	2024
	£000's	£000's
Amounts overdrawn at futures clearing houses and brokers	4,817	3,065
Total bank overdrafts	4,817	3,065

11 Other creditors

	2025	2024
	£000's	£000's
Amounts payable for cancellation of shares	644	156
Accrued expenses	602	346
Total other creditors	1,246	502

12 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2024 – Nil).

13 Related party transactions

The Authorised Corporate Director provides key management personnel services for the Fund and is therefore considered a related party.

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

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

Shares held or managed by the Authorised Corporate Director as a percentage of the Fund's net asset value at the balance sheet date were 0.00% (2024 – 0.00%).

14 Share classes

At the reporting date the Fund had twelve share classes. The costs and expenses due to the Manager are referred to as the Schroders Annual Charge. Details of the charges applied to each share class can be found in the prospectus.

The closing net asset value of each share class, the closing net asset value per share and the closing number of shares in issue are given in the Comparative Table on pages 192 to 197.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

The distributions per share class are given in the Distribution Tables on pages 213 to 216.

All classes have the same rights on winding up.

15 Derivative and other financial instruments

The main risks arising from the Fund's financial instruments are market price, derivative, foreign currency, liquidity, credit and interest rate risks. The Authorised Corporate Director'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 Authorised Corporate Director in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £54,777,700 (2024 - £58,999,300).

Derivative risk

During the year the Fund entered into derivative contracts for specific investment purposes in addition to being used for efficient management.

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 Authorised Corporate Director 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.

Liquidity risk

The primary source of this risk to the Fund is the liability to shareholders for any cancellation of shares. 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.

Credit risk

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counterparty. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' financial ratings are reviewed.

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.

The Fund may invest in fixed and floating rate securities. The revenue of the Fund may be affected by changes to interest rates relevant to particular securities or as a result of the Authorised Corporate Director being unable to secure similar returns on the expiry of contracts or sale of securities.

The value of interest bearing securities may be affected by interest rate movements or the expectation of such movements in the future.

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

Floating rate financial assets and financial liabilities

Sterling denominated bank balances bear interest at rates based on the Sterling Overnight Index Average Rate. Sterling denominated floating rate bonds and foreign currency bank balances and amounts held or overdrawn at futures clearing houses and brokers bear interest at rates based on the Sterling Overnight Index Average Rate or its international equivalent.

Euro denominated floating rate notes bear interest at rates based on Euro Interbank Offer Rate.

US dollar denominated floating rate notes/bonds bear interest at rates based on the US Secured Overnight Financing Rate.

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.

Derivatives

During the year the Fund entered into derivative contracts for specific investment purposes in addition to being used for efficient management.

Global risk exposure

Relative VaR approach

The Relative VaR approach is used for the Funds whose risk can be managed in relation to a defined benchmark.

Regulatory VaR limit utilisation

	2025			2024		
	Lowest	Highest	Average	Lowest	Highest	Average
	46.39%	53.46%	49.49%	44.97%	54.40%	50.28%

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Information on VaR model

Model type	2025			2024		
	Length of data history	Confidence level	Holding period	Length of data history	Confidence level	Holding period
Parametric VaR	All available history	99.00%	20 days	All available history	99.00%	20 days

Leverage

Information on the limit usage and level of leverage

The level of leverage is an indication of the derivative usage and of any leverage generated by the reinvestment of cash received as collateral when using efficient portfolio management techniques. It does not take into account other physical assets directly held in the portfolio of the Fund. The figure is not representative of the maximum amount that a Fund could lose, as it includes the derivatives used to protect the Net Asset Value of a Fund as well as the derivatives backed by risk free assets and derivatives which do not generate any incremental exposure, leverage or market risk from an economic perspective. The reported leverage figure is therefore not a true representation of the economic leverage¹ in the Fund.

The level of leverage disclosed is based on the total notional value² of all derivative instruments held by a Fund and is expressed as a percentage of the Fund's Net Asset Value. For the purpose of this calculation the holdings and offset derivative positions (long and short positions) do not cancel each other out and the figure is a sum of the total holdings.

Leverage

2025				2024			
Lowest	Highest	Average	Leverage 31 December	Lowest	Highest	Average	Leverage 31 December
144.44%	245.18%	185.31%	170.35%	139.64%	276.01%	195.95%	183.45%

1 Where economic leverage is the sum of derivative commitments (calculated in line with European Securities and Markets Authority 10/788) and excludes derivatives used within hedging arrangements, derivatives whose commitments is covered by risk free assets and derivatives which are not considered to generate any incremental exposure and leverage or market risk.

2 Delta adjusted in line with European Securities and Markets Authority 10/788 when appropriate.

16 Debt security credit analysis

	2025 £000's	2024 £000's
Investment grade securities	410,510	475,371
Below Investment Grade	44,828	36,614
Unrated securities	86,031	81,125
Total debt securities	541,369	593,110

The Fund invests in credit default swaps to adjust the credit risk profile of the Fund. Notional amounts for credit default swap positions are shown in the portfolio statement. All counterparties for credit default swap positions at the reporting date are investment grade.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

17 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.

2025	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	465,228	-	-	465,228	-	-
Sales						
Bonds	540,545	-	-	540,545	-	-
Total cost as a percentage of the Fund's average net asset value (%)						
		-	-			

2024	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	634,427	-	-	634,427	-	-
Sales						
Bonds	653,391	-	-	653,391	-	-
Equities	1	-	-	1	-	-
	653,392	-	-	653,392		
Total cost as a percentage of the Fund's average net asset value (%)						
		-	-			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.29% (2024 – 0.50%).

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.

18 Shares in issue reconciliation

	Number of shares in issue 31.12.24	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 31.12.25
A Accumulation shares	25,160,932	2,516,623	(4,195,293)	(175,289)	23,306,973
A Income shares	12,492,084	1,047,135	(2,144,467)	(158,609)	11,236,143
C Accumulation shares	56,841	-	(18,372)	-	38,469
C Income shares	185,432	-	(30,746)	(19,136)	135,550
L Accumulation shares	30,647,273	1,429,036	(12,095,282)	-	19,981,027
L Income shares	3,000	20	(2)	37,527	40,545
Q Accumulation shares	24,739,993	6,585,282	-	-	31,325,275
Q Income shares	6,329,455	48,792	(2,389,353)	-	3,988,894
S Accumulation shares	115,806	306	(8,975)	-	107,137
S Income shares	9,152,887	426,121	(4,078,885)	-	5,500,123
Z Accumulation shares	237,865,370	4,927,519	(56,446,801)	25,990	186,372,078
Z Income shares	105,747,945	12,013,940	(7,497,572)	171,925	110,436,238

Notes to the Accounts

For the year ended 31 December 2025 (continued)

19 Counterparty exposure

The types of non-exchange traded derivatives held at the balance sheet date were forward foreign currency contracts, credit default swaps and interest rate swaps. The total position by counterparty at the balance sheet date was as follows:

Counterparty	Forward foreign currency contracts £000's	Credit default swaps £000's	Commodity index swaps £000's	Contract for difference £000's	Interest rate swaps £000's	Total return swaps £000's	Inflation linked swaps £000's	Options contracts £000's	Swaption contracts £000's	Total £000's
ANZ										
2025	-	-	-	-	-	-	-	-	-	-
2024	(59)	-	-	-	-	-	-	-	-	(59)
Bank of America										
2025	-	-	-	-	-	-	-	-	-	-
2024	955	-	-	-	-	-	-	-	-	955
Barclays										
2025	-	-	-	-	-	-	-	-	-	-
2024	6	(36)	-	-	-	-	-	-	-	(30)
BNP Paribas										
2025	1,114	-	-	-	-	-	-	-	-	1,114
2024	21	(72)	-	-	-	-	-	-	-	(51)
Canadian Imperial Bank of Commerce										
2025	54	-	-	-	-	-	-	-	-	54
2024	(91)	-	-	-	-	-	-	-	-	(91)
Goldman Sachs										
2025	-	-	-	-	-	-	-	-	-	-
2024	(1)	-	-	-	-	-	-	-	-	(1)
HSBC										
2025	(25)	-	-	-	-	-	-	-	-	(25)
2024	(81)	-	-	-	-	-	-	-	-	(81)
J.P. Morgan										
2025	439	-	-	-	-	-	-	-	-	439
2024	(280)	-	-	-	-	-	-	-	-	(280)
Lloyds Bank										
2025	15	-	-	-	-	-	-	-	-	15
2024	1,003	-	-	-	-	-	-	-	-	1,003
Morgan Stanley										
2025	(10)	109	-	-	1,470	-	-	-	-	1,569
2024	-	324	-	-	(994)	-	-	-	-	(670)
Royal Bank of Canada										
2025	1,190	-	-	-	-	-	-	-	-	1,190
2024	2	-	-	-	-	-	-	-	-	2
Standard Chartered										
2025	12	-	-	-	-	-	-	-	-	12
2024	(15)	-	-	-	-	-	-	-	-	(15)
State Street										
2025	-	-	-	-	-	-	-	-	-	-
2024	26	-	-	-	-	-	-	-	-	26

Notes to the Accounts

For the year ended 31 December 2025 (continued)

The collateral held by the Fund on behalf of the counterparties at the balance sheet date was as follows:

Counterparty	2025 £000's	2024 £000's
Morgan Stanley	4,190	5,198
Total	4,190	5,198

The nature of collateral held by the Fund on behalf of the counterparties at the balance sheet date was as follows:

	2025 £000's	2024 £000's
Cash	4,190	5,198
Total	4,190	5,198

Distribution Tables

Quarterly distribution for the three months ended 31 March 2025

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 30.5.25 per share	Distribution paid 31.5.24 per share
A Accumulation shares				
Group 1	1.1038p	–	1.1038p	1.0790p
Group 2	0.4922p	0.6116p	1.1038p	1.0790p
A Income shares				
Group 1	0.6856p	–	0.6856p	0.7065p
Group 2	0.3442p	0.3414p	0.6856p	0.7065p
C Accumulation shares				
Group 1	2.1778p	–	2.1778p	2.1183p
Group 2	2.1778p	–	2.1778p	2.1183p
C Income shares				
Group 1	0.6998p	–	0.6998p	0.7175p
Group 2	0.6998p	–	0.6998p	0.7175p
L Accumulation shares				
Group 1	0.7160p	–	0.7160p	0.6983p
Group 2	0.3036p	0.4124p	0.7160p	0.6983p
L Income shares				
Group 1	0.6726p	–	0.6726p	0.6876p
Group 2	0.6726p	–	0.6726p	0.6876p
Q Accumulation shares				
Group 1	0.7048p	–	0.7048p	0.6800p
Group 2	0.7048p	–	0.7048p	0.6800p
Q Income shares				
Group 1	0.5464p	–	0.5464p	0.5590p
Group 2	0.5464p	–	0.5464p	0.5590p
S Accumulation shares				
Group 1	2.3569p	–	2.3569p	2.2879p
Group 2	1.3039p	1.0530p	2.3569p	2.2879p
S Income shares				
Group 1	0.6311p	–	0.6311p	0.6457p
Group 2	0.5021p	0.1290p	0.6311p	0.6457p
Z Accumulation shares				
Group 1	2.3241p	–	2.3241p	2.2606p
Group 2	1.0289p	1.2952p	2.3241p	2.2606p
Z Income shares				
Group 1	1.3680p	–	1.3680p	1.4025p
Group 2	0.5510p	0.8170p	1.3680p	1.4025p

Distribution Tables

(continued)

Interim distribution for the three months ended 30 June 2025

Group 1 Shares purchased prior to 1 April 2025

Group 2 Shares purchased on or after 1 April 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.8.25 per share	Distribution paid 31.8.24 per share
A Accumulation shares				
Group 1	1.3001p	–	1.3001p	1.1325p
Group 2	0.7245p	0.5756p	1.3001p	1.1325p
A Income shares				
Group 1	0.7977p	–	0.7977p	0.7322p
Group 2	0.1436p	0.6541p	0.7977p	0.7322p
C Accumulation shares				
Group 1	2.5685p	–	2.5685p	2.2260p
Group 2	2.5685p	–	2.5685p	2.2260p
C Income shares				
Group 1	0.8151p	–	0.8151p	0.7447p
Group 2	0.8151p	–	0.8151p	0.7447p
L Accumulation shares				
Group 1	0.8447p	–	0.8447p	0.7296p
Group 2	0.3712p	0.4735p	0.8447p	0.7296p
L Income shares				
Group 1	0.7830p	–	0.7830p	0.7166p
Group 2	0.7830p	–	0.7830p	0.7166p
Q Accumulation shares				
Group 1	0.8318p	–	0.8318p	0.7215p
Group 2	0.1635p	0.6683p	0.8318p	0.7215p
Q Income shares				
Group 1	0.6367p	–	0.6367p	0.5804p
Group 2	0.6367p	–	0.6367p	0.5804p
S Accumulation shares				
Group 1	2.7811p	–	2.7811p	2.4054p
Group 2	1.5222p	1.2589p	2.7811p	2.4054p
S Income shares				
Group 1	0.7353p	–	0.7353p	0.6703p
Group 2	0.2539p	0.4814p	0.7353p	0.6703p
Z Accumulation shares				
Group 1	2.7409p	–	2.7409p	2.3755p
Group 2	1.3992p	1.3417p	2.7409p	2.3755p
Z Income shares				
Group 1	1.5934p	–	1.5934p	1.4554p
Group 2	0.7848p	0.8086p	1.5934p	1.4554p

Distribution Tables

(continued)

Quarterly distribution for the three months ended 30 September 2025

Group 1 Shares purchased prior to 1 July 2025

Group 2 Shares purchased on or after 1 July 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 30.11.25 per share	Distribution paid 30.11.24 per share
A Accumulation shares				
Group 1	1.3256p	–	1.3256p	1.1674p
Group 2	0.6009p	0.7247p	1.3256p	1.1674p
A Income shares				
Group 1	0.8020p	–	0.8020p	0.7448p
Group 2	0.2463p	0.5557p	0.8020p	0.7448p
C Accumulation shares				
Group 1	2.6220p	–	2.6220p	2.2977p
Group 2	2.6220p	–	2.6220p	2.2977p
C Income shares				
Group 1	0.8205p	–	0.8205p	0.7584p
Group 2	0.8205p	–	0.8205p	0.7584p
L Accumulation shares				
Group 1	0.8625p	–	0.8625p	0.7570p
Group 2	0.2893p	0.5732p	0.8625p	0.7570p
L Income shares				
Group 1	0.7919p	–	0.7919p	0.7310p
Group 2	0.0827p	0.7092p	0.7919p	0.7310p
Q Accumulation shares				
Group 1	0.8495p	–	0.8495p	0.7411p
Group 2	0.8495p	–	0.8495p	0.7411p
Q Income shares				
Group 1	0.6414p	–	0.6414p	0.5914p
Group 2	0.0272p	0.6142p	0.6414p	0.5914p
S Accumulation shares				
Group 1	2.8405p	–	2.8405p	2.4840p
Group 2	1.5332p	1.3073p	2.8405p	2.4840p
S Income shares				
Group 1	0.7408p	–	0.7408p	0.6831p
Group 2	0.3997p	0.3411p	0.7408p	0.6831p
Z Accumulation shares				
Group 1	2.7981p	–	2.7981p	2.4520p
Group 2	1.5485p	1.2496p	2.7981p	2.4520p
Z Income shares				
Group 1	1.6043p	–	1.6043p	1.4822p
Group 2	1.2508p	0.3535p	1.6043p	1.4822p

Distribution Tables

(continued)

Final distribution for the three months ended 31 December 2025

Group 1 Shares purchased prior to 1 October 2025

Group 2 Shares purchased on or after 1 October 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
A Accumulation shares				
Group 1	1.2675p	–	1.2675p	1.1667p
Group 2	0.6086p	0.6589p	1.2675p	1.1667p
A Income shares				
Group 1	0.7558p	–	0.7558p	0.7344p
Group 2	0.1543p	0.6015p	0.7558p	0.7344p
C Accumulation shares				
Group 1	2.5102p	–	2.5102p	2.2993p
Group 2	2.5102p	–	2.5102p	2.2993p
C Income shares				
Group 1	0.7745p	–	0.7745p	0.7487p
Group 2	0.7745p	–	0.7745p	0.7487p
L Accumulation shares				
Group 1	0.8259p	–	0.8259p	0.7558p
Group 2	0.2644p	0.5615p	0.8259p	0.7558p
L Income shares				
Group 1	0.7467p	–	0.7467p	0.7213p
Group 2	0.3773p	0.3694p	0.7467p	0.7213p
Q Accumulation shares				
Group 1	0.8136p	–	0.8136p	0.7438p
Group 2	0.3623p	0.4513p	0.8136p	0.7438p
Q Income shares				
Group 1	0.6054p	–	0.6054p	0.5841p
Group 2	0.5672p	0.0382p	0.6054p	0.5841p
S Accumulation shares				
Group 1	2.7204p	–	2.7204p	2.4871p
Group 2	1.4781p	1.2423p	2.7204p	2.4871p
S Income shares				
Group 1	0.6992p	–	0.6992p	0.6747p
Group 2	0.5823p	0.1169p	0.6992p	0.6747p
Z Accumulation shares				
Group 1	2.6787p	–	2.6787p	2.4536p
Group 2	1.2975p	1.3812p	2.6787p	2.4536p
Z Income shares				
Group 1	1.5135p	–	1.5135p	1.4634p
Group 2	0.7051p	0.8084p	1.5135p	1.4634p

Equalisation

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

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

Schroder Strategic Credit Fund

Fund Information

Investment objective and policy

Schroder Strategic Credit Fund (the 'Fund') aims to provide income and capital growth in excess of the ICE BofA Sterling 3 Month Government Bill Index (after fees have been deducted) over a three to five year period by investing in fixed and floating rate securities of companies worldwide but 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 sterling (or in other currencies and hedged back into sterling) issued by companies worldwide. The Fund may also invest in fixed and floating rate securities issued by governments, government agencies and supra-nationals worldwide.

The Fund may invest more than 50%, directly or indirectly through credit default swaps and credit default swap indices, 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 invest up to 15% of its assets in contingent convertible 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 Appendix 2, Section 6: Derivatives and Forwards of the Prospectus). The Fund may use leverage and take short positions.

With effect from 13 June 2025 the Fund's Investment objective and policy changed, previously it was:

The Fund aims to provide income and capital growth in excess of the ICE BofA Sterling 3 Month Government Bill Index (after fees have been deducted) over a three to five year period by investing in fixed and floating rate securities of companies worldwide but 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 sterling (or in other currencies and hedged back into sterling) issued by companies worldwide. The Fund may also invest in fixed and floating rate securities issued by governments, government agencies and supra-nationals worldwide.

The Fund may invest more than 50% 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 Appendix 2, Section 6: Derivatives and Forwards of the Prospectus). The Fund may use leverage and take short positions.

Fund characteristics

The Fund's performance should be assessed against its target benchmark the ICE BofA Sterling 3 Month Government Bill Index and compared against the Investment Association Strategic Bond 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 benchmarks 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.

Review of Investment Activities

From 31 December 2024 to 31 December 2025, the price of Z Accumulation shares on a dealing price basis rose by 7.8%. In the same period, the ICE BofA Sterling 3 Month Government Bill Index generated a total return of 4.4%¹.

The fund outperformed its benchmark during a period of volatility driven by macroeconomic and geopolitical headlines. The fund benefitted from its allocation to sectors such as European real estate and healthcare. Several longstanding core holdings in these sectors added to performance over the period. The main contribution came from the holding in Branicks, an owner of German office and logistics assets where progress on refinancing has been positive for bondholders. In addition our holding in French real estate group Foncia contributed positively. Cash flows became more sustainable, providing an improving credit outlook over the next two years. The company also completed a small disposal, adding to its relatively attractive valuation in the single B-ratings space. The real estate sector has also benefited from the lower interest rate environment which has led to a more favourable backdrop for refinancing activity throughout the sector. In the healthcare sector, Spanish healthcare group Grifols, German pharmaceutical group Nidda Healthcare, and German pain medicine specialist Grunenthal were all key contributors to positive returns.

Elsewhere, our exposure to UK government bonds made a positive contribution over the year, with the rally in gilts also boosting several longer-dated holdings in the banking sector, notably Lloyds Banking Group as well as sterling-denominated bonds issued by European banks, notably Intesa San Paolo and Deutsche Bank.

Conversely, our holdings in UK specialty chemical group Ineos and French chemical company Kem One weakened as the impact of persistent overcapacity and higher energy costs continues to erode margins throughout the sector.

In terms of portfolio changes, with credit spreads in the high yield market continuing to be at substantially tighter levels, we continue to hold a significant proportion of the portfolio in investment grade corporate bonds, mainly BBB-rated and AA-rated securities, as well as exposure to gilts, which act as a buffer against market volatility. The fund remained well diversified with the main sector exposures being healthcare, senior banking and financial services, and automotives. We also increased our allocation to real estate as the sector continues to recover with the lower interest rate environment bolstering the sector, as well as being less affected by global trade tensions. We added holdings in Accor (pan-European hotels and a new 5-year issue) and Medical Properties Trust (transatlantic hospitals). Both securities are first lien on physical property.

Towards the start of the year in the primary market we participated in a new issue from the UK restaurant chain Wagamama. The business is outperforming peers in the retail sector, and we view the prospects for sustainable earnings growth as positive. The bonds carry a single B rating and offer an attractive yield. We consider that the company's capital structure can cover a high coupon in what remains a challenging backdrop for UK discretionary consumer spending. We also bought the 3-year paper of Schaeffler, a European automotives component company which we see as one of the stronger automotives company amongst a sector which has been challenged in recent months.

Elsewhere, in the healthcare sector, we added to the holding in diversified European pharmaceutical group Cheplapharm, focusing on dollar-denominated bonds trading substantially below par on an attractive yield to maturity.

Elsewhere we took profits on holdings in real estate name MPW, banking groups such as Barclays and ABN Amro, and autos company Ford. We bought, and later took profit on a new issue from Japanese technology conglomerate Softbank which was using bond proceeds to fund investments into artificial intelligence. We also sold our holding in UK pub group Punch Taverns, which faced rising cost pressures due to the hike in employers' national insurance contributions and higher wages.

Fund Manager:
Peter Harvey



Peter joined Schroders in July 2013 following the acquisition of Cazenove Capital

Having joined Cazenove Capital in 2005, where he was head of the European credit team, Peter is now part of the London based fixed income team at Schroders

He has 34 years' experience analysing and investing in corporate debt

Peter studied management and international relations at St Andrews University

¹ Source: Morningstar.

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/en-gb/uk/individual/Fund-centre/.

Comparative Table

Financial year to 31 December	A Accumulation shares			A Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	202.08	186.43	167.29	80.32	78.82	75.19
Return before operating charges*	17.52	17.94	21.20	6.88	7.49	9.38
Operating charges	(2.42)	(2.29)	(2.06)	(0.95)	(0.95)	(0.91)
Return after operating charges*	15.10	15.65	19.14	5.93	6.54	8.47
Distributions**	(12.98)	(12.11)	(10.94)	(5.08)	(5.04)	(4.84)
Retained distributions**	12.98	12.11	10.94	-	-	-
Closing net asset value	217.18	202.08	186.43	81.17	80.32	78.82
*after direct transaction costs of	-	-	-	-	-	-
Performance						
Return after charges (%)	7.47	8.39	11.44	7.38	8.30	11.26
Other information						
Closing net asset value (£000's)	23,376	15,989	12,991	467	613	364
Closing number of shares	10,763,476	7,912,292	6,968,365	574,820	762,839	460,274
Operating charges (%)	1.15	1.17	1.17	1.15	1.17	1.17
Direct transaction costs (%)	-	-	-	-	-	-
Prices						
Highest dealing price	217.60p	202.70p	187.50p	83.94p	83.14p	81.82p
Lowest dealing price	202.10p	186.60p	168.70p	80.34p	78.90p	75.83p

Comparative Table

(continued)

Financial year to 31 December	C Income shares			D Accumulation shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	84.55	82.63	78.51	73.92	67.73	60.43
Return before operating charges*	7.25	7.88	9.82	6.46	6.55	7.70
Operating charges	(0.65)	(0.66)	(0.63)	(0.39)	(0.36)	(0.40)
Return after operating charges*	6.60	7.22	9.19	6.07	6.19	7.30
Distributions**	(5.36)	(5.30)	(5.07)	(4.75)	(4.42)	(3.95)
Retained distributions**	–	–	–	4.75	4.42	3.95
Closing net asset value	85.79	84.55	82.63	79.99	73.92	67.73
*after direct transaction costs of	–	–	–	–	–	–
Performance						
Return after charges (%)	7.81	8.74	11.71	8.21	9.14	12.08
Other information						
Closing net asset value (£000's)	22	22	22	2	1	1
Closing number of shares	26,274	26,274	26,274	2,000	2,000	2,000
Operating charges (%)	0.75	0.77	0.77	0.50	0.50	0.62
Direct transaction costs (%)	–	–	–	–	–	–
Prices						
Highest dealing price	88.72p	87.49p	85.77p	80.15p	74.14p	68.11p
Lowest dealing price	84.58p	82.72p	79.18p	73.94p	67.79p	60.93p

Comparative Table

(continued)

Financial year to 31 December	D Income shares			L Accumulation shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	43.76	42.69	40.50	220.28	202.20	180.55
Return before operating charges*	3.76	4.03	5.07	19.14	19.51	22.93
Operating charges	(0.22)	(0.22)	(0.26)	(1.49)	(1.43)	(1.28)
Return after operating charges*	3.54	3.81	4.81	17.65	18.08	21.65
Distributions**	(2.78)	(2.74)	(2.62)	(14.19)	(13.16)	(11.84)
Retained distributions**	–	–	–	14.19	13.16	11.84
Closing net asset value	44.52	43.76	42.69	237.93	220.28	202.20
*after direct transaction costs of	–	–	–	–	–	–
Performance						
Return after charges (%)	8.09	8.92	11.88	8.01	8.94	11.99
Other information						
Closing net asset value (£000's)	357	351	342	244,828	312,207	208,045
Closing number of shares	801,945	801,945	801,945	102,901,082	141,728,611	102,889,500
Operating charges (%)	0.50	0.50	0.62	0.65	0.67	0.67
Direct transaction costs (%)	–	–	–	–	–	–
Prices						
Highest dealing price	46.04p	45.28p	44.32p	238.40p	220.90p	203.40p
Lowest dealing price	43.78p	42.74p	40.85p	220.30p	202.40p	182.10p

Comparative Table (continued)

Financial year to 31 December	L Income shares			Q Accumulation shares ¹	
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share
Change in net asset value					
Opening net asset value	88.03	85.94	81.57	50.55	50.00
Return before operating charges*	7.55	8.20	10.21	4.40	0.60
Operating charges	(0.59)	(0.60)	(0.57)	(0.21)	(0.05)
Return after operating charges*	6.96	7.60	9.64	4.19	0.55
Distributions**	(5.58)	(5.51)	(5.27)	(3.34)	(0.73)
Retained distributions**	–	–	–	3.34	0.73
Closing net asset value	89.41	88.03	85.94	54.74	50.55
*after direct transaction costs of	–	–	–	–	–
Performance					
Return after charges (%)	7.91	8.84	11.82	8.29	1.10
Other information					
Closing net asset value (£000's)	439,345	402,190	310,614	164,619	23,361
Closing number of shares	491,375,686	456,880,000	361,415,042	300,701,481	46,215,400
Operating charges (%)	0.65	0.67	0.67	0.39	0.39
Direct transaction costs (%)	–	–	–	–	–
Prices					
Highest dealing price	92.46p	91.09p	89.22p	54.86p	50.70p
Lowest dealing price	88.06p	86.04p	82.27p	50.56p	49.98p

Comparative Table

(continued)

Financial year to 31 December	S Accumulation shares			S Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	214.53	196.52	175.13	45.26	44.10	41.77
Return before operating charges*	18.68	18.98	22.26	3.89	4.20	5.23
Operating charges	(1.05)	(0.97)	(0.87)	(0.22)	(0.21)	(0.20)
Return after operating charges*	17.63	18.01	21.39	3.67	3.99	5.03
Distributions**	(13.83)	(12.81)	(11.49)	(2.87)	(2.83)	(2.70)
Retained distributions**	13.83	12.81	11.49	–	–	–
Closing net asset value	232.16	214.53	196.52	46.06	45.26	44.10
*after direct transaction costs of	–	–	–	–	–	–
Performance						
Return after charges (%)	8.22	9.16	12.21	8.11	9.05	12.04
Other information						
Closing net asset value (£000's)	3,536	4,504	23,109	23,734	25,780	30,473
Closing number of shares	1,523,055	2,099,488	11,759,109	51,526,572	56,957,835	69,103,144
Operating charges (%)	0.47	0.47	0.47	0.47	0.47	0.47
Direct transaction costs (%)	–	–	–	–	–	–
Prices						
Highest dealing price	232.60p	215.20p	197.60p	47.63p	46.83p	45.78p
Lowest dealing price	214.60p	196.70p	176.60p	45.28p	44.15p	42.13p

Comparative Table

(continued)

Financial year to 31 December	Z Accumulation shares			Z Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	73.02	67.09	59.97	43.72	42.73	40.60
Return before operating charges*	6.34	6.47	7.61	3.75	4.07	5.08
Operating charges	(0.57)	(0.54)	(0.49)	(0.34)	(0.34)	(0.33)
Return after operating charges*	5.77	5.93	7.12	3.41	3.73	4.75
Distributions**	(4.70)	(4.37)	(3.93)	(2.77)	(2.74)	(2.62)
Retained distributions**	4.70	4.37	3.93	-	-	-
Closing net asset value	78.79	73.02	67.09	44.36	43.72	42.73
*after direct transaction costs of	-	-	-	-	-	-
Performance						
Return after charges (%)	7.90	8.84	11.87	7.80	8.73	11.70
Other information						
Closing net asset value (£000's)	99,655	89,476	64,768	23,247	27,194	22,300
Closing number of shares	126,482,713	122,534,813	96,533,004	52,402,733	62,198,097	52,189,142
Operating charges (%)	0.75	0.77	0.77	0.75	0.77	0.77
Direct transaction costs (%)	-	-	-	-	-	-
Prices						
Highest dealing price	78.95p	73.24p	67.48p	45.88p	45.24p	44.36p
Lowest dealing price	73.04p	67.15p	60.47p	43.74p	42.77p	40.95p

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

** These figures have been rounded to 2 decimal places.

1 Q Accumulation shares launched on 30 September 2024.

The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share 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 Authorised Corporate Director fee, Registrar fees, Safe custody fees, Depositary's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are shares 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 31.12.25	Market Value £000's	% of net assets
Corporate Bonds 85.19% (85.39%)			
Australia 0.03% (0.36%)			
APA Infrastructure FRN 7.125% 09/11/2083	361,000	344	0.03
		344	0.03
Austria 0.48% (0.55%)			
Sappi Papier Holding 3.625% 15/03/2028	825,000	716	0.07
ams-OSRAM 10.5% 30/03/2029	2,004,000	1,822	0.18
ams-OSRAM 12.25% 30/03/2029	811,000	640	0.06
Benteler International 7.25% 15/06/2031	1,001,000	938	0.09
Sappi Papier Holding 7.5% 15/06/2032	1,000,000	781	0.08
		4,897	0.48
Belgium 1.21% (1.16%)			
Barry Callebaut Services 3.75% 19/02/2028	1,000,000	888	0.09
Azelis Finance 5.75% 15/03/2028	1,950,000	1,736	0.17
Azelis Finance 4.75% 25/09/2029	3,802,000	3,400	0.33
UCB 4.25% 20/03/2030	1,500,000	1,349	0.13
Ontex Group 5.25% 15/04/2030	3,016,000	2,611	0.26
Manuchar Group FRN 6.937% 07/07/2032	2,835,000	2,368	0.23
		12,352	1.21
Bermuda 1.53% (2.00%)			
Hiscox 6% 22/09/2027	450,000	460	0.04
Odfjell Rig III 7.25% 08/03/2031	2,600,000	1,961	0.19
Athora Holding 5.875% 10/09/2034	675,000	627	0.06
Hiscox FRN 7% 11/06/2036	7,653,000	6,109	0.60
Lancashire Holdings FRN 5.625% 18/09/2041	8,860,000	6,514	0.64
		15,671	1.53
Canada 0.79% (0.63%)			
Canadian Imperial Bank of Commerce FRN 4.281% 12/09/2028	1,573,000	1,575	0.15
Bank of Nova Scotia FRN 4.27% 15/09/2028	2,558,000	2,562	0.25

	Holding at 31.12.25	Market Value £000's	% of net assets
First Quantum Minerals 9.375% 01/03/2029	1,304,000	1,021	0.10
Toronto-Dominion Bank FRN 4.331% 11/06/2029	1,817,000	1,820	0.18
Clarios Global 6.75% 15/02/2030	340,000	264	0.03
Royal Bank of Canada FRN 5.1% 10/10/2031	800,000	818	0.08
		8,060	0.79
Cayman Islands 0.66% (0.80%)			
Gaci First Investment 5.125% 11/06/2029	4,912,000	5,000	0.49
Sable International Finance 7.125% 15/10/2032	2,327,000	1,751	0.17
		6,751	0.66
Czech Republic 0.60% (0.02%)			
Czechoslovak Group 6.5% 10/01/2031	5,301,000	4,050	0.39
Czechoslovak Group 5.25% 10/01/2031	2,346,000	2,123	0.21
		6,173	0.60
Denmark 0.07% (0.43%)			
TDC Net 5.186% 02/08/2029	800,000	738	0.07
		738	0.07
Finland 0.00% (0.54%)			
France 5.03% (5.00%)			
Loxam 4.5% 15/02/2027	2,508,000	2,199	0.21
SNF 3.125% 15/03/2027	4,656,000	3,401	0.33
Quatrim 8.5% 15/01/2028	61,160	52	0.01
Societe Generale FRN 5.45% 19/01/2028	4,286,000	3,211	0.31
CAB SELAS 3.375% 01/02/2028	1,070,000	907	0.09
Emeria 7.75% 31/03/2028	5,802,000	4,643	0.45
Emeria 3.375% 31/03/2028	1,392,000	1,062	0.10
La Financiere Atalian 8.5% 30/06/2028	4,503,078	1,116	0.11
Iliad Holding 7% 15/10/2028	954,000	718	0.07
Teleperformance 5.25% 22/11/2028	1,100,000	1,013	0.10
Credit Agricole FRN 5.375% 15/01/2029	2,200,000	2,240	0.22
iliad 5.375% 15/02/2029	100,000	92	0.01

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets
Eutelsat 9.75% 13/04/2029	1,609,000	1,498	0.15
BPCE 6.125% 24/05/2029	1,300,000	1,345	0.13
Loxam 6.375% 31/05/2029	621,900	562	0.05
CMA CGM 5.5% 15/07/2029	602,000	545	0.05
Banque Federative du Credit Mutuel 5% 22/10/2029	1,900,000	1,932	0.19
Holding d'Infra- structures des Metiers de l'Envi- ronnement 4.875% 24/10/2029	1,261,000	1,141	0.11
Worldline 5.25% 27/11/2029	3,100,000	2,389	0.23
Teleperformance 4.25% 21/01/2030	400,000	359	0.04
Loxam 4.25% 15/02/2030	322,000	283	0.03
Worldline 5.5% 10/06/2030	3,300,000	2,513	0.25
Clariane 7.875% 27/06/2030	700,000	623	0.06
Bertrand Franchise Finance FRN 5.754% 18/07/2030	710,000	616	0.06
Renault 3.875% 30/09/2030	900,000	792	0.08
Viridien 10% 15/10/2030	1,011,000	793	0.08
Viridien 8.5% 15/10/2030	92,229	84	0.01
New Immo Holding 4.95% 14/11/2030	1,500,000	1,317	0.13
Tikehau Capital 4.25% 08/04/2031	1,600,000	1,415	0.14
Tereos Finance Groupe I 5.75% 30/04/2031	520,000	423	0.04
Valeo 5.125% 20/05/2031	800,000	720	0.07
Credit Agricole FRN 1.874% 09/12/2031	600,000	586	0.06
Altice France 6.875% 15/07/2032	1,632,612	1,164	0.11
Credit Agricole FRN 5.75% 09/11/2034	1,100,000	1,123	0.11
Alstom FRN 5.868% Perpetual	1,400,000	1,294	0.13
Clariane FRN 13.168% Perpetual	3,600,000	3,666	0.36
Electricite de France FRN 5.875% Perpetual	3,400,000	3,409	0.33
RCI Banque FRN 6.125% Perpetual	200,000	176	0.02
		51,422	5.03

	Holding at 31.12.25	Market Value £000's	% of net assets
Germany 9.72% (9.74%)			
ADLER Real Estate 3% 27/04/2026	800,000	695	0.07
Schaeffler 4.5% 14/08/2026	1,400,000	1,233	0.12
BRANICKS Group 2.25% 22/09/2026	6,300,000	3,842	0.38
Cheplapharm Arzneimittel 5.5% 15/01/2028	10,122,000	7,419	0.73
Cheplapharm Arzneimittel 4.375% 15/01/2028	643,000	558	0.05
Schaeffler 4.25% 01/04/2028	5,100,000	4,546	0.44
Gruenenthal 4.125% 15/05/2028	8,504,000	7,461	0.73
IHO Verwaltungs FRN 8.75% 15/05/2028	4,137,005	3,775	0.37
ZF Finance 3.75% 21/09/2028	1,100,000	945	0.09
Deutsche Bank FRN 1.875% 22/12/2028	600,000	572	0.06
Tele Columbus 10% 01/01/2029	2,175,091	1,249	0.12
Deutsche Bank FRN 5% 26/02/2029	1,900,000	1,919	0.19
ProGroup 5.125% 15/04/2029	4,736,000	4,246	0.41
Volkswagen Financial Services 3.625% 19/05/2029	1,000,000	884	0.09
Techem Verwal- tungsgesellschaft 675 5.375% 15/07/2029	1,137,000	1,025	0.10
IHO Verwaltungs 6.75% 15/11/2029	2,575,000	2,376	0.23
KION Group 4% 20/11/2029	3,470,000	3,107	0.30
CTEC II 5.25% 15/02/2030	1,470,000	1,199	0.12
Nidda Healthcare Holding 5.625% 21/02/2030	5,774,000	5,174	0.51
Nidda Healthcare Holding 7% 21/02/2030	1,584,000	1,436	0.14
Cheplapharm Arzneimittel 7.5% 15/05/2030	3,198,000	2,895	0.28
Cheplapharm Arzneimittel FRN 6.814% 15/05/2030	1,030,000	898	0.09
Gruenenthal 6.75% 15/05/2030	1,716,000	1,567	0.15
Nidda Healthcare Holding FRN 5.814% 23/10/2030	6,751,000	5,976	0.58
IHO Verwaltungs 7.75% 15/11/2030	1,890,000	1,476	0.14

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets		Holding at 31.12.25	Market Value £000's	% of net assets
Deutsche Bank FRN 6.125% 12/12/2030	2,900,000	3,039	0.30	Grenke Finance 5.25% 08/04/2030	994,000	912	0.09
WEPA Hygiene- produkte 5.625% 15/01/2031	2,463,000	2,250	0.22	GTC Finance 6.5% 15/10/2030	7,568,000	6,139	0.60
Cheplapharm Arzneimittel 7.125% 15/06/2031	3,422,000	3,051	0.30	Flutter Treasury 6.125% 04/06/2031	6,983,000	7,032	0.69
Gruenenthal 4.625% 15/11/2031	6,312,000	5,569	0.54	Flutter Treasury 6.125% 04/06/2031	3,872,000	3,904	0.38
Gruenenthal 4.625% 15/11/2031	2,177,000	1,921	0.19	DCC Group Finance 4.375% 27/06/2031	790,000	708	0.07
Schaeffler 4.5% 12/05/2032	2,200,000	1,927	0.19	Bank of Ireland Group FRN 7.594% 06/12/2032	2,129,000	2,226	0.22
Mahle 7.125% 15/07/2032	3,261,000	3,000	0.29	Roadster Finance 2.375% 08/12/2032	887,000	762	0.07
Commerzbank FRN 8.625% 28/02/2033	2,600,000	2,782	0.27		34,710	3.39	
Commerzbank FRN 6.5% Perpetual	1,400,000	1,299	0.13	Isle of Man 0.52% (0.47%)			
Deutsche Bank FRN 7.125% Perpetual	3,800,000	3,810	0.37	Playtech 5.875% 28/06/2028	4,848,000	4,228	0.41
Deutsche Bank FRN 7.375% Perpetual	1,200,000	1,128	0.11	Entain 4.875% 30/11/2031	1,286,000	1,130	0.11
Deutsche Bank FRN 7.125% Perpetual	1,000,000	924	0.09		5,358	0.52	
Deutsche Bank FRN 4.5% Perpetual	1,000,000	871	0.09	Israel 0.67% (0.77%)			
Deutsche Bank FRN 4.625% Perpetual	1,000,000	865	0.08	Energear Israel Finance 5.375% 30/03/2028	7,055,833	5,174	0.51
Deutsche Bank FRN 8.125% Perpetual	600,000	569	0.06	Energear Israel Finance 5.875% 30/03/2031	640,000	460	0.05
	99,478	9.72		Energear Israel Finance 8.5% 30/09/2033	1,473,000	1,170	0.11
Gibraltar 0.04% (0.04%)					6,804	0.67	
888 Acquisitions 10.75% 15/05/2030	437,000	367	0.04	Italy 5.22% (4.88%)			
	367	0.04		Fibercop 6.875% 15/02/2028	3,365,000	3,114	0.30
Greece 0.08% (0.09%)				Telecom Italia 6.875% 15/02/2028	389,000	365	0.04
Piraeus Bank FRN 6.75% 05/12/2029	872,000	839	0.08	Guala Closures 3.25% 15/06/2028	520,000	447	0.04
	839	0.08		Optics Bidco 7.875% 31/07/2028	1,528,000	1,457	0.14
Guernsey 0.14% (0.51%)				Telecom Italia 7.875% 31/07/2028	235,000	229	0.02
Pershing Square Holdings 4.25% 29/04/2030	1,600,000	1,415	0.14	Intesa Sanpaolo FRN 6.5% 14/03/2029	3,412,000	3,556	0.35
	1,415	0.14		EVOCA FRN 7.279% 09/04/2029	1,442,000	1,208	0.12
Ireland 3.39% (2.38%)				Guala Closures FRN 6.1% 29/06/2029	1,732,000	1,519	0.15
Virgin Media Vendor Financing Notes III 4.875% 15/07/2028	4,954,000	4,823	0.47	Kedrion 6.5% 01/09/2029	4,004,000	2,931	0.29
Energia Group ROI 6.875% 31/07/2028	5,194,000	4,698	0.46	BPER Banca FRN 5.75% 11/09/2029	894,000	834	0.08
Flutter Treasury 6.375% 29/04/2029	4,081,000	3,132	0.30	BPER Banca FRN 4.25% 20/02/2030	533,000	482	0.05
TrueNoord Capital DAC 8.75% 01/03/2030	476,000	374	0.04	Fibercop 4.75% 30/06/2030	9,348,000	8,294	0.81

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets		Holding at 31.12.25	Market Value £000's	% of net assets
Almaviva-The Italian Innovation 5% 30/10/2030	6,672,000	5,874	0.57	TVL Finance 10.25% 28/04/2028	1,020,000	1,038	0.10
Lottomatica Group 4.875% 31/01/2031	762,000	685	0.07	Ardonagh Finco 6.875% 15/02/2031	1,000,000	900	0.09
Multiversity 7.125% 17/05/2031	1,202,000	1,121	0.11	Deepocean 6% 08/04/2031	2,101,000	1,882	0.18
Multiversity FRN 6.324% 17/05/2031	2,359,000	2,083	0.20	Biffa Group Holdings 7.375% 15/06/2031	2,302,000	2,322	0.23
Fibercop FRN 5.026% 30/06/2031	1,146,000	1,007	0.10	Kane Bidco 7.75% 15/07/2031	7,978,000	8,141	0.80
Rino Mastrotto Group FRN 6.816% 31/07/2031	1,989,000	1,684	0.16	AA Bond 5.5% 31/07/2050	500,000	498	0.05
TeamSystem FRN 5.526% 31/07/2031	2,011,000	1,768	0.17	AA Bond 3.25% 31/07/2050	262,000	250	0.02
Castello BC Bidco FRN 6.519% 14/11/2031	1,388,000	1,223	0.12			16,207	1.58
TeamSystem FRN 5.276% 01/07/2032	1,759,000	1,544	0.15	Lithuania 0.04% (0.00%)			
Nexture FRN 6.026% 30/07/2032	993,000	873	0.09	Arteas Bankas FRN 3.739% 07/10/2029	435,000	379	0.04
Intesa Sanpaolo 8.505% 20/09/2032	2,429,000	2,834	0.28			379	0.04
Intesa Sanpaolo 6.625% 31/05/2033	2,327,000	2,536	0.25	Luxembourg 7.12% (4.91%)			
Enel FRN 6.375% Perpetual	1,475,000	1,371	0.13	GTC Aurora Luxembourg 2.25% 23/06/2026	4,482,000	3,892	0.38
Generali FRN 6.269% Perpetual	2,300,000	2,320	0.23	CPI Property Group, STEP 4% 22/01/2028	3,926,000	3,734	0.36
Prysmian FRN 5.25% Perpetual	742,000	674	0.07	Herens Holdco 4.75% 15/05/2028	943,000	609	0.06
UnipolSai Assicurazioni FRN 6.375% Perpetual	1,489,000	1,374	0.13	Vivion Investments 8.25% 31/08/2028	109,195	95	0.01
		53,407	5.22	Garfunkelux Holdco 3 9% 01/09/2028	232,355	194	0.02
Jamaica 0.14% (0.00%)				Lune Holdings FRN 5.625% 15/11/2028	383,000	38	0.00
Digicel International Finance 8.625% 01/08/2032	1,912,000	1,475	0.14	Adler Financing 8.25% 31/12/2028	5,305,615	5,074	0.50
		1,475	0.14	Vivion Investments 6.5% 28/02/2029	1,244,144	1,083	0.11
Japan 1.23% (0.19%)				CPI Property Group 7% 07/05/2029	1,006,000	933	0.09
SoftBank Group 5.375% 08/01/2029	362,000	324	0.03	Connect Finco 9% 15/09/2029	1,541,000	1,215	0.12
SoftBank Group 6.5% 10/04/2029	5,517,000	4,112	0.40	Essendi 6.375% 15/10/2029	4,288,000	3,932	0.38
Nissan Motor 5.25% 17/07/2029	2,514,000	2,254	0.22	Rossini 6.75% 31/12/2029	3,211,000	2,946	0.29
SoftBank Group 5.25% 10/10/2029	3,298,000	2,923	0.29	Rossini FRN 5.894% 31/12/2029	1,127,705	1,002	0.10
SoftBank Group 6.875% 10/01/2031	3,477,000	2,590	0.26	CPI Property Group FRN 1.75% 14/01/2030	700,000	519	0.05
Nissan Motor 6.375% 17/07/2033	378,000	338	0.03	Summer BC Holdco B FRN 6.314% 15/02/2030	3,482,000	2,850	0.28
		12,541	1.23	ContourGlobal Power Holdings 5% 28/02/2030	1,034,000	924	0.09
Jersey 1.58% (1.28%)				ContourGlobal Power Holdings 6.75% 28/02/2030	690,000	529	0.05
CPUK Finance 4.5% 28/08/2027	1,200,000	1,176	0.11				

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets		Holding at 31.12.25	Market Value £000's	% of net assets
Arena Luxembourg Finance FRN 4.55% 01/05/2030	4,842,000	4,265	0.42	Eurofins Scientific FRN 6.75% Perpetual	1,638,000	1,519	0.15
Currenta Group Holdings 5.5% 15/05/2030	345,000	304	0.03			72,834	7.12
Essendi 5.375% 15/05/2030	2,668,000	2,393	0.23	Marshall Islands 0.12% (0.00%)			
Albion Financing 1 7% 21/05/2030	2,970,000	2,305	0.22	Scorpio Tankers 7.5% 30/01/2030	1,625,000	1,224	0.12
Albion Financing 1 5.375% 21/05/2030	1,784,000	1,607	0.16			1,224	0.12
Vivion Investments 5.625% 08/06/2030	1,228,000	1,033	0.10	Mexico 0.14% (0.80%)			
CPI Property Group 4.75% 22/07/2030	1,820,000	1,530	0.15	Petroleos Mexicanos 5.35% 12/02/2028	700,000	522	0.05
ION Platform Finance 6.5% 30/09/2030	1,402,000	1,185	0.12	Total Play Tele- comunicaciones 11.125% 31/12/2032	1,305,961	932	0.09
Matterhorn Telecom 3.875% 15/10/2030	900,000	783	0.08			1,454	0.14
Ardagh Group 9.5% 01/12/2030	6,810,000	5,491	0.54	Netherlands 5.37% (4.47%)			
Ardagh Group 12% 01/12/2030	840,000	571	0.06	Teva Pharmaceutical Finance Netherlands III 3.15% 01/10/2026	373,000	274	0.03
Stena International 7.25% 15/01/2031	2,625,000	1,990	0.19	Prosus 3.257% 19/01/2027	5,555,000	4,071	0.40
Ephios Subco 3 7.875% 31/01/2031	1,632,000	1,519	0.15	Prosus, Reg S 3.257% 19/01/2027	2,523,000	1,849	0.18
Hidrovias International Finance 4.95% 08/02/2031	758,000	531	0.05	ABN AMRO Bank FRN 4.32% 24/02/2027	700,000	700	0.07
InPost 4% 01/04/2031	1,942,000	1,697	0.17	Heimstaden Bostad Treasury 1.375% 03/03/2027	496,000	426	0.04
MC Brazil Downstream Trading 7.25% 30/06/2031	924,980	603	0.06	Teva Pharmaceutical Finance Netherlands II 3.75% 09/05/2027	2,543,000	2,242	0.22
Cidron Aida Finco 9.125% 27/10/2031	6,557,000	6,755	0.66	Teva Pharmaceutical Finance Netherlands III 4.75% 09/05/2027	2,333,000	1,739	0.17
CPI Property Group 6% 27/01/2032	851,000	745	0.07	OI European Group 6.25% 15/05/2028	358,000	321	0.03
Motion Finco 8.375% 15/02/2032	4,055,000	2,707	0.26	ABN AMRO Bank FRN 4.434% 08/12/2028	8,200,000	8,203	0.80
Currenta Group Holdings FRN 6.064% 15/05/2032	295,000	259	0.02	United Group FRN 6.314% 01/02/2029	4,053,000	3,562	0.35
Essendi FRN 5.814% 15/05/2032	765,000	677	0.07	Citycon Treasury 6.5% 08/03/2029	2,133,000	1,887	0.18
Telecom Italia Capital 7.2% 18/07/2036	87,000	70	0.01	Upfield 6.875% 02/07/2029	2,407,000	2,087	0.20
CPI Property Group FRN 3.75% Perpetual	1,522,000	1,168	0.11	Phoenix PIB Dutch Finance 4.875% 10/07/2029	1,800,000	1,648	0.16
Eurofins Scientific FRN 5.75% Perpetual	1,698,000	1,558	0.15	Prosus 1.288% 13/07/2029	600,000	489	0.05

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets
Teva Pharmaceutical Finance Netherlands II FRN 7.375% 15/09/2029	2,140,000	2,102	0.21
House of HR Group 9% 03/11/2029	1,001,000	876	0.09
Ziggo 4.875% 15/01/2030	1,000,000	703	0.07
Ziggo Bond 5.125% 28/02/2030	253,000	168	0.02
Citycon Treasury 5% 11/03/2030	957,000	794	0.08
Centrient Holding FRN 6.564% 30/05/2030	1,518,000	1,192	0.12
Trivium Packaging Finance 6.625% 15/07/2030	872,000	802	0.08
Boost Newco Borrower 8.5% 15/01/2031	7,088,000	7,571	0.74
Teva Pharmaceutical Finance Netherlands II 4.125% 01/06/2031	5,113,000	4,527	0.44
Citycon Treasury 5.375% 08/07/2031	1,549,000	1,283	0.12
Volkswagen Financial Services 5.25% 14/07/2031	400,000	402	0.04
Telefonica Europe FRN 7.125% Perpetual	600,000	567	0.05
Volkswagen International Finance FRN 3.748% Perpetual	400,000	349	0.03
Volkswagen International Finance FRN 7.5% Perpetual	1,200,000	1,141	0.11
Volkswagen International Finance FRN 5.994% Perpetual	1,100,000	993	0.10
Wintershall Dea Finance 2 FRN 6.117% Perpetual	2,196,000	1,956	0.19
		54,924	5.37
Norway 0.30% (0.04%)			
TGS 8.5% 15/01/2030	440,000	342	0.03
Archer Norge 9.5% 25/02/2030	1,000,000	781	0.08
DNO 8.5% 27/03/2030	2,543,000	1,950	0.19
		3,073	0.30
Poland 0.64% (0.71%)			
Canpack 2.375% 01/11/2027	4,325,000	3,732	0.36

	Holding at 31.12.25	Market Value £000's	% of net assets
MLP Group 6.125% 15/10/2029	2,474,000	2,241	0.22
Canpack 3.875% 15/11/2029	819,000	583	0.06
		6,556	0.64
Portugal 0.17% (0.17%)			
Fidelidade de Seguros FRN 7.75% Perpetual	1,800,000	1,719	0.17
		1,719	0.17
Serbia 0.18% (0.22%)			
Telecommunica- tions co Telekom Srbija AD Belgrade 7% 28/10/2029	2,524,000	1,875	0.18
		1,875	0.18
Singapore 0.92% (0.47%)			
DBS Bank FRN 4.268% 30/10/2028	3,422,000	3,425	0.34
United Overseas Bank FRN 4.252% 08/06/2029	4,524,000	4,527	0.44
Seagate Data Storage Technology 4.125% 15/01/2031	850,000	600	0.06
Seagate Data Storage Technology 9.625% 01/12/2032	1,001,952	846	0.08
		9,398	0.92
Spain 2.39% (2.15%)			
Aedas Homes Opco 4% 15/08/2026	1,476,000	1,288	0.13
Grifols 2.25% 15/11/2027	2,150,000	1,868	0.18
Green Bidco 10.25% 15/07/2028	348,000	50	0.00
Grifols 3.875% 15/10/2028	800,000	691	0.07
Banco Santander 5.5% 11/06/2029	2,100,000	2,169	0.21
Banco de Credito Social Cooperativo FRN 7.5% 14/09/2029	2,700,000	2,631	0.26
Neinor Homes 5.875% 15/02/2030	5,039,000	4,567	0.45
Grifols 7.125% 01/05/2030	3,768,000	3,452	0.34
Grifols 7.5% 01/05/2030	1,221,000	1,120	0.11
Banco Santander 4.625% 17/11/2030	1,000,000	1,000	0.10
Banco Santander FRN 5.625% 27/01/2031	900,000	929	0.09
Via Celere Desarrollos Inmobiliarios 4.875% 15/04/2031	4,954,000	4,301	0.42

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets
Banco de Sabadell FRN 6.5% Perpetual	400,000	364	0.03
		24,430	2.39
Sweden 0.69% (0.54%)			
Samhallsbyggnads- bolaget I Norden Holding 2.375% 04/08/2026	901,000	776	0.08
Dometic Group 2% 29/09/2028	409,000	345	0.03
Volvo Car 4.2% 10/06/2029	3,362,000	2,983	0.29
Goldcup FRN 7.338% 11/12/2029	300,000	270	0.03
Volvo Car 4.75% 08/05/2030	683,000	620	0.06
Heimstaden Bostad FRN 6.25% Perpetual	1,291,000	1,178	0.12
Heimstaden Bostad FRN 2.625% Perpetual	1,022,000	867	0.08
		7,039	0.69
Switzerland 0.84% (1.04%)			
Julius Baer Group FRN 7.5% Perpetual	7,400,000	5,691	0.56
Julius Baer Group FRN 3.625% Perpetual	2,040,000	1,401	0.14
UBS Group FRN 7% Perpetual	1,064,000	809	0.08
UBS Group FRN 9.25% Perpetual	806,000	657	0.06
		8,558	0.84
United Kingdom 25.03% (31.05%)			
Marks & Spencer 3.75% 19/05/2026	513,000	512	0.05
Harbour Energy, 144 A 5.5% 15/10/2026	8,790,000	6,478	0.63
Harbour Energy, Reg S 5.5% 15/10/2026	5,921,000	4,364	0.43
Premier Foods Finance 3.5% 15/10/2026	5,400,000	5,338	0.52
Voyage Care BondCo 5.875% 15/02/2027	4,061,000	4,031	0.39
ICG 1.625% 17/02/2027	1,905,000	1,638	0.16
Daily Mail & General Trust 6.375% 21/06/2027	3,350,000	3,355	0.33
Phoenix Group Holdings 5.375% 06/07/2027	933,000	701	0.07
Marks & Spencer, STEP 3.25% 10/07/2027	403,000	396	0.04

	Holding at 31.12.25	Market Value £000's	% of net assets
Nationwide Building Society FRN 4% 03/09/2027	700,000	700	0.07
Rolls-Royce 5.75% 15/10/2027	6,745,000	6,892	0.67
Coventry Building Society FRN 7% 07/11/2027	2,020,000	2,067	0.20
Pinewood Finco 3.625% 15/11/2027	7,564,000	7,361	0.72
Santander UK Group Holdings FRN 7.098% 16/11/2027	3,066,000	3,141	0.31
Nationwide Building Society FRN 6.178% 07/12/2027	3,438,000	3,502	0.34
Mitsubishi HC Capital UK 5.105% 27/02/2028	2,808,000	2,853	0.28
Canary Wharf Group Investment Holdings 3.375% 23/04/2028	1,812,000	1,704	0.17
Grainger 3.375% 24/04/2028	1,103,000	1,069	0.10
Marex Group 5.829% 08/05/2028	2,461,000	1,860	0.18
INEOS Finance 6.75% 15/05/2028	3,642,000	2,397	0.23
INEOS Finance 6.625% 15/05/2028	825,000	667	0.07
Aberdeen Group 4.25% 30/06/2028	2,052,000	1,501	0.15
Investec FRN 1.875% 16/07/2028	4,717,000	4,528	0.44
Coventry Building Society FRN 5.579% 19/09/2028	3,420,000	3,489	0.34
RL Finance Bonds No. 3 6.125% 13/11/2028	1,563,000	1,620	0.16
BCP V Modular Services Finance II FRN 6.125% 30/11/2028	955,000	896	0.09
EG Global Finance 11% 30/11/2028	560,000	530	0.05
EG Global Finance 12% 30/11/2028	200,000	162	0.02
Vmed O2 UK Financing I 4% 31/01/2029	5,000,000	4,733	0.46
Lloyds Banking Group FRN 5.871% 06/03/2029	993,000	766	0.08
HSBC Holdings FRN 6.161% 09/03/2029	3,115,000	2,412	0.24
INEOS Quattro Finance 2 8.5% 15/03/2029	1,542,000	1,070	0.10
INEOS Finance 6.375% 15/04/2029	2,396,000	1,836	0.18

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets		Holding at 31.12.25	Market Value £000's	% of net assets
INEOS Finance 7.5% 15/04/2029	1,148,000	741	0.07	Prs Finance FRN 4.502% 10/12/2030	2,070,000	2,072	0.20
Skipton Building Society FRN 6.25% 25/04/2029	1,787,000	1,858	0.18	Mitchells & Butlers Finance 6.013% 15/12/2030	563,368	568	0.06
CD&R Firefly Bidco 8.625% 30/04/2029	5,613,000	5,873	0.57	Punch Finance 7.875% 30/12/2030	7,368,000	7,501	0.73
Synthomer 7.375% 02/05/2029	714,000	551	0.05	Market Bidco Finco 8.75% 31/01/2031	2,040,000	2,007	0.20
Miller Homes Group Finco 7% 15/05/2029	2,006,000	2,016	0.20	Wolseley Group Finco 9.75% 31/01/2031	1,321,000	1,278	0.13
Project Grand UK 9% 01/06/2029	2,714,000	2,472	0.24	Heathrow Finance 6.625% 01/03/2031	1,220,000	1,227	0.12
Phoenix Group Holdings 5.867% 13/06/2029	1,842,000	1,897	0.19	INEOS Finance 7.25% 31/03/2031	2,971,000	2,232	0.22
Amber Finco 6.625% 15/07/2029	389,000	357	0.04	Phoenix Group Holdings 5.625% 28/04/2031	1,198,000	1,209	0.12
Zegona Finance 6.75% 15/07/2029	1,316,700	1,208	0.12	Jerrold Finco 7.5% 15/06/2031	1,432,000	1,459	0.14
Zegona Finance 8.625% 15/07/2029	1,215,000	958	0.09	BCP V Modular Services Finance II 6.5% 10/07/2031	1,917,000	1,561	0.15
Stonegate Pub Co. Financing FRN 8.689% 31/07/2029	1,103,000	939	0.09	Edge Finco 8.125% 15/08/2031	1,156,000	1,228	0.12
Virgin Money UK FRN 7.625% 23/08/2029	970,000	1,049	0.10	Phoenix Group Holdings FRN 4.75% 04/09/2031	800,000	592	0.06
Santander UK Group Holdings FRN 7.482% 29/08/2029	3,187,000	3,419	0.33	Ithaca Energy North Sea 5.5% 01/10/2031	4,309,000	3,782	0.37
Marex Group 6.404% 04/11/2029	2,182,000	1,684	0.16	Lloyds Banking Group FRN 5.25% 16/10/2031	609,000	622	0.06
Boparan Finance 9.375% 07/11/2029	951,300	1,014	0.10	NatWest Group FRN 4.758% 10/11/2031	1,000,000	999	0.10
Sherwood Financing 9.625% 15/12/2029	5,283,000	5,181	0.51	Utmost Group 4% 15/12/2031	2,304,000	2,093	0.20
Galaxy Bidco 8.125% 19/12/2029	5,470,000	5,743	0.56	California Buyer 5.625% 15/02/2032	2,645,000	2,359	0.23
ICG 2.5% 28/01/2030	100,000	84	0.01	California Buyer 6.375% 15/02/2032	697,000	519	0.05
Pinewood Finco 6% 27/03/2030	8,699,000	8,746	0.85	Barclays FRN 8.407% 14/11/2032	1,587,000	1,686	0.16
Jerrold Finco 7.875% 15/04/2030	2,737,000	2,809	0.27	Investec FRN 9.125% 06/03/2033	1,448,000	1,558	0.15
Bellis Acquisition 8.125% 14/05/2030	3,061,000	2,847	0.28	Quilter FRN 8.625% 18/04/2033	5,610,000	5,991	0.59
Burberry Group 5.75% 20/06/2030	507,000	518	0.05	Lloyds Banking Group FRN 6.625% 02/06/2033	830,000	862	0.08
Arqiva Broadcast Finance 8.625% 01/07/2030	2,555,000	2,631	0.26	NatWest Group FRN 7.416% 06/06/2033	2,471,000	2,606	0.25
Grainger 3% 03/07/2030	600,000	552	0.05	Telereal Securitisation FRN 4.591% 10/12/2033	803,250	691	0.07
IG Group Holdings 6.125% 22/10/2030	2,360,000	2,436	0.24	Admiral Group 8.5% 06/01/2034	935,000	1,083	0.11
Lloyds Bank FRN 4.215% 06/11/2030	1,263,000	1,264	0.12	NatWest Group FRN 5.642% 17/10/2034	2,082,000	2,129	0.21
Wise Financing 5.1% 25/11/2030	3,369,000	3,369	0.33	John Lewis 4.25% 18/12/2034	2,287,000	1,939	0.19

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets		Holding at 31.12.25	Market Value £000's	% of net assets
Church Commissioners for England 5.125% 25/11/2035	1,170,000	1,177	0.12	Lloyds Banking Group 27/03/2028 FRN 8.5% Perpetual	999,000	1,056	0.10
Saturn Holdings FRN 9% 26/02/2036	100,000	101	0.01	Lloyds Banking Group 27/09/2027 FRN 8.5% Perpetual	772,000	809	0.08
RAC Bond 5.75% 06/05/2046	1,562,000	1,603	0.16	Nationwide Building Society FRN 7.5% Perpetual	1,261,000	1,313	0.13
Aviva FRN 4.375% 12/09/2049	1,790,000	1,764	0.17	Nationwide Building Society FRN 7.875% Perpetual	626,000	661	0.06
Dignity Finance 4.696% 31/12/2049	7,404,000	5,491	0.54	NatWest Group FRN 4.6% Perpetual	1,000,000	689	0.07
Aviva FRN 5.125% 04/06/2050	760,000	762	0.07	SSE FRN 3.74% Perpetual	1,857,000	1,852	0.18
Legal & General Group FRN 4.5% 01/11/2050	1,250,000	1,218	0.12				
Aviva FRN 6.875% 27/11/2053	1,293,000	1,391	0.14			256,146	25.03
Phoenix Group Holdings FRN 7.75% 06/12/2053	1,921,000	2,108	0.21	United States of America 8.11% (6.98%)			
Aviva FRN 6.125% 12/09/2054	1,232,000	1,258	0.12	Ford Motor Credit 6.86% 05/06/2026	8,853,000	8,936	0.87
Centrica FRN 6.5% 21/05/2055	582,000	599	0.06	Millennium Escrow 6.625% 01/08/2026	409,000	292	0.03
British Telecom- munications FRN 6.375% 03/12/2055	1,235,000	1,262	0.12	General Motors Financial 5.15% 15/08/2026	1,203,000	1,209	0.12
British Telecom- munications FRN 8.375% 20/12/2083	1,442,000	1,548	0.15	Athene Global Funding FRN 4.585% 05/03/2027	5,830,000	5,821	0.57
Vodafone Group FRN 8% 30/08/2086	1,200,000	1,311	0.13	Frontier Communications Holdings 5.875% 15/10/2027	876,000	653	0.06
BP Capital Markets FRN 4.25% Perpetual	10,182,000	10,077	0.98	Sotheby's 7.375% 15/10/2027	565,000	418	0.04
BUPA Finance FRN 4% Perpetual	1,565,000	1,336	0.13	Stellantis Finance US 5.35% 17/03/2028	626,000	474	0.05
RL Finance Bonds No. 6 FRN 10.125% Perpetual	3,798,000	4,486	0.44	Organon 4.125% 30/04/2028	7,115,000	5,155	0.50
Aberdeen Group FRN 5.25% Perpetual	947,000	940	0.09	Organon 2.875% 30/04/2028	3,292,000	2,790	0.27
Aviva FRN 7.75% Perpetual	1,864,000	1,966	0.19	MPT Operating Partnership REIT 3.692% 05/06/2028	3,998,000	3,403	0.33
Barclays FRN 9.25% Perpetual	1,000,000	1,079	0.11	Repsol E&P Capital Markets US 4.805% 16/09/2028	499,000	375	0.04
Barclays FRN 8.375% Perpetual	674,000	722	0.07	Nissan Motor Acceptance 5.625% 29/09/2028	300,000	224	0.02
BP Capital Markets FRN 6% Perpetual	1,146,000	1,177	0.12	Ford Motor Credit 5.625% 09/10/2028	4,822,000	4,868	0.48
Just Group FRN 5% Perpetual	287,000	260	0.03	Bayer US Finance 6.25% 21/01/2029	6,015,000	4,704	0.46
Lloyds Banking Group FRN 7.5% Perpetual	4,349,000	4,520	0.44	TransDigm 6.375% 01/03/2029	1,266,000	971	0.10
Lloyds Banking Group FRN 7.875% Perpetual	2,813,000	2,972	0.29	Cloud Software Group 6.5% 31/03/2029	2,000,000	1,506	0.15
				EQT 6.375% 01/04/2029	823,000	633	0.06

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets
ADT Security 4.125% 01/08/2029	3,186,000	2,310	0.23
MM Proton I 9.875% 05/10/2029	2,450,000	1,810	0.18
180 Medical 3.875% 15/10/2029	6,215,000	4,500	0.44
Athene Global Funding 5.146% 01/11/2029	1,016,000	1,025	0.10
Ford Motor Credit 5.875% 07/11/2029	3,650,000	2,787	0.27
UGI International 2.5% 01/12/2029	11,191,000	9,334	0.91
Citadel Finance 5.9% 10/02/2030	3,000,000	2,279	0.22
Stellantis Finance US 5.75% 18/03/2030	691,000	530	0.05
Ford Motor Credit 5.78% 30/04/2030	3,103,000	3,116	0.30
Venture Global Plaquemines LNG 6.125% 15/12/2030	1,350,000	1,022	0.10
Coty 5.6% 15/01/2031	1,263,000	948	0.09
ZF North America Capital 7.5% 24/03/2031	625,000	470	0.05
RAY Financing FRN 5.776% 15/07/2031	415,000	365	0.04
MPT Operating Partnership REIT 7% 15/02/2032	6,798,000	6,168	0.60
MPT Operating Partnership REIT 8.5% 15/02/2032	2,144,000	1,702	0.17
Shift4 Payments 6.75% 15/08/2032	350,000	269	0.03
American Axle & Manufacturing 6.375% 15/10/2032	325,000	246	0.02
Shift4 Payments 5.5% 15/05/2033	395,000	353	0.03
Civitas Resources 9.625% 15/06/2033	634,000	508	0.05
Verizon Communications FRN 5.742% 15/06/2056	829,000	828	0.08
		83,002	8.11
Corporate Bonds total		871,620	85.19
Government Bonds 12.33% (13.50%)			
France 0.00% (0.07%)			
Luxembourg 0.33% (0.00%)			
Eagle Funding Luxco 5.5% 17/08/2030	4,453,000	3,371	0.33
		3,371	0.33

	Holding at 31.12.25	Market Value £000's	% of net assets
Mexico 0.17% (0.00%)			
Mexico Government Bond 3.5% 19/09/2029	1,546,000	1,346	0.13
Mexico Government Bond 4.625% 04/05/2033	481,000	428	0.04
		1,774	0.17
United Kingdom 11.83% (13.43%)			
UK Treasury Bill 0% 09/02/2026	2,928,000	2,916	0.28
UK Treasury Bill 0% 23/02/2026	8,000,000	7,956	0.78
UK Treasury Bill 0% 23/03/2026	7,000,000	6,941	0.68
UK Treasury Bill 0% 13/04/2026	3,600,000	3,562	0.35
UK Treasury Bill 0% 27/04/2026	2,000,000	1,976	0.19
UK Treasury Bill 0% 11/05/2026	3,442,005	3,396	0.33
UK Treasury 4.125% 22/07/2029	11,875,661	11,983	1.17
UK Treasury 4.375% 07/03/2030	44,432,315	45,191	4.42
UK Treasury 4.125% 07/03/2031	17,517,000	17,570	1.72
UK Treasury 4% 22/10/2031	19,618,000	19,524	1.91
		121,015	11.83
Government Bonds total		126,160	12.33
Convertible Bonds 1.29% (0.96%)			
Austria 0.31% (0.60%)			
ams-OSRAM 2.13% 03/11/2027	3,800,000	3,156	0.31
		3,156	0.31
France 0.46% (0.00%)			
Worldline 0% 30/07/2026	5,590,000	4,759	0.46
		4,759	0.46
Italy 0.33% (0.35%)			
Nexi 1.75% 24/04/2027	4,000,000	3,405	0.33
		3,405	0.33
Luxembourg 0.19% (0.00%)			
Mitsubishi UFJ Investor Services & Banking Luxembourg FRN 6.55% 15/12/2050	3,400,000	1,908	0.19
		1,908	0.19

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets
United Kingdom 0.00% (0.01%)			
Convertible Bonds total		13,228	1.29
Equities 0.00% (0.00%)			
Bermuda 0.00% (0.00%)			
Sweden 0.00% (0.00%)			
Intrum	4,474	14	0.00
		14	0.00
Equities total		14	0.00
Forward Foreign Currency Contracts 0.51% ((0.09)%)			
Buy EUR 3,654,606 Sell GBP 3,190,472 27/01/2026		4	0.00
Buy EUR 3,312,450 Sell GBP 2,919,457 27/01/2026		(25)	0.00
Buy EUR 13,550,000 Sell GBP 11,941,799 25/02/2026		(82)	(0.01)
Buy USD 6,981,865 Sell GBP 5,278,582 27/01/2026		(90)	(0.01)
Buy USD 1,550,000 Sell GBP 1,162,194 25/02/2026		(10)	0.00
Sell EUR 232,480,500 Buy GBP 203,672,875 27/01/2026		481	0.05
Sell EUR 215,150,191 Buy GBP 190,453,488 25/02/2026		2,144	0.21
Sell USD 122,453,118 Buy GBP 91,831,366 27/01/2026		823	0.08
Sell USD 1,908,200 Buy GBP 1,417,357 27/01/2026		(1)	0.00
Sell USD 118,704,389 Buy GBP 90,160,606 25/02/2026		1,931	0.19
Forward Foreign Currency Contracts total		5,175	0.51
Futures 0.00% (0.02%)			
Euro-Bobl March, 2026	(92)	42	0.00
Euro-Bund March, 2026	(5)	5	0.00
US 5 Year Note March, 2026	28	(9)	0.00
Futures total		38	0.00
Swaps 0.13% (0.16%)			
Credit Default Swap Morgan Stanley Buy ITRAXX.EUROPE. CROSSOVER.44-V1 20/12/2030	2,000,000	(193)	(0.02)
Credit Default Swap BNP Paribas Sell Cellnex Telecom SA 3.125% 27/07/2022 20/06/2026	1,260,000	25	0.00
Credit Default Swap Merrill Lynch Sell Forvia SE 3.125% 15/06/2026 20/12/2026	864,400	34	0.00

	Holding at 31.12.25	Market Value £000's	% of net assets
Credit Default Swap Morgan Stanley Sell Forvia SE 3.125% 15/06/2026 20/12/2026	2,161,000	84	0.01
Credit Default Swap Barclays Sell Modulaire Global Finance plc 6.5% 15/02/2023 20/12/2026	862,000	33	0.00
Credit Default Swap BNP Paribas Sell Forvia SE 3.125% 15/06/2026 20/06/2027	866,310	48	0.00
Credit Default Swap Morgan Stanley Sell Forvia SE 3.125% 15/06/2026 20/06/2027	414,000	23	0.00
Credit Default Swap BNP Paribas Sell Grifols SA 3.2% 01/05/2025 20/06/2027	1,000,000	47	0.00
Credit Default Swap Morgan Stanley Sell Grifols SA 3.2% 01/05/2025 20/06/2027	1,000,000	47	0.00
Credit Default Swap Barclays Sell Fresenius SE & Co. KGaA 1.875% 15/02/2025 20/12/2027	1,052,007	15	0.00
Credit Default Swap Morgan Stanley Sell Grifols SA 3.2% 01/05/2025 20/12/2027	1,000,000	59	0.01
Credit Default Swap Barclays Sell Grifols SA 3.2% 01/05/2025 20/12/2028	1,000,000	76	0.01
Credit Default Swap J.P. Morgan Sell Jaguar Land Rover Automotive plc 4.5% 15/01/2026 20/12/2028	500,000	43	0.00
Credit Default Swap Goldman Sachs Sell Grifols SA 3.2% 01/05/2025 20/06/2029	700,000	56	0.01
Credit Default Swap Deutsche Bank Sell CMA CGM SA 7.5% 15/01/2026 20/06/2029	1,000,000	82	0.01
Credit Default Swap BNP Paribas Sell Schaeffler AG 2.75% 12/10/2025 20/12/2029	1,740,000	221	0.02

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets		Holding at 31.12.25	Market Value £000's	% of net assets
Credit Default Swap BNP Paribas Sell Schaeffler AG 2.875% 26/03/2027 20/12/2029	694,000	88	0.01	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 4.36% 04/06/2026	3,650,000	9	0.00
Credit Default Swap Citigroup Global Markets Sell Forvia SE 3.125% 15/06/2026 20/12/2029	700,000	72	0.01	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 4.246% 05/11/2027	3,500,000	46	0.00
Credit Default Swap Deutsche Bank Sell Forvia SE 3.125% 15/06/2026 20/12/2029	1,000,000	103	0.01	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 4.196% 20/11/2027	1,740,500	22	0.00
Credit Default Swap Goldman Sachs Sell Volvo Car AB 4.25% 31/05/2028 20/12/2029	1,048,000	126	0.01	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 4.201% 17/12/2027	3,887,878	51	0.01
Credit Default Swap Morgan Stanley Sell Jaguar Land Rover Automotive plc 4.5% 15/01/2026 20/06/2030	672,000	66	0.01	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 4.247% 18/12/2027	3,887,878	55	0.01
Credit Default Swap Citigroup Global Markets Sell Worldline SA 0.875% 30/06/2027 20/12/2030	332,201	(50)	0.00	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 4.28% 19/12/2027	2,830,000	42	0.00
Credit Default Swap Goldman Sachs Sell Worldline SA 0.875% 30/06/2027 20/12/2030	230,189	(34)	0.00	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 4.252% 08/01/2028	3,893,000	57	0.01
Credit Default Swap J.P. Morgan Sell Worldline SA 0.875% 30/06/2027 20/12/2030	347,610	(52)	0.00	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 3.627% 07/06/2028	1,000,000	3	0.00
Credit Default Swap Merrill Lynch Sell ZF Europe Finance BV 2.5% 23/10/2027 20/12/2030	600,000	37	0.00	Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 3.631% 07/06/2028	1,000,000	3	0.00
Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 4.35% 13/03/2026	6,064,000	6	0.00	Swaps total		1,350	0.13
				Portfolio of investments		1,017,585	99.45
				Net other assets		5,603	0.55
				Net assets attributable to shareholders		1,023,188	100.00

The comparative percentage figures in brackets are as at 31 December 2024.
Unless otherwise stated, all securities are admitted to official stock exchange listings.

Statement of Total Return

For the year ended 31 December 2025

		2025	2024
	Notes	£000's	£000's
Income			
Net capital gains	2	20,913	22,260
Revenue	3	60,915	49,781
Expenses	4	(6,498)	(5,518)
Net revenue before taxation		54,417	44,263
Taxation	5	(3)	(100)
Net revenue after taxation		54,414	44,163
Total return before distributions		75,327	66,423
Distributions	6	(60,782)	(49,270)
Change in net assets attributable to shareholders from investment activities		14,545	17,153

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2025

	2025	2024
	£000's	£000's
Opening net assets attributable to shareholders	901,688	673,029
Amounts receivable on issue of shares	207,405	274,752
Amounts payable on cancellation of shares	(133,046)	(89,020)
	74,359	185,732
Dilution adjustment	125	437
Change in net assets attributable to shareholders from investment activities	14,545	17,153
Retained distribution on Accumulation shares	32,471	25,337
Closing net assets attributable to shareholders	1,023,188	901,688

Balance Sheet

As at 31 December 2025

		2025	2024
	Notes	£000's	£000's
Assets			
Investments		1,018,131	904,577
Current assets			
Debtors	8	16,168	13,098
Cash and bank balances	9	9,660	5,166
Total assets		1,043,959	922,841
Liabilities			
Investment liabilities		(546)	(3,446)
Creditors			
Bank overdrafts	10	(2,161)	(1,115)
Distributions payable		(15,596)	(14,424)
Other creditors	11	(2,468)	(2,168)
Total liabilities		(20,771)	(21,153)
Net assets attributable to shareholders		1,023,188	901,688

Notes to the Accounts

For the year ended 31 December 2025

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by Schroder Strategic Credit Fund are disclosed on pages 9 to 10.

2 Net capital gains

The net capital gains during the year comprise:

	2025	2024
	£000's	£000's
Non-derivative securities	18,744	10,849
Derivative contracts	1,075	(315)
Forward foreign currency contracts	1,107	11,345
Foreign currency (losses)/gains	(13)	381
Net capital gains	20,913	22,260

3 Revenue

	2025	2024
	£000's	£000's
Interest on debt securities	59,257	48,194
Bank interest	243	224
Net revenue return from derivative contracts	1,415	1,363
Total revenue	60,915	49,781

4 Expenses

	2025	2024
	£000's	£000's
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Schroders Annual Charge ¹	6,364	5,482
Other expenses:		
Professional fee	49	–
Interest payable	85	36
Total expenses	6,498	5,518

¹ Audit fees including VAT for the year were £8,848 (2024 – £8,848).

5 Taxation

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

(a) Analysis of the tax charge for the year

	2025	2024
	£000's	£000's
Overseas withholding tax	3	100
Total current tax (Note 5(b))	3	100

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for Open Ended Investment Companies of 20% (2024 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2025 £000's	2024 £000's
Net revenue before taxation	54,417	44,263
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	10,883	8,852
Effects of:		
Interest distributions deductible for tax purposes	(10,883)	(8,852)
Overseas withholding tax	3	100
Total tax charge for the year (Note 5(a))	3	100

6 Distributions

The distributions, which are on an effective yield basis, take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	2025 £000's	2024 £000's
Interim Interest distribution	29,952	24,971
Final Interest distribution	32,461	27,696
	62,413	52,667
Add: Revenue deducted on cancellation of shares	1,457	1,451
Deduct: Revenue received on issue of shares	(3,088)	(4,848)
Distributions	60,782	49,270
Net revenue after taxation	54,414	44,163
Expenses taken to capital	6,364	5,482
Equalisation on conversions	4	(375)
Distributions	60,782	49,270

Details of the distributions per share are set out in the Distribution Table on pages 247 to 248.

7 Fair value hierarchy

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

	2025		2024	
Basis of valuation	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	121,076	(9)	121,329	(46)
Level 2: Observable market data	897,055	(537)	783,248	(3,400)
Level 3: Unobservable data	–	–	–	–
Total	1,018,131	(546)	904,577	(3,446)

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 Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director with particular attention paid to the carrying value of the investments.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

8 Debtors

	2025	2024
	£000's	£000's
Amounts receivable for issue of shares	941	1,306
Amounts receivable on derivative contracts	40	62
Accrued revenue	15,187	11,730
Total debtors	16,168	13,098

9 Cash and bank balances

	2025	2024
	£000's	£000's
Cash and bank balances	8,023	3,989
Amounts held at futures clearing houses and brokers	1,637	1,177
Total cash and bank balances	9,660	5,166

10 Bank overdrafts

	2025	2024
	£000's	£000's
Amounts overdrawn at futures clearing houses and brokers	2,161	1,115
Total bank overdrafts	2,161	1,115

11 Other creditors

	2025	2024
	£000's	£000's
Amounts payable for cancellation of shares	1,353	870
Purchases awaiting settlement	–	690
Amounts payable on derivative contracts	8	66
Accrued expenses	1,107	542
Total other creditors	2,468	2,168

12 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2024 – Nil).

13 Related party transactions

The Authorised Corporate Director provides key management personnel services for the Fund and is therefore considered a related party.

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

The Authorised Corporate Director acts as principal on all transactions of shares in the Fund. The aggregate monies received through the issue and cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders and Distributions in the Notes to the Accounts. Amounts due from or to the Authorised Corporate Director in respect of share transactions at the balance sheet date are included under Debtors and Other creditors in the Notes to the Accounts.

Shares held or managed by the Authorised Corporate Director as a percentage of the Fund's net asset value at the balance sheet date were 0.00% (2024 – 0.00%).

14 Share classes

At the reporting date the Fund had twelve share classes. The costs and expenses due to the Manager are referred to as the Schroders Annual Charge. Details of the charges applied to each share class can be found in the prospectus.

The closing net asset value of each share class, the closing net asset value per share and the closing number of shares in issue are given in the Comparative Table on pages 220 to 225.

The distributions per share class are given in the Distribution Table on pages 247 to 248.

All classes have the same rights on winding up.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

15 Derivative and other financial instruments

The main risks arising from the Fund's financial instruments are market price, derivative, foreign currency, liquidity, credit and interest rate risks. The Authorised Corporate Director'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 Authorised Corporate Director in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £101,758,500 (2024 - £90,113,100).

Derivative risk

Where a Fund trades in derivatives to achieve its investment objective, this involves a higher degree of risk and may lead to a higher volatility in the share prices of the Fund. The Authorised Corporate Director employs a risk management process to allow the Authorised Corporate Director to measure derivative and forward positions and their contribution to the overall risk profile of the Fund. As part of this risk management process the Authorised Corporate Director conducts daily value at risk analysis of the Fund and performs both stress and back testing of the Fund.

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 Authorised Corporate Director 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.

Liquidity risk

The primary source of this risk to the Fund is the liability to shareholders for any cancellation of shares. 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.

Credit risk

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counterparty. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' financial ratings are reviewed.

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.

The Fund may invest in fixed and floating rate securities. The revenue of the Fund may be affected by changes to interest rates relevant to particular securities or as a result of the Authorised Corporate Director being unable to secure similar returns on the expiry of contracts or sale of securities.

The value of interest bearing securities may be affected by interest rate movements or the expectation of such movements in the future.

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

Floating rate financial assets and financial liabilities

Sterling denominated bank balances bear interest at rates based on the Sterling Overnight Index Average Rate. Sterling denominated floating rate bonds and foreign currency bank balances and amounts held or overdrawn at futures clearing houses and brokers bear interest at rates based on the Sterling Overnight Index Average Rate or its international equivalent.

Euro denominated floating rate bonds bear interest at rates based on Euro Interbank Offer Rate.

US dollar denominated floating rate bonds bear interest at rates based on the US London Interbank Offer Rate.

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.

Derivatives

During the year the Fund entered into derivative contracts for specific investment purposes in addition to being used for efficient management.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Global risk exposure

Absolute VaR approach

The approach used for the Funds managed with an absolute return target, an absolute volatility limit or a target of outperforming an interest rate benchmark.

Regulatory VaR limit utilisation

	2025			2024		
	Lowest	Highest	Average	Lowest	Highest	Average
	7.20%	11.35%	8.65%	7.73%	13.25%	9.33%

Information on VaR Model

Model type	Length of data history	2025			Length of data history	2024	
		Confidence level	Holding period			Confidence level	Holding period
Parametric VaR	All available history	99.00%	20 days		All available history	99.00%	20 days

Leverage

Information on the limit usage and level of leverage

The level of leverage is an indication of the derivative usage and of any leverage generated by the reinvestment of cash received as collateral when using efficient portfolio management techniques. It does not take into account other physical assets directly held in the portfolio of the Fund. The figure is not representative of the maximum amount that a Fund could lose, as it includes the derivatives used to protect the Net Asset Value of a Fund as well as the derivatives backed by risk free assets and derivatives which do not generate any incremental exposure, leverage or market risk from an economic perspective. The reported leverage figure is therefore not a true representation of the economic leverage¹ in the Fund.

The level of leverage disclosed is based on the total notional value² of all derivative instruments held by a Fund and is expressed as a percentage of the Fund's Net Asset Value. For the purpose of this calculation the holdings and offset derivative positions (long and short positions) do not cancel each other out and the figure is a sum of the total holdings.

Leverage

	2025				2024			
	Lowest	Highest	Average	Leverage 31 December	Lowest	Highest	Average	Leverage 31 December
	62.12%	137.98%	78.75%	64.40%	57.55%	136.51%	77.82%	63.51%

- 1 Where economic leverage is the sum of derivative commitments (calculated in line with European Securities and Markets Authority 10/788) and excludes derivatives used within hedging arrangements, derivatives whose commitments is covered by risk free assets and derivatives which are not considered to generate any incremental exposure and leverage or market risk.

- 2 Delta adjusted in line with European Securities and Markets Authority 10/788 when appropriate.

16 Debt security credit analysis

	2025 £000's	2024 £000's
Investment grade securities	406,893	405,081
Below Investment Grade	534,410	448,968
Unrated securities	69,705	46,304
Total debt securities	1,011,008	900,353

The Fund invests in credit default swaps to adjust the credit risk profile of the Fund. Notional amounts for credit default swap positions are shown in the portfolio statement. All counterparties for credit default swap positions at the reporting date are investment grade.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

17 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. For prior year transaction costs please refer to the below table.

2025	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	598,797	-	-	598,797	-	-
Equities	19	-	-	19	-	-
	598,816	-	-	598,816		
Sales						
Bonds	511,564	-	-	511,564	-	-
Equities	879	-	-	879	-	-
	512,443	-	-	512,443		
Total cost as a percentage of the Fund's average net asset value (%)						
		-	-			

2024	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	591,054	-	-	591,054	-	-
Equities	2,788	-	-	2,788	-	-
	593,842	-	-	593,842		
Sales						
Bonds	372,552	-	-	372,552	-	-
Equities	3	-	-	3	-	-
	372,555	-	-	372,555		
Total cost as a percentage of the Fund's average net asset value (%)						
		-	-			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.44% (2024 – 0.43%).

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 31 December 2025 (continued)

18 Shares in issue reconciliation

	Number of shares in issue 31.12.24	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 31.12.25
A Accumulation shares	7,912,292	4,471,021	(1,619,837)	–	10,763,476
A Income shares	762,839	208,784	(396,802)	(1)	574,820
C Income shares	26,274	–	–	–	26,274
D Accumulation shares	2,000	–	–	–	2,000
D Income shares	801,945	–	–	–	801,945
L Accumulation shares	141,728,611	19,814,398	(32,325,076)	(26,316,851)	102,901,082
L Income shares	456,880,000	56,843,184	(22,502,106)	154,608	491,375,686
Q Accumulation shares	46,215,400	147,283,813	(7,686,065)	114,888,333	300,701,481
S Accumulation shares	2,099,488	50,007	(626,440)	–	1,523,055
S Income shares	56,957,835	6,453,884	(11,885,147)	–	51,526,572
Z Accumulation shares	122,534,813	26,826,851	(22,505,635)	(373,316)	126,482,713
Z Income shares	62,198,097	9,571,640	(19,393,766)	26,762	52,402,733

19 Counterparty exposure

The types of non-exchange traded derivatives held at the balance sheet date were forward foreign currency contracts, credit default swaps and interest rate swaps. The total position by counterparty at the balance sheet date was as follows:

Counterparty	Forward foreign currency contracts £000's	Credit default swaps £000's	Commodity index swaps £000's	Contract for difference £000's	Interest rate swaps £000's	Total return swaps £000's	Inflation linked swaps £000's	Options contracts £000's	Swaption contracts £000's	Total £000's
Bank of America										
2025	60	–	–	–	–	–	–	–	–	60
2024	1,241	45	–	–	–	–	–	–	–	1,286
Barclays										
2025	–	124	–	–	–	–	–	–	–	124
2024	–	95	–	–	–	–	–	–	–	95
BNP Paribas										
2025	1,928	429	–	–	–	–	–	–	–	2,357
2024	(3)	420	–	–	–	–	–	–	–	417
Canadian Imperial Bank of Commerce										
2025	48	–	–	–	–	–	–	–	–	48
2024	(26)	–	–	–	–	–	–	–	–	(26)
Citigroup										
2025	35	22	–	–	–	–	–	–	–	57
2024	14	–	–	–	–	–	–	–	–	14
Deutsche Bank										
2025	–	185	–	–	–	–	–	–	–	185
2024	–	102	–	–	–	–	–	–	–	102
Goldman Sachs										
2025	–	148	–	–	–	–	–	–	–	148
2024	–	113	–	–	–	–	–	–	–	113
HSBC										
2025	(86)	–	–	–	–	–	–	–	–	(86)
2024	87	–	–	–	–	–	–	–	–	87

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Counterparty	Forward foreign currency contracts £000's	Credit default swaps £000's	Commodity index swaps £000's	Contract for difference £000's	Interest rate swaps £000's	Total return swaps £000's	Inflation linked swaps £000's	Options contracts £000's	Swaption contracts £000's	Total £000's
J.P. Morgan										
2025	2,885	(9)	-	-	-	-	-	-	-	2,876
2024	(37)	(5)	-	-	-	-	-	-	-	(42)
Lloyds Bank										
2025	(6)	-	-	-	-	-	-	-	-	(6)
2024	1,099	-	-	-	-	-	-	-	-	1,099
Merrill Lynch										
2025	-	71	-	-	-	-	-	-	-	71
2024	-	-	-	-	-	-	-	-	-	-
Morgan Stanley										
2025	(12)	86	-	-	294	-	-	-	-	368
2024	-	615	-	-	38	-	-	-	-	653
Nomura										
2025	-	-	-	-	-	-	-	-	-	-
2024	(2)	-	-	-	-	-	-	-	-	(2)
Royal Bank of Canada										
2025	370	-	-	-	-	-	-	-	-	370
2024	-	-	-	-	-	-	-	-	-	-
Standard Chartered										
2025	-	-	-	-	-	-	-	-	-	-
2024	(3)	-	-	-	-	-	-	-	-	(3)
State Street										
2025	-	-	-	-	-	-	-	-	-	-
2024	(2,742)	-	-	-	-	-	-	-	-	(2,742)
UBS										
2025	(47)	-	-	-	-	-	-	-	-	(47)
2024	(425)	-	-	-	-	-	-	-	-	(425)

The collateral held/(pledged) by the Fund on behalf of the counterparties at the balance sheet date was as follows:

Counterparty	2025 £000's	2024 £000's
BNP Paribas	530	530
Morgan Stanley	104	(289)
Total	634	241

The nature of collateral held/(pledged) by the Fund on behalf of the counterparties at the balance sheet date was as follows:

	2025 £000's	2024 £000's
Cash	634	241
Total	634	241

Distribution Tables

Interim distribution for the six months ended 30 June 2025

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.8.25 per share	Distribution paid 31.8.24 per share
A Accumulation shares				
Group 1	6.2389p	–	6.2389p	5.9079p
Group 2	2.9666p	3.2723p	6.2389p	5.9079p
A Income shares				
Group 1	2.4810p	–	2.4810p	2.4997p
Group 2	0.8255p	1.6555p	2.4810p	2.4997p
C Income shares				
Group 1	2.6140p	–	2.6140p	2.6222p
Group 2	2.6140p	–	2.6140p	2.6222p
D Accumulation shares				
Group 1	2.2800p	–	2.2800p	2.1565p
Group 2	2.2800p	–	2.2800p	2.1565p
D Income shares				
Group 1	1.3540p	–	1.3540p	1.3558p
Group 2	1.3540p	–	1.3540p	1.3558p
L Accumulation shares				
Group 1	6.8092p	–	6.8092p	6.4156p
Group 2	3.5358p	3.2734p	6.8092p	6.4156p
L Income shares				
Group 1	2.7224p	–	2.7224p	2.7290p
Group 2	1.3550p	1.3674p	2.7224p	2.7290p
Q Accumulation shares				
Group 1	1.5634p	–	1.5634p	–
Group 2	0.8731p	0.6903p	1.5634p	–
S Accumulation shares				
Group 1	6.6346p	–	6.6346p	6.2385p
Group 2	3.0545p	3.5801p	6.6346p	6.2385p
S Income shares				
Group 1	1.4004p	–	1.4004p	1.4010p
Group 2	0.7878p	0.6126p	1.4004p	1.4010p
Z Accumulation shares				
Group 1	2.2566p	–	2.2566p	2.1283p
Group 2	1.2090p	1.0476p	2.2566p	2.1283p
Z Income shares				
Group 1	1.3518p	–	1.3518p	1.3565p
Group 2	0.7920p	0.5598p	1.3518p	1.3565p

Distribution Tables

(continued)

Final distribution for the six months ended 31 December 2025

Group 1 Shares purchased prior to 1 July 2025

Group 2 Shares purchased on or after 1 July 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
A Accumulation shares				
Group 1	6.7447p	–	6.7447p	6.1990p
Group 2	3.6250p	3.1197p	6.7447p	6.1990p
A Income shares				
Group 1	2.6020p	–	2.6020p	2.5432p
Group 2	1.1028p	1.4992p	2.6020p	2.5432p
C Income shares				
Group 1	2.7469p	–	2.7469p	2.6759p
Group 2	2.7469p	–	2.7469p	2.6759p
D Accumulation shares				
Group 1	2.4705p	–	2.4705p	2.2670p
Group 2	2.4705p	–	2.4705p	2.2670p
D Income shares				
Group 1	1.4248p	–	1.4248p	1.3834p
Group 2	1.4248p	–	1.4248p	1.3834p
L Accumulation shares				
Group 1	7.3795p	–	7.3795p	6.7487p
Group 2	3.6965p	3.6830p	7.3795p	6.7487p
L Income shares				
Group 1	2.8624p	–	2.8624p	2.7836p
Group 2	1.5070p	1.3554p	2.8624p	2.7836p
Q Accumulation shares				
Group 1	1.7773p	–	1.7773p	0.7299p
Group 2	0.4572p	1.3201p	1.7773p	0.7299p
S Accumulation shares				
Group 1	7.1971p	–	7.1971p	6.5690p
Group 2	3.5322p	3.6649p	7.1971p	6.5690p
S Income shares				
Group 1	1.4739p	–	1.4739p	1.4304p
Group 2	0.6778p	0.7961p	1.4739p	1.4304p
Z Accumulation shares				
Group 1	2.4443p	–	2.4443p	2.2377p
Group 2	1.1288p	1.3155p	2.4443p	2.2377p
Z Income shares				
Group 1	1.4206p	–	1.4206p	1.3829p
Group 2	0.4438p	0.9768p	1.4206p	1.3829p

Equalisation

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

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

Schroder Sustainable UK Equity Fund

Fund Information

Investment objective and policy

Schroder Sustainable UK Equity Fund (the 'Fund') aims to provide capital growth in excess of the FTSE All Share (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 UK companies which the investment manager classifies as sustainable. These are companies that, through the way they are managed and/or the goods and services that they sell, make a positive contribution to the Planet (the environment); and/or People (employee wellbeing; customer wellbeing; healthy, inclusive and connected communities; and/or effective and accountable institutions).

The Fund is actively managed and invests at least 80% of its assets in a concentrated range of equity and equity related securities of UK companies. These are companies that are incorporated, headquartered or have their principal business activities in the UK. The Fund typically holds 30 to 60 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 or managing the Fund more efficiently (for more information please refer to Appendix 2 Section 6: Derivatives and Forwards of the prospectus).

The Fund invests at least 70% of its portfolio in assets that the investment manager classifies as sustainable. A company is considered to be sustainable if it makes a positive contribution to:

- Planet. This includes contributions to the environment - such as reducing greenhouse gas (GHG) emissions, which helps slow down climate change.
- and/or
- People. This includes contributions to one or more of the following:
 - employee wellbeing - such as paying more than living wages or providing training to employees, which supports their professional development and prosperity.
 - customer wellbeing - such as developing new products and services that improve customers' quality of life, for example medical drugs, therapies, diagnostic tools and healthy food.
 - healthy, inclusive and connected communities - such as providing access to clean water and sanitation (which promotes good health).
 - effective and accountable institutions - such as promoting financial stability, which supports people's prosperity and financial security.

A company is classified as sustainable if it achieves a positive score in Schroders' systematic model (SustainEx™). SustainEx™ produces an assessment of the company's effect on a defined set of benefits and costs for people and the planet, which are then combined to calculate an overall sustainability score for the company. A company must achieve a positive score to be deemed sustainable. The model is based on in-depth internal research, which has included establishing the relevance of various factors to the sustainability outcomes referred to above.

In some exceptional cases, SustainEx™ does not provide a fair reflection of a company's contribution to people and/or the planet. The investment manager can refer such companies to Schroders' Sustainable Investment Panel (the Panel), an independent panel of experts. The Panel reviews additional robust evidence provided by the investment manager to determine whether, if such evidence was available to SustainEx™, the company would achieve a positive score. This could be relevant where SustainEx™ does not capture an area of positive contribution - such as where a company produces a particularly sustainable product whose importance to people or the planet is not fully captured by the company's overall score. Alternatively, it could be relevant where the investment manager is able to supply additional data to enhance a calculation - such as where a company does not publish details of employee salaries, but the investment manager is able to obtain or more accurately estimate this from other sources.

With effect from 17 March 2025 the Fund's Investment objective and policy changed, previously it was:

The Fund aims to provide capital growth and income in excess of the FTSE All Share (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 UK companies which meet the Investment Manager's sustainability criteria.

The Fund is actively managed and invests at least 80% of its assets in a concentrated range of equity and equity related securities of UK companies which meet the Investment Manager's sustainability criteria (please see the Fund Characteristics section of the Prospectus for more details). These are companies that are incorporated, headquartered or have their principal business activities in the UK.

The Fund maintains a higher overall sustainability score than the FTSE All Share (Gross Total Return) index, based on the Investment Manager's rating system. More details on the investment process used to achieve this can be found in the Fund Characteristics sections of the Prospectus.

The Fund does not directly invest in certain activities, industries or groups of issuers above certain limits listed under "Sustainability Information" on the Fund's webpage, accessed via <https://www.schroders.com/en-gb/uk/individual/fund-centre/>.

The Fund invests in companies that have good governance practices, as determined by the Investment Manager's rating criteria (please see the Fund Characteristics section of the Prospectus for more details).

The Fund may invest in companies that the Investment Manager believes will improve their sustainability practices within a reasonable timeframe, typically up to two years.

The Investment Manager may also engage with companies held by the Fund to challenge identified areas of weakness on sustainability issues. More details on the Investment Manager's approach to sustainability and its engagement with companies are available on the website <https://www.schroders.com/en-gb/uk/individual/what-we-do/sustainable-investing/>

The Fund typically holds 30 to 60 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 or managing the Fund more efficiently (for more information please refer to Appendix 2. Section 10: Derivatives and Forwards of the Prospectus).

Fund characteristics

The Fund's performance should be assessed against the target benchmark, being to exceed the FTSE All Share (Gross Total Return) index, and compared against the Investment Association UK All 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 17 March 2025, the Sustainability Focus SDR label was applied to the Fund.

Review of Investment Activities

From 31 December 2024 to 31 December 2025, the price of Z Accumulation shares on a dealing price basis rose by 23.3%. In the same period, the FTSE¹ All Share Index generated a total return of 24.0%².

Fund performance was positive but lagged the rising market. The global policy environment for companies that provide solutions for the sustainability of the world around us or a clear commitment to sustainability through their policies and actions has continued to be challenging. The alternate energy sector has had poor performance, and sentiment has continued to weigh further following Trump's US election win. Ceres Power, First Solar and turbine manufacturer Vestas Wind Systems were detractors in this sector. No exposure to the aerospace and defence sector as a result our sustainability criteria was also detrimental. These businesses have benefitted from the tailwind of rising global defence spending. Elsewhere, retailer and veterinary business Pets at Home was a significant detractor. Rising employers' costs affected its retail business and the market also anticipated softer trading. However, we believe the strength of its veterinary business is overlooked.

The largest positive contributions came from financial names. Bank Standard Chartered and insurer Prudential benefitted from continued wealth related tailwinds across their Asian client bases. Just Group was bid for at a premium to its share price. Infrastructure group Balfour Beatty also performed well supported by strong operational execution.

We are patient long-term investors who have a strong valuation discipline. In periods of underperformance, we will not change our investment process. We re-examine the investment thesis for positions held and will continue to hold them provided our confidence in the fundamental investment case remains sound. We remain committed to the sustainable investment criteria of our strategy and understand that this can have both negative and positive performance impacts short term, particularly when compared to indices or peer groups that do not account for sustainability. We continue to focus on investment in companies that understand or incorporate trends such as sustainable consumption, the energy transition, sustainable industry, sustainable infrastructure and health & wellness, that we believe are critical to companies' long-term success.

Co-Fund Manager:
James Goodman



Co-fund manager of Schroder Prime Diversified UK Equity strategy since 2024

Manager of the UK Dynamic Smaller Companies strategy from 2023

Focuses on UK small and mid-sized companies for the Prime UK Equity team and UK Small & Mid Cap Equity teams

Joined the Prime UK Equity team in 2018 initially as an analyst

Investment career commenced in 2015 at Schroders as an Associate Portfolio Manager in the Private Bank

CFA Charter Holder

Degree in Economic History from the London School of Economics

Co-Fund Manager:
Sue Noffke



UK Equity fund manager with 36 years investment experience at Schroders

Associate with the Institute of Investment Management Research (IIMR)

Degree in Business Administration and Biochemistry, Aston University

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² Source: Morningstar.

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 6 to 5 with effect from 15 July 2025.

For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com/en-gb/uk/individual/Fund-centre/.

Comparative Table

Financial year to 31 December	A Accumulation shares			A Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	328.42	326.93	316.69	152.77	157.24	157.25
Return before operating charges*	80.09	6.22	14.90	36.83	2.96	7.39
Operating charges	(5.08)	(4.73)	(4.66)	(2.34)	(2.25)	(2.32)
Return after operating charges*	75.01	1.49	10.24	34.49	0.71	5.07
Distributions**	(11.71)	(10.86)	(10.32)	(5.41)	(5.18)	(5.08)
Retained distributions**	11.71	10.86	10.32	-	-	-
Closing net asset value	403.43	328.42	326.93	181.85	152.77	157.24
*after direct transaction costs of	(0.35)	(0.28)	(0.26)	(0.16)	(0.13)	(0.13)
Performance						
Return after charges (%)	22.84	0.46	3.23	22.58	0.45	3.22
Other information						
Closing net asset value (£000's)	3,157	3,168	3,538	305	276	127
Closing number of shares	782,569	964,690	1,082,262	167,743	180,404	80,834
Operating charges (%)	1.43	1.43	1.43	1.43	1.43	1.43
Direct transaction costs (%)***	0.10	0.08	0.08	0.10	0.08	0.08
Prices						
Highest dealing price	403.40p	350.60p	339.10p	184.20p	165.50p	168.40p
Lowest dealing price	296.90p	308.10p	293.10p	138.10p	148.20p	143.20p

Comparative Table

(continued)

Financial year to 31 December	C Accumulation shares			C Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	361.76	358.16	344.66	168.70	172.55	171.44
Return before operating charges*	88.36	6.51	16.39	40.82	3.24	8.12
Operating charges	(3.15)	(2.91)	(2.89)	(1.45)	(1.39)	(1.44)
Return after operating charges*	85.21	3.60	13.50	39.37	1.85	6.68
Distributions**	(12.95)	(11.94)	(11.27)	(5.99)	(5.70)	(5.57)
Retained distributions**	12.95	11.94	11.27	-	-	-
Closing net asset value	446.97	361.76	358.16	202.08	168.70	172.55
*after direct transaction costs of	(0.39)	(0.31)	(0.29)	(0.18)	(0.15)	(0.14)
Performance						
Return after charges (%)	23.55	1.01	3.92	23.34	1.07	3.90
Other information						
Closing net asset value (£000's)	1	1	1	6	5	6
Closing number of shares	327	327	327	3,150	3,150	3,150
Operating charges (%)	0.80	0.80	0.80	0.80	0.80	0.80
Direct transaction costs (%)***	0.10	0.08	0.08	0.10	0.08	0.08
Prices						
Highest dealing price	447.00p	385.60p	369.90p	204.60p	182.30p	184.00p
Lowest dealing price	327.50p	337.80p	320.70p	152.80p	162.70p	156.90p

Comparative Table

(continued)

Financial year to 31 December	S Income shares			Z Accumulation shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	46.33	47.26	46.84	381.52	377.39	363.29
Return before operating charges*	11.23	0.90	2.20	93.42	7.19	17.06
Operating charges	(0.28)	(0.27)	(0.27)	(3.32)	(3.06)	(2.96)
Return after operating charges*	10.95	0.63	1.93	90.10	4.13	14.10
Distributions**	(1.64)	(1.56)	(1.51)	(13.65)	(12.57)	(11.88)
Retained distributions**	–	–	–	13.65	12.57	11.88
Closing net asset value	55.64	46.33	47.26	471.62	381.52	377.39
*after direct transaction costs of	(0.05)	(0.04)	(0.04)	(0.41)	(0.32)	(0.30)
Performance						
Return after charges (%)	23.63	1.33	4.12	23.62	1.09	3.88
Other information						
Closing net asset value (£000's)	1,278	1,170	1,668	29,230	26,134	31,650
Closing number of shares	2,295,750	2,525,969	3,529,999	6,197,773	6,849,836	8,386,515
Operating charges (%)	0.56	0.56	0.56	0.80	0.80	0.80
Direct transaction costs (%)***	0.10	0.08	0.08	0.10	0.08	0.08
Prices						
Highest dealing price	56.35p	50.03p	50.32p	471.60p	406.50p	389.90p
Lowest dealing price	41.99p	44.59p	42.96p	345.50p	356.00p	338.00p

Comparative Table

(continued)

Financial year to 31 December	Z Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value			
Opening net asset value	177.61	181.65	180.51
Return before operating charges*	42.98	3.42	8.46
Operating charges	(1.53)	(1.46)	(1.46)
Return after operating charges*	41.45	1.96	7.00
Distributions**	(6.30)	(6.00)	(5.86)
Closing net asset value	212.76	177.61	181.65
*after direct transaction costs of	(0.19)	(0.15)	(0.15)
Performance			
Return after charges (%)	23.34	1.08	3.88
Other information			
Closing net asset value (£000's)	7,271	6,620	7,633
Closing number of shares	3,417,388	3,727,377	4,201,952
Operating charges (%)	0.80	0.80	0.80
Direct transaction costs (%)***	0.10	0.08	0.08
Prices			
Highest dealing price	215.50p	192.00p	193.80p
Lowest dealing price	160.90p	171.30p	165.20p

** 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 share 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 Authorised Corporate Director fee, Registrar fees, Safe custody fees, Depositary's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are shares 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 31.12.25	Market Value £000's	% of net assets
Equities 94.26% (92.36%)			
Basic Materials 2.00% (4.26%)			
Victrex	60,031	393	0.95
Zotefoams	107,888	432	1.05
		825	2.00
Consumer Discretionary 6.64% (9.33%)			
Burberry Group	75,127	953	2.31
Cazoo Group Warrant 06/12/2028	20	0	0.00
Cazoo Group Warrant 06/12/2028	21	0	0.00
Cazoo Group Warrant 06/12/2028	24	0	0.00
Pearson	39,188	411	1.00
Pets at Home Group	249,882	495	1.20
Whitbread	34,495	879	2.13
		2,738	6.64
Consumer Staples 8.37% (7.40%)			
Cranswick	15,311	758	1.84
Magnum Ice Cream	6,531	77	0.18
Ocado Group	59,061	139	0.34
Reckitt Benckiser Group	17,809	1,069	2.59
Unilever	29,030	1,411	3.42
		3,454	8.37
Energy 4.45% (3.16%)			
Ceres Power Holdings*	151,540	322	0.78
First Solar	3,146	611	1.48
Tekmar Group*	1,627,800	228	0.56
Vestas Wind Systems	33,202	673	1.63
		1,834	4.45
Financials 24.63% (19.83%)			
Foresight Group Holdings	138,816	596	1.45
HSBC Holdings	252,899	2,966	7.19
IP Group	676,808	396	0.96
Legal & General Group	492,890	1,290	3.13
NatWest Group	253,366	1,651	4.00
Prudential	144,243	1,651	4.00
Standard Chartered	88,417	1,610	3.90
		10,160	24.63
Health Care 18.82% (18.76%)			
AstraZeneca	24,593	3,391	8.22
Convatec Group	387,360	942	2.28
Genus	19,499	506	1.23
GSK	82,202	1,500	3.64
Haleon	287,885	1,078	2.61

	Holding at 31.12.25	Market Value £000's	% of net assets
Smith & Nephew	28,084	347	0.84
		7,764	18.82
Industrials 16.25% (13.85%)			
Balfour Beatty	134,420	953	2.31
Capita	128,811	522	1.26
Dialight	101,494	345	0.84
Firstgroup	266,415	507	1.23
Genuit Group	117,888	385	0.93
IMI	16,913	421	1.02
Intertek Group	7,988	370	0.90
Invinity Energy Systems*	1,029,141	190	0.46
Kingspan Group	10,558	684	1.66
Porvair	51,204	433	1.05
Renew Holdings*	41,190	367	0.89
Schneider Electric	1,973	405	0.98
Volution Group	111,908	721	1.75
Weir Group	14,038	399	0.97
		6,702	16.25
Real Estate 1.01% (0.86%)			
Primary Health Properties REIT	426,337	417	1.01
		417	1.01
Technology 0.26% (0.00%)			
Trustpilot Group	66,572	108	0.26
		108	0.26
Telecommunications 1.55% (3.02%)			
BT Group	348,269	641	1.55
		641	1.55
Utilities 10.28% (11.89%)			
National Grid	115,590	1,320	3.20
Severn Trent	37,749	1,053	2.55
SSE	64,909	1,414	3.43
United Utilities Group	37,777	451	1.10
		4,238	10.28
Equities total 38,881 94.26			
Collective Investment Schemes 4.75% (5.42%)			
Infrastructure and Renewable Energy Funds 3.85% (4.33%)			
Greencoat UK Wind ^s	532,008	521	1.26
John Laing Environmental Assets Group	821,612	541	1.31
The Renewables Infrastructure Group ^s	766,428	527	1.28
		1,589	3.85

Portfolio Statement (continue)

	Holding at 31.12.25	Market Value £000's	% of net assets
Multi Asset Funds 0.90% (1.09%)			
Syncona [§]	389,760	370	0.90
		370	0.90
Collective Investment Schemes			
total		1,959	4.75
Portfolio of investments		40,840	99.01
Net other assets		408	0.99
Net assets attributable to shareholders		41,248	100.00

The comparative percentage figures in brackets are as at 31 December 2024.

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

Security traded on another regulated market.

§ Closed ended Fund.

Statement of Total Return

For the year ended 31 December 2025

		2025	2024
	Notes	£000's	£000's
Income			
Net capital gains/(losses)	2	7,275	(562)
Revenue	3	1,266	1,347
Expenses	4	(326)	(352)
Net revenue before taxation		940	995
Taxation	5	-	-
Net revenue after taxation		940	995
Total return before distributions		8,215	433
Distributions	6	(1,266)	(1,342)
Change in net assets attributable to shareholders from investment activities		6,949	(909)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2025

	2025	2024
	£000's	£000's
Opening net assets attributable to shareholders	37,374	44,623
Amounts receivable on issue of shares	1,633	1,238
Amounts payable on cancellation of shares	(5,678)	(8,584)
	(4,045)	(7,346)
Change in net assets attributable to shareholders from investment activities	6,949	(909)
Retained distribution on Accumulation shares	970	1,006
Closing net assets attributable to shareholders	41,248	37,374

Balance Sheet

As at 31 December 2025

		2025	2024
	Notes	£000's	£000's
Assets			
Investments		40,840	36,545
Current assets			
Debtors	8	164	185
Cash and bank balances		494	871
Total assets		41,498	37,601
Liabilities			
Creditors			
Distributions payable		(113)	(118)
Other creditors	9	(137)	(109)
Total liabilities		(250)	(227)
Net assets attributable to shareholders		41,248	37,374

Notes to the Accounts

For the year ended 31 December 2025

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by Schroder Sustainable UK Equity Fund are disclosed on pages 9 to 10.

2 Net capital gains/(losses)

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

	2025 £000's	2024 £000's
Non-derivative securities	7,276	(562)
Foreign currency losses	(1)	-
Net capital gains/(losses)	7,275	(562)

3 Revenue

	2025 £000's	2024 £000's
UK dividends	1,006	1,121
Overseas dividends	51	37
Franked distributions	172	145
Real estate income distributions	22	21
Scrip dividends	-	9
Bank interest	15	14
Total revenue	1,266	1,347

4 Expenses

	2025 £000's	2024 £000's
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Schroders Annual Charge ¹	326	347
Other expenses:		
Interest payable	-	5
Total expenses	326	352

¹ Audit fees including VAT for the year were £8,848 (2024 – £8,848).

5 Taxation

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

(a) Factors affecting the total tax charge for the year

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for Open Ended Investment Companies of 20% (2024 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2025 £000's	2024 £000's
Net revenue before taxation	940	995
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	188	199
Effects of:		
Revenue not subject to corporation tax	(246)	(262)
Movement in excess management expenses	58	63
Total tax charge for the year	-	-

Notes to the Accounts

For the year ended 31 December 2025 (continued)

(b) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £13,121,156 (2024 – £13,062,893) in respect of £65,605,782 (2024 – £65,314,467) 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 shares and revenue deducted on the cancellation of shares, and comprise:

	2025 £000's	2024 £000's
Interim Dividend distribution	716	752
Final Dividend distribution	521	540
	1,237	1,292
Add: Revenue deducted on cancellation of shares	41	61
Deduct: Revenue received on issue of shares	(12)	(11)
Distributions	1,266	1,342
Net revenue after taxation	940	995
Expenses taken to capital	326	347
Distributions	1,266	1,342

Details of the distributions per share are set out in the Distribution Tables on pages 264 to 265.

7 Fair value hierarchy

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

	2025		2024	
Basis of valuation	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	40,840	–	36,545	–
Level 2: Observable market data	–	–	–	–
Level 3: Unobservable data	–	–	–	–
Total	40,840	–	36,545	–

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 Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director with particular attention paid to the carrying value of the investments.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

8 Debtors

	2025	2024
	£000's	£000's
Amounts receivable for issue of shares	57	48
Sales awaiting settlement	-	26
Accrued revenue	107	111
Total debtors	164	185

9 Other creditors

	2025	2024
	£000's	£000's
Amounts payable for cancellation of shares	79	81
Accrued expenses	58	28
Total other creditors	137	109

10 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2024 – Nil).

11 Related party transactions

The Authorised Corporate Director provides key management personnel services for the Fund and is therefore considered a related party.

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

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

Shares held or managed by the Authorised Corporate Director as a percentage of the Fund's net asset value at the balance sheet date were 0.00% (2024 – 0.00%).

12 Share classes

At the reporting date the Fund had seven share classes. The costs and expenses due to the Manager are referred to as the Schroders Annual Charge. Details of the charges applied to each share class can be found in the prospectus.

The closing net asset value of each share class, the closing net asset value per share and the closing number of shares in issue are given in the Comparative Table on pages 252 to 255.

The distributions per share class are given in the Distribution Tables on pages 264 to 265.

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 Authorised Corporate Director'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 Authorised Corporate Director in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £4,084,000 (2024 - £3,654,500).

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 Authorised Corporate Director 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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Currency risk profile

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

Currency	2025 £000's	2024 £000's
Danish krone	673	308
Euro	1,088	1,115
Sterling	38,876	35,508
US dollar	611	443

At the year end date, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £237,200 (2024 - £186,600).

Liquidity risk

The primary source of this risk to the Fund is the liability to shareholders for any cancellation of shares. 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 1.20% (2024 - 2.33%) 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.

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 Authorised Corporate Director 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.

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 31 December 2025 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

2025				2024			
Lowest	Highest	Average	Leverage 31 December	Lowest	Highest	Average	Leverage 31 December
0.00%	0.50%	0.00%	0.00%	0.01%	0.76%	0.02%	0.01%

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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.

2025	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	7,176	2	33	7,211	0.03	0.46
Sales						
Equities	10,187	(3)	–	10,184	(0.03)	–
Total cost as a percentage of the Fund's average net asset value (%)		0.01	0.09			

2024	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities ¹	6,076	2	26	6,104	0.03	0.43
Corporate actions purchases:						
Equities	264	–	–	264	–	–
	6,340	2	26	6,368		
Sales						
Equities	13,358	(6)	–	13,352	(0.04)	–
Total cost as a percentage of the Fund's average net asset value (%)		0.01	0.07			

1 Excluding in-specie transfers and corporate actions.

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.20% (2024 – 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.

15 Shares in issue reconciliation

	Number of shares in issue 31.12.24	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 31.12.25
A Accumulation shares	964,690	4,193	(144,781)	(41,533)	782,569
A Income shares	180,404	366	(13,027)	–	167,743
C Accumulation shares	327	–	–	–	327
C Income shares	3,150	–	–	–	3,150
S Income shares	2,525,969	–	(230,219)	–	2,295,750
Z Accumulation shares	6,849,836	271,592	(959,137)	35,482	6,197,773
Z Income shares	3,727,377	250,297	(560,671)	385	3,417,388

Distribution Tables

Interim distribution for the six months ended 30 June 2025

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.8.25 per share	Distribution paid 31.8.24 per share
A Accumulation shares				
Group 1	6.6258p	–	6.6258p	6.1326p
Group 2	5.2543p	1.3715p	6.6258p	6.1326p
A Income shares				
Group 1	3.0832p	–	3.0832p	2.9493p
Group 2	2.3458p	0.7374p	3.0832p	2.9493p
C Accumulation shares				
Group 1	7.3096p	–	7.3096p	6.7313p
Group 2	7.3096p	–	7.3096p	6.7313p
C Income shares				
Group 1	3.4098p	–	3.4098p	3.2400p
Group 2	3.4098p	–	3.4098p	3.2400p
S Income shares				
Group 1	0.9317p	–	0.9317p	0.8843p
Group 2	0.9317p	–	0.9317p	0.8843p
Z Accumulation shares				
Group 1	7.7106p	–	7.7106p	7.0924p
Group 2	4.2646p	3.4460p	7.7106p	7.0924p
Z Income shares				
Group 1	3.5910p	–	3.5910p	3.4135p
Group 2	1.9251p	1.6659p	3.5910p	3.4135p

Final distribution for the six months ended 31 December 2025

Group 1 Shares purchased prior to 1 July 2025

Group 2 Shares purchased on or after 1 July 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
A Accumulation shares				
Group 1	5.0865p	–	5.0865p	4.7247p
Group 2	3.1640p	1.9225p	5.0865p	4.7247p
A Income shares				
Group 1	2.3220p	–	2.3220p	2.2299p
Group 2	1.2855p	1.0365p	2.3220p	2.2299p
C Accumulation shares				
Group 1	5.6390p	–	5.6390p	5.2045p
Group 2	5.6390p	–	5.6390p	5.2045p
C Income shares				
Group 1	2.5755p	–	2.5755p	2.4565p
Group 2	2.5755p	–	2.5755p	2.4565p

Distribution Tables

(continued)

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
S Income shares				
Group 1	0.7050p	–	0.7050p	0.6715p
Group 2	0.7050p	–	0.7050p	0.6715p
Z Accumulation shares				
Group 1	5.9363p	–	5.9363p	5.4792p
Group 2	2.5584p	3.3779p	5.9363p	5.4792p
Z Income shares				
Group 1	2.7123p	–	2.7123p	2.5880p
Group 2	1.1464p	1.5659p	2.7123p	2.5880p

Equalisation

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

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

Schroder UK Alpha Income Fund

Fund Information

Significant events

On 18 June 2025, Schroder UK Alpha Income Fund (the 'Fund') closed following its merger into Schroder Prime UK Equity Fund. The last dealing of shares in Schroder UK Alpha Income Fund was on 18 June 2025.

Review of Investment Activities

From 31 December 2024 to 18 June 2025, the price of Z Accumulation shares on a dealing price basis rose by 9.43%. In the same period, the FTSE¹ All Share Index generated a total return of 9.60%².

The fund merged into the Schroder Prime UK Equity Fund on 18 June.

Fund performance for the period until the merger was positive, though behind the benchmark return. Owning less than the benchmark in the aerospace and defence sector – no Rolls Royce and a small position in BAE Systems – was detrimental as the sector benefitted from the tailwind of expected increases in defence spend. Elsewhere, leisure business Hollywood Bowl and education publisher Pearson also detracted.

On the positive side, our holdings in banks Lloyds Banking Group and Standard Chartered were leading contributors. Defence services business QinetiQ and med tech business Convatec were other positives.

Fund Manager:
Sue Noffke



UK Equity fund manager with 36 years investment experience at Schroders

Associate with the Institute of Investment Management Research (IIMR)

Degree in Business Administration and Biochemistry, Aston University

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² Source: Morningstar.

Comparative Table

Financial year to 31 December	A Accumulation shares ¹			A Income shares ¹		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	242.18	228.04	216.67	145.68	142.71	142.06
Return before operating charges*	26.04	17.58	14.58	15.66	11.00	9.47
Operating charges	(3.65)	(3.44)	(3.21)	(2.19)	(2.13)	(2.10)
Return after operating charges*	22.39	14.14	11.37	13.47	8.87	7.37
Distributions**	(5.47)	(9.51)	(10.36)	(3.29)	(5.90)	(6.72)
Retained distributions**	5.47	9.51	10.36	–	–	–
Redemption value as at 18 June 2025	(264.57)	–	–	(155.86)	–	–
Closing net asset value	–	242.18	228.04	–	145.68	142.71
*after direct transaction costs of	(0.37)	(0.12)	(0.24)	(0.23)	(0.08)	(0.15)
Performance						
Return after charges (%)	9.24	6.20	5.25	9.25	6.22	5.19
Other information						
Closing net asset value (£000's)	–	951	1,338	–	1,049	1,131
Closing number of shares	–	392,613	586,739	–	720,516	792,748
Operating charges (%)	1.44	1.44	1.44	1.44	1.44	1.44
Direct transaction costs (%)***	0.15	0.05	0.11	0.15	0.05	0.11
Prices						
Highest dealing price	267.30p	252.70p	234.80p	160.80p	156.50p	154.00p
Lowest dealing price	225.50p	217.10p	212.30p	135.60p	135.90p	135.50p

Comparative Table

(continued)

Financial year to 31 December	C Accumulation shares ¹			C Income shares ¹		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	275.85	257.95	243.41	162.59	158.16	156.35
Return before operating charges*	28.62	19.92	16.45	16.88	12.22	10.45
Operating charges	(2.16)	(2.02)	(1.91)	(1.28)	(1.23)	(1.23)
Return after operating charges*	26.46	17.90	14.54	15.60	10.99	9.22
Distributions**	(6.24)	(10.80)	(11.67)	(3.68)	(6.56)	(7.41)
Retained distributions**	6.24	10.80	11.67	-	-	-
Redemption value as at 18 June 2025	(302.31)	-	-	(174.51)	-	-
Closing net asset value	-	275.85	257.95	-	162.59	158.16
*after direct transaction costs of	(0.43)	(0.14)	(0.27)	(0.25)	(0.08)	(0.17)
Performance						
Return after charges (%)	9.59	6.94	5.97	9.59	6.95	5.90
Other information						
Closing net asset value (£000's)	-	164	271	-	214	286
Closing number of shares	-	59,313	104,981	-	131,795	180,548
Operating charges (%)	0.75	0.75	0.75	0.75	0.75	0.75
Direct transaction costs (%)***	0.15	0.05	0.11	0.15	0.05	0.11
Prices						
Highest dealing price	305.40p	287.10p	264.00p	180.00p	174.00p	169.60p
Lowest dealing price	257.30p	245.70p	239.40p	151.60p	150.60p	149.70p

Comparative Table

(continued)

Financial year to 31 December	L Accumulation shares ¹			L Income shares ¹		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	87.07	81.33	76.67	52.99	51.49	50.85
Return before operating charges*	8.98	6.30	5.17	5.47	3.98	3.39
Operating charges	(0.59)	(0.56)	(0.51)	(0.36)	(0.35)	(0.34)
Return after operating charges*	8.39	5.74	4.66	5.11	3.63	3.05
Distributions**	(1.97)	(3.40)	(3.68)	(1.20)	(2.13)	(2.41)
Retained distributions**	1.97	3.40	3.68	-	-	-
Redemption value as at 18 June 2025	(95.46)	-	-	(56.90)	-	-
Closing net asset value	-	87.07	81.33	-	52.99	51.49
*after direct transaction costs of	(0.13)	(0.04)	(0.08)	(0.08)	(0.03)	(0.05)
Performance						
Return after charges (%)	9.64	7.06	6.08	9.65	7.05	6.00
Other information						
Closing net asset value (£000's)	-	6,668	7,652	-	6,273	7,023
Closing number of shares	-	7,658,195	9,408,762	-	11,837,427	13,638,344
Operating charges (%)	0.65	0.65	0.65	0.65	0.65	0.65
Direct transaction costs (%)***	0.15	0.05	0.11	0.15	0.05	0.11
Prices						
Highest dealing price	96.45p	90.59p	83.16p	58.70p	56.66p	55.17p
Lowest dealing price	81.23p	77.46p	75.45p	49.44p	49.04p	48.73p

Comparative Table

(continued)

Financial year to 31 December	S Accumulation shares ²			S Income shares ¹		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	283.22	264.33	248.90	51.79	50.27	49.60
Return before operating charges*	31.36	20.43	16.85	5.32	3.90	3.30
Operating charges	(1.63)	(1.54)	(1.42)	(0.30)	(0.29)	(0.28)
Return after operating charges*	29.73	18.89	15.43	5.02	3.61	3.02
Distributions**	–	(11.08)	(11.94)	(1.17)	(2.09)	(2.35)
Retained distributions**	–	11.08	11.94	–	–	–
Redemption value as at 5 June 2025	(312.95)	–	–	–	–	–
Redemption value as at 18 June 2025	–	–	–	(55.64)	–	–
Closing net asset value	–	283.22	264.33	–	51.79	50.27
*after direct transaction costs of	(0.44)	(0.14)	(0.27)	(0.08)	(0.03)	(0.05)
Performance						
Return after charges (%)	10.50	7.15	6.20	9.69	7.18	6.09
Other information						
Closing net asset value (£000's)	–	2	2	–	1,302	1,871
Closing number of shares	–	586	586	–	2,514,894	3,720,804
Operating charges (%)	0.55	0.55	0.55	0.55	0.55	0.55
Direct transaction costs (%)***	0.15	0.05	0.11	0.15	0.05	0.11
Prices						
Highest dealing price	313.00p	294.60p	270.00p	57.40p	55.34p	53.82p
Lowest dealing price	264.30p	251.80p	245.10p	48.33p	47.88p	47.55p

Comparative Table (continued)

Financial year to 31 December	Z Accumulation shares ¹			Z Income shares ¹		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	292.37	273.39	257.99	169.19	164.58	162.70
Return before operating charges*	30.35	21.14	17.40	17.57	12.72	10.84
Operating charges	(2.30)	(2.16)	(2.00)	(1.33)	(1.29)	(1.24)
Return after operating charges*	28.05	18.98	15.40	16.24	11.43	9.60
Distributions**	(6.61)	(11.44)	(12.38)	(3.83)	(6.82)	(7.72)
Retained distributions**	6.61	11.44	12.38	-	-	-
Redemption value as at 18 June 2025	(320.42)	-	-	(181.60)	-	-
Closing net asset value	-	292.37	273.39	-	169.19	164.58
*after direct transaction costs of	(0.45)	(0.15)	(0.28)	(0.26)	(0.09)	(0.18)
Performance						
Return after charges (%)	9.59	6.94	5.97	9.60	6.94	5.90
Other information						
Closing net asset value (£000's)	-	20,077	22,280	-	21,624	26,102
Closing number of shares	-	6,866,851	8,149,462	-	12,780,983	15,859,745
Operating charges (%)	0.75	0.75	0.75	0.75	0.75	0.75
Direct transaction costs (%)***	0.15	0.05	0.11	0.15	0.05	0.11
Prices						
Highest dealing price	323.70p	304.30p	279.80p	187.30p	181.00p	176.50p
Lowest dealing price	272.70p	260.40p	253.70p	157.80p	156.70p	155.80p

** 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.

1 The Fund closed on 18 June 2025.

2 S Accumulation shares closed on 5 June 2025.

The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share 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 Authorised Corporate Director fee, Registrar fees, Safe custody fees, Depositary's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are shares 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.

Statement of Total Return

For the year ended 31 December 2025

		2025	2024
	Notes	£000's	£000's
Income			
Net capital gains	2	4,320	2,382
Revenue	3	1,285	2,589
Expenses	4	(225)	(482)
Net revenue before taxation		1,060	2,107
Taxation	5	-	-
Net revenue after taxation		1,060	2,107
Total return before distributions		5,380	4,489
Distributions	6	(1,252)	(2,569)
Change in net assets attributable to shareholders from investment activities		4,128	1,920

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2025

	2025	2024
	£000's	£000's
Opening net assets attributable to shareholders	58,324	67,956
Amounts transferred to other funds	(58,138)	–
Amounts receivable on issue of shares	540	1,112
Amounts payable on cancellation of shares	(5,436)	(13,825)
	(4,896)	(12,713)
Change in net assets attributable to shareholders from investment activities	4,128	1,920
Retained distribution on Accumulation shares	582	1,161
Closing net assets attributable to shareholders	–	58,324

Balance Sheet

As at 31 December 2025

		2025	2024
	Notes	£000's	£000's
Assets			
Investments		–	58,136
Current assets			
Debtors	8	–	217
Cash and bank balances		1	600
Total assets		1	58,953
Liabilities			
Creditors			
Distributions payable		–	(515)
Other creditors	9	(1)	(114)
Total liabilities		(1)	(629)
Net assets attributable to shareholders		–	58,324

Notes to the Accounts

For the year ended 31 December 2025

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by Schroder UK Alpha Income Fund are disclosed on pages 9 to 10.

2 Net capital gains

The net capital gains during the year comprise:

	2025	2024
	£000's	£000's
Non-derivative securities	4,343	2,382
Derivative contracts	(23)	–
Net capital gains	4,320	2,382

3 Revenue

	2025	2024
	£000's	£000's
UK dividends	1,152	2,361
Overseas dividends	64	112
Real estate income distributions	37	83
Scrip dividends	–	13
Bank interest	32	20
Total revenue	1,285	2,589

4 Expenses

	2025	2024
	£000's	£000's
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Schroders Annual Charge ¹	225	482
Total expenses	225	482

1 Audit fees including VAT for the year were £1,733 (2024 – £8,848).

Notes to the Accounts

For the year ended 31 December 2025 (continued)

5 Taxation

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

(a) Factors affecting the total tax charge for the year

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for Open Ended Investment Companies of 20% (2024 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2025 £000's	2024 £000's
Net revenue before taxation	1,060	2,107
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	212	421
Effects of:		
Revenue not subject to corporation tax	(243)	(497)
Movement in excess management expenses	31	76
Total tax charge for the year	-	-

(b) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £8,143,695 (2024 – £8,112,403) in respect of £40,718,477 (2024 – £40,562,017) 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 shares and revenue deducted on the cancellation of shares, and comprise:

	2025 £000's	2024 £000's
Interim Dividend distribution	1,213	1,475
Final Dividend distribution	-	978
	1,213	2,453
Add: Revenue deducted on cancellation of shares	44	128
Deduct: Revenue received on issue of shares	(5)	(12)
Distributions	1,252	2,569
Net revenue after taxation	1,060	2,107
Expenses taken to capital	225	482
Marginal tax relief	(14)	(20)
Movement in undistributed revenue	(19)	-
Distributions	1,252	2,569

Details of the distributions per share are set out in the Distribution Tables on pages 279 to 280.

7 Fair value hierarchy

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

	2025		2024	
Basis of valuation	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	-	-	58,136	-
Level 2: Observable market data	-	-	-	-
Level 3: Unobservable data	-	-	-	-
Total	-	-	58,136	-

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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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 Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director with particular attention paid to the carrying value of the investments.

8 Debtors

	2025 £000's	2024 £000's
Amounts receivable for issue of shares	-	7
Sales awaiting settlement	-	28
Accrued revenue	-	182
Total debtors	-	217

9 Other creditors

	2025 £000's	2024 £000's
Amounts payable for cancellation of shares	-	75
Amount to be transferred to other funds	1	-
Accrued expenses	-	39
Total other creditors	1	114

10 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2024 - Nil).

11 Related party transactions

The Authorised Corporate Director provides key management personnel services for the Fund and is therefore considered a related party.

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

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

12 Share classes

The Fund currently has no share classes as the Fund closed on 18 June 2025.

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 Authorised Corporate Director'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 Authorised Corporate Director in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately Nil (2024 - £5,813,600).

At the year end date, the majority of the Fund's financial assets and liabilities were denominated in sterling. As a result, the Fund has no material exposure to currency movements.

Foreign currency risk

At the year end date, the majority of the Fund's financial assets and liabilities were denominated in sterling. As a result, the Fund has no material exposure to currency movements.

Liquidity risk

The primary source of this risk to the Fund is the liability to shareholders for any cancellation of shares. 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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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 Nil (2024 – 1.03%) 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 and bank overdrafts bear interest at rates based on the Sterling Overnight Index Average Rate. Foreign currency bank balances bear interest at rates based on the Sterling Overnight Index Average 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 Authorised Corporate Director 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.

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 31 December 2025 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

2025				2024			
Lowest	Highest	Average	Leverage 31 December	Lowest	Highest	Average	Leverage 31 December
0.00%	0.00%	0.00%	0.00%	0.00%	0.15%	0.01%	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.

2025	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	14,436	4	76	14,516	0.03	0.53
Sales						
Sales:						
Equities ¹	23,250	(7)	–	23,243	(0.03)	–
In-specie sales:						
Equities	53,751	–	–	53,751	–	–
	77,001	(7)	–	76,994		
Total cost as a percentage of the Fund's average net asset value (%)		0.02	0.13			

1 Excluding in-specie transfers and corporate actions.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

2024	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Purchases:						
Equities ¹	5,694	2	24	5,720	0.04	0.43
Corporate actions purchases:						
Equities	294	–	–	294	–	–
	5,988	2	24	6,014		
Sales						
Equities	18,337	(6)	–	18,331	–	–
Total cost as a percentage of the Fund's average net asset value (%)		0.01	0.04			

1 Excluding in-specie transfers and corporate actions.

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was Nil (2024 – 0.12%).

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.

15 Shares in issue reconciliation

	Number of shares in issue 31.12.24	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 31.12.25
A Accumulation shares	392,613	3,942	(13,995)	(382,560)	–
A Income shares	720,516	3,120	(26,977)	(696,659)	–
C Accumulation shares	59,313	–	(21,620)	(37,693)	–
C Income shares	131,795	–	–	(131,795)	–
L Accumulation shares	7,658,195	17,726	(598,826)	(7,077,095)	–
L Income shares	11,837,427	212,041	(1,135,234)	(10,914,234)	–
S Accumulation shares	585	–	(585)	–	–
S Income shares	2,514,894	1	(343,085)	(2,171,810)	–
Z Accumulation shares	6,866,851	61,522	(584,232)	(6,344,141)	–
Z Income shares	12,780,983	120,571	(1,230,988)	(11,670,566)	–

Distribution Tables

Interim distribution for the period ended 18 June 2025

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 18.8.25 per share	Distribution paid 31.8.24 per share
A Accumulation shares				
Group 1	5.4684p	–	5.4684p	5.4778p
Group 2	0.2659p	5.2025p	5.4684p	5.4778p
A Income shares				
Group 1	3.2904p	–	3.2904p	3.4281p
Group 2	2.4398p	0.8506p	3.2904p	3.4281p
C Accumulation shares				
Group 1	6.2402p	–	6.2402p	6.2164p
Group 2	6.2402p	–	6.2402p	6.2164p
C Income shares				
Group 1	3.6792p	–	3.6792p	3.8119p
Group 2	3.6792p	–	3.6792p	3.8119p
L Accumulation shares				
Group 1	1.9702p	–	1.9702p	1.9582p
Group 2	1.3690p	0.6012p	1.9702p	1.9582p
L Income shares				
Group 1	1.1993p	–	1.1993p	1.2396p
Group 2	0.6761p	0.5232p	1.1993p	1.2396p
S Accumulation shares				
Group 1	–	–	–	6.3800p
Group 2	–	–	–	6.3800p
S Income shares				
Group 1	1.1725p	–	1.1725p	1.2106p
Group 2	1.1725p	–	1.1725p	1.2106p
Z Accumulation shares				
Group 1	6.6140p	–	6.6140p	6.5802p
Group 2	3.0880p	3.5260p	6.6140p	6.5802p
Z Income shares				
Group 1	3.8285p	–	3.8285p	3.9610p
Group 2	2.5097p	1.3188p	3.8285p	3.9610p

Final distribution for the six months ended 31 December 2025

Group 1 Shares purchased prior to 1 July 2025

Group 2 Shares purchased on or after 1 July 2025

	Net revenue per share	Equalisation per share	Distribution paid per share	Distribution paid 28.2.25 per share
A Accumulation shares				
Group 1	–	–	–	4.0329p
Group 2	–	–	–	4.0329p

Distribution Tables

(continued)

	Net revenue per share	Equalisation per share	Distribution paid per share	Distribution paid 28.2.25 per share
A Income shares				
Group 1	–	–	–	2.4670p
Group 2	–	–	–	2.4670p
C Accumulation shares				
Group 1	–	–	–	4.5842p
Group 2	–	–	–	4.5842p
C Income shares				
Group 1	–	–	–	2.7475p
Group 2	–	–	–	2.7475p
L Accumulation shares				
Group 1	–	–	–	1.4464p
Group 2	–	–	–	1.4464p
L Income shares				
Group 1	–	–	–	0.8953p
Group 2	–	–	–	0.8953p
S Accumulation shares				
Group 1	–	–	–	4.7021p
Group 2	–	–	–	4.7021p
S Income shares				
Group 1	–	–	–	0.8747p
Group 2	–	–	–	0.8747p
Z Accumulation shares				
Group 1	–	–	–	4.8587p
Group 2	–	–	–	4.8587p
Z Income shares				
Group 1	–	–	–	2.8592p
Group 2	–	–	–	2.8592p

Equalisation

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

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

Schroder UK Dynamic Smaller Companies Fund

Fund Information

Investment objective and policy

Schroder UK Dynamic Smaller Companies Fund (the 'Fund') aims to provide capital growth in excess of the Numis Small Companies plus AIM excluding Investment Companies Total Return GBP index (after fees have been deducted) over a three to five year period by investing in equity and equity related securities of small-sized UK companies.

The Fund is actively managed and invests at least 80% of its assets in equity and equity related securities of small-sized UK companies. These are companies that are incorporated, headquartered or have their principal business activities in the UK and, at the time of purchase, are similar in size to those comprising the bottom 10% by market capitalisation of the UK equities market.

The Fund may also invest in companies headquartered or incorporated outside the UK which derive a significant proportion of their revenues or profits from the UK.

The small cap universe is an extensive, diverse and constantly changing area of the UK market. 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 firms.

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 or managing the Fund more efficiently (for more information please refer to Appendix 2 Section 6: Derivatives and Forwards of the Prospectus).

Fund characteristics

The Fund's performance should be assessed against its target benchmark, being to exceed the Numis Small Companies plus AIM excluding Investment Companies Total Return GBP index, and compared against the Investment Association UK 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.

Review of Investment Activities

From 31 December 2024 to 31 December 2025, the price of Z Accumulation shares on a dealing price basis rose by 8.3%. In the same period the Numis Small Companies plus AIM excluding Investment Companies Total Return GBP index generated a total return of 11.8%¹.

The Fund posted a positive return but was behind the index's gains.

Some of our consumer discretionary holdings were most detrimental to our relative performance as the UK consumer remained cautious amid persistent high living costs. Affordable greetings cards business Card Factory announced a profit warning in December 2025, and its share price fell sharply. Cosmetics business Warpaint saw one of its customers enter insolvency which impacted sales and we have sold this position. Ashtead Technologies which provides specialised subsea equipment and support services for the offshore energy sector was the largest detractor to performance and electronic tag specialist Big Technologies also disappointed. Most beneficial were companies in the basic materials sector – Pan African Resources, Atalaya Mining and Hochschild Mining which benefitted from a tailwind of higher commodity prices.

New holdings to the portfolio include North Sea oil and gas operator Ithaca Energy and Zigup which offers a range of automotive services. Sold positions include bulk annuity specialist Just Group which was bid for at a substantial 75% premium and Paragon Banking Group.

Fund Manager:
James Goodman



Co-fund manager of Schroder Prime Diversified UK Equity strategy since 2024

Manager of the UK Dynamic Smaller Companies strategy from 2023

Focuses on UK small and mid-sized companies for the Prime UK Equity team and UK Small & Mid Cap Equity teams

Joined the Prime UK Equity team in 2018 initially as an analyst

Investment career commenced in 2015 at Schroders as an Associate Portfolio Manager in the Private Bank

CFA Charter Holder

Degree in Economic History from the London School of Economics

¹ Source: Morningstar.

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 6 to 5 with effect from 15 July 2025.

For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com/en-gb/uk/individual/Fund-centre/.

Comparative Table

Financial year to 31 December	A Accumulation shares			C Accumulation shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	428.31	436.30	471.23	489.57	495.05	530.69
Return before operating charges*	40.42	(0.47)	(27.29)	46.34	(0.71)	(30.78)
Operating charges	(7.30)	(7.52)	(7.64)	(4.63)	(4.77)	(4.86)
Return after operating charges*	33.12	(7.99)	(34.93)	41.71	(5.48)	(35.64)
Distributions**	(9.22)	(4.34)	(4.68)	(14.23)	(8.74)	(9.03)
Retained distributions**	9.22	4.34	4.68	14.23	8.74	9.03
Closing net asset value	461.43	428.31	436.30	531.28	489.57	495.05
*after direct transaction costs of	(1.36)	(1.03)	(0.59)	(1.57)	(1.18)	(0.68)
Performance						
Return after charges (%)	7.73	(1.83)	(7.41)	8.52	(1.11)	(6.72)
Other information						
Closing net asset value (£000's)	3,887	5,476	7,135	2	1	34
Closing number of shares	842,468	1,278,622	1,635,219	301	301	6,849
Operating charges (%)	1.67	1.68	1.67	0.92	0.93	0.92
Direct transaction costs (%)***	0.31	0.23	0.13	0.31	0.23	0.13
Prices						
Highest dealing price	471.40p	486.20p	495.40p	541.80p	553.40p	558.30p
Lowest dealing price	363.80p	421.00p	385.30p	416.50p	481.10p	436.60p

Comparative Table

(continued)

Financial year to 31 December	S Accumulation shares			S Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	83.39	83.98	89.69	70.72	72.75	79.43
Return before operating charges*	7.92	(0.11)	(5.25)	6.70	(0.05)	(4.65)
Operating charges	(0.46)	(0.48)	(0.46)	(0.39)	(0.41)	(0.40)
Return after operating charges*	7.46	(0.59)	(5.71)	6.31	(0.46)	(5.05)
Distributions**	(2.78)	(1.83)	(1.85)	(2.34)	(1.57)	(1.63)
Retained distributions**	2.78	1.83	1.85	-	-	-
Closing net asset value	90.85	83.39	83.98	74.69	70.72	72.75
*after direct transaction costs of	(0.27)	(0.20)	(0.11)	(0.23)	(0.17)	(0.10)
Performance						
Return after charges (%)	8.95	(0.70)	(6.37)	8.92	(0.63)	(6.36)
Other information						
Closing net asset value (£000's)	468	923	1,729	3,070	3,213	4,567
Closing number of shares	515,576	1,107,313	2,058,897	4,110,095	4,543,235	6,277,576
Operating charges (%)	0.54	0.55	0.54	0.54	0.55	0.54
Direct transaction costs (%)***	0.31	0.23	0.13	0.31	0.23	0.13
Prices						
Highest dealing price	92.57p	94.03p	94.39p	77.36p	81.47p	83.60p
Lowest dealing price	71.03p	81.93p	74.02p	60.24p	70.33p	64.84p

Comparative Table

(continued)

Financial year to 31 December	Z Accumulation shares			Z Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	523.67	529.43	567.55	460.79	474.05	517.52
Return before operating charges*	49.67	(0.69)	(33.24)	43.54	(0.34)	(30.25)
Operating charges	(4.94)	(5.07)	(4.88)	(4.32)	(4.53)	(4.46)
Return after operating charges*	44.73	(5.76)	(38.12)	39.22	(4.87)	(34.71)
Distributions**	(15.36)	(9.40)	(9.65)	(13.42)	(8.39)	(8.76)
Retained distributions**	15.36	9.40	9.65	-	-	-
Closing net asset value	568.40	523.67	529.43	486.59	460.79	474.05
*after direct transaction costs of	(1.68)	(1.25)	(0.68)	(1.47)	(1.11)	(0.63)
Performance						
Return after charges (%)	8.54	(1.09)	(6.72)	8.51	(1.03)	(6.71)
Other information						
Closing net asset value (£000's)	94,020	107,541	142,106	7,787	8,705	10,289
Closing number of shares	16,541,260	20,536,056	26,841,393	1,600,298	1,889,060	2,170,379
Operating charges (%)	0.92	0.93	0.92	0.92	0.93	0.92
Direct transaction costs (%)***	0.31	0.23	0.13	0.31	0.23	0.13
Prices						
Highest dealing price	579.70p	591.80p	597.10p	503.50p	530.00p	544.50p
Lowest dealing price	445.60p	514.60p	466.90p	392.20p	457.40p	422.00p

** 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 share 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 Authorised Corporate Director fee, Registrar fees, Safe custody fees, Depositary's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are shares 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 31.12.25	Market Value £000's	% of net assets
Equities 98.91% (95.11%)			
Basic Materials 14.73% (3.34%)			
Atalaya Mining Copper	374,034	3,198	2.93
Greatland Resources	335,000	1,739	1.59
Hill & Smith	38,679	826	0.76
Hochschild Mining	638,151	3,274	3.00
Metals Exploration*	8,325,704	1,240	1.13
Pan African Resources*	2,627,738	3,179	2.91
Serabi Gold*	305,000	930	0.85
Victrex	86,061	564	0.52
Zotefoams	283,807	1,135	1.04
		16,085	14.73
Consumer Discretionary 15.92% (21.19%)			
Card Factory	1,750,000	1,185	1.08
CVS Group*	156,650	2,008	1.84
Everplay Group*	578,653	1,933	1.77
Focusrite*	787,496	1,772	1.62
Future	114,103	600	0.55
Gaming Realms*	3,191,015	1,244	1.14
International Consolidated Airlines Group	300,000	1,243	1.14
ME Group International	404,336	610	0.56
Next 15 Group*	440,000	1,399	1.28
On the Beach Group	938,459	2,140	1.96
Pebble Group*	1,895,236	815	0.74
Rank Group	999,955	991	0.91
Watches of Switzerland Group	159,551	755	0.69
Wilmington	235,792	698	0.64
		17,393	15.92
Consumer Staples 7.08% (4.41%)			
AG Barr	225,643	1,408	1.29
McBride	841,268	1,230	1.13
MP Evans Group*	164,386	2,005	1.83
Premier Foods	531,836	917	0.84
Supreme*	754,240	1,124	1.03
Uniphar	348,111	1,052	0.96
		7,736	7.08
Energy 6.54% (2.75%)			
Ashtead Technology Holdings*	579,615	1,797	1.65
Gulf Keystone Petroleum	400,000	701	0.64
Ithaca Energy	1,698,692	2,809	2.57
Serica Energy*	1,050,268	1,834	1.68
		7,141	6.54
Financials 18.76% (20.79%)			
AJ Bell	170,707	753	0.69

	Holding at 31.12.25	Market Value £000's	% of net assets
Health Care 0.00% (2.18%)			
ASA International Group	600,000	1,098	1.00
Foresight Group Holdings	386,790	1,659	1.52
Georgia Capital	55,000	1,702	1.56
International Personal Finance	725,231	1,697	1.55
Lancashire Holdings	182,000	1,167	1.07
Metro Bank Holdings	966,975	1,164	1.07
OSB Group	251,413	1,603	1.47
Plus500*	45,000	1,634	1.50
Polar Capital Holdings*	200,000	1,060	0.97
Pollen Street Group	222,404	2,095	1.92
Ramsdens Holdings*	376,319	1,392	1.27
Secure Trust Bank	145,000	1,805	1.65
TBC Bank Group	41,000	1,665	1.52
		20,494	18.76
Industrials 22.61% (22.75%)			
Boku*	729,924	1,533	1.40
Brickability Group*	1,216,381	674	0.62
Chemring Group	309,432	1,461	1.34
Firstgroup	517,332	985	0.90
Johnson Service Group*	1,257,067	1,695	1.55
Kier Group	745,984	1,656	1.52
Mitie Group	600,000	998	0.91
Morgan Sindall Group	46,414	2,156	1.98
PayPoint	175,901	832	0.76
Renew Holdings*	197,255	1,758	1.61
SDI Group*	767,204	637	0.58
Serco Group	450,000	1,255	1.15
SigmaRoc*	1,653,527	2,107	1.93
Thruvision Group*	22,145,511	199	0.18
Voilex*	480,000	2,006	1.84
Volusion Group	294,928	1,899	1.74
Zigup	742,550	2,844	2.60
		24,695	22.61
Real Estate 2.63% (1.62%)			
Harworth Group	1,160,370	1,938	1.77
Property Franchise Group*	183,725	940	0.86
		2,878	2.63

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets
Technology 5.03% (10.24%)			
Alfa Financial Software Holdings	677,719	1,437	1.32
Big Technologies [#]	438,474	332	0.30
Bytes Technology Group	320,635	1,150	1.05
Kainos Group	150,000	1,506	1.38
Quartix Technologies [#]	396,468	1,070	0.98
		5,495	5.03
Telecommunications 2.82% (1.70%)			
Gamma	46,433	429	0.39
Helios Towers	1,610,980	2,652	2.43
		3,081	2.82
Utilities 2.79% (4.14%)			
Telecom Plus	140,000	1,901	1.74

	Holding at 31.12.25	Market Value £000's	% of net assets
Yu Group [#]	77,143	1,142	1.05
		3,043	2.79
Equities total			
		108,041	98.91
Collective Investment Schemes 1.06% (4.53%)			
Cash Funds 1.06% (4.53%)			
Schroder Sterling Cash Fund Class X Distribution GBP	1,162,010	1,162	1.06
		1,162	1.06
Collective Investment Schemes total			
		1,162	1.06
Portfolio of investments			
		109,203	99.97
Net other assets			
		31	0.03
Net assets attributable to shareholders			
		109,234	100.00

The comparative percentage figures in brackets are as at 31 December 2024.
Unless otherwise stated, all securities are admitted to official stock exchange listings.

[#] Security traded on another regulated market.

[^] Unlisted, suspended or delisted security.

Statement of Total Return

For the year ended 31 December 2025

		2025	2024
	Notes	£000's	£000's
Income			
Net capital gains/(losses)	2	5,910	(3,065)
Revenue	3	4,345	3,998
Expenses	4	(1,077)	(1,420)
Net revenue before taxation		3,268	2,578
Taxation	5	(34)	(48)
Net revenue after taxation		3,234	2,530
Total return before distributions		9,144	(535)
Distributions	6	(3,236)	(2,530)
Change in net assets attributable to shareholders from investment activities		5,908	(3,065)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2025

	2025	2024
	£000's	£000's
Opening net assets attributable to shareholders	125,859	165,860
Amounts receivable on issue of shares	626	1,538
Amounts payable on cancellation of shares	(25,936)	(40,669)
	(25,310)	(39,131)
Dilution adjustment	–	69
Change in net assets attributable to shareholders from investment activities	5,908	(3,065)
Retained distribution on Accumulation shares	2,777	2,126
Closing net assets attributable to shareholders	109,234	125,859

Balance Sheet

As at 31 December 2025

		2025	2024
	Notes	£000's	£000's
Assets			
Investments		109,203	125,412
Current assets			
Debtors	8	133	389
Cash and bank balances		548	526
Total assets		109,884	126,327
Liabilities			
Creditors			
Distributions payable		(166)	(127)
Other creditors	9	(484)	(341)
Total liabilities		(650)	(468)
Net assets attributable to shareholders		109,234	125,859

Notes to the Accounts

For the year ended 31 December 2025

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by Schroder UK Dynamic Smaller Companies Fund are disclosed on pages 9 to 10.

2 Net capital gains/(losses)

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

	2025	2024
	£000's	£000's
Non-derivative securities	5,900	(3,064)
Foreign currency gains/(losses)	10	(1)
Net capital gains/(losses)	5,910	(3,065)

3 Revenue

	2025	2024
	£000's	£000's
UK dividends	3,562	3,131
Overseas dividends	692	537
Interest distributions	72	149
Scrip dividends	–	109
Bank interest	19	72
Total revenue	4,345	3,998

4 Expenses

	2025	2024
	£000's	£000's
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Schroders Annual Charge ¹	1,077	1,420
Total expenses	1,077	1,420

1 Audit fees including VAT for the year were £8,848 (2024 – £8,848).

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

	2025	2024
	£000's	£000's
Overseas withholding tax	34	48
Total current tax (Note 5(b))	34	48

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for Open Ended Investment Companies of 20% (2024 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2025 £000's	2024 £000's
Net revenue before taxation	3,268	2,578
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	654	516
Effects of:		
Revenue not subject to corporation tax	(851)	(756)
Movement in excess management expenses	197	240
Overseas withholding tax	34	48
Total tax charge for the year (Note 5(a))	34	48

(c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £12,910,169 (2024 – £12,712,863) in respect of £64,550,845 (2024 – £63,564,313) 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 shares and revenue deducted on the cancellation of shares, and comprise:

	2025 £000's	2024 £000's
Interim Dividend distribution	1,522	1,123
Final Dividend distribution	1,577	1,249
	3,099	2,372
Add: Revenue deducted on cancellation of shares	141	161
Deduct: Revenue received on issue of shares	(4)	(3)
Distributions	3,236	2,530
Net revenue after taxation	3,234	2,530
Equalisation on conversions	2	–
Distributions	3,236	2,530

Details of the distributions per share are set out in the Distribution Tables on pages 295 to 296.

7 Fair value hierarchy

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

	2025		2024	
Basis of valuation	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	108,041	–	119,710	–
Level 2: Observable market data	1,162	–	5,702	–
Level 3: Unobservable data	–	–	–	–
Total	109,203	–	125,412	–

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.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

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 Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director with particular attention paid to the carrying value of the investments.

8 Debtors

	2025	2024
	£000's	£000's
Sales awaiting settlement	–	257
Accrued revenue	132	132
Overseas withholding tax recoverable	1	–
Total debtors	133	389

9 Other creditors

	2025	2024
	£000's	£000's
Amounts payable for cancellation of shares	315	236
Accrued expenses	169	105
Total other creditors	484	341

10 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2024 – Nil).

11 Related party transactions

The Authorised Corporate Director provides key management personnel services for the Fund and is therefore considered a related party.

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

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

Shares held or managed by the Authorised Corporate Director as a percentage of the Fund's net asset value at the balance sheet date were 0.01% (2024 – 0.00%).

12 Share classes

At the reporting date the Fund had six share classes. The costs and expenses due to the Manager are referred to as the Schroders Annual Charge. Details of the charges applied to each share class can be found in the prospectus.

The closing net asset value of each share class, the closing net asset value per share and the closing number of shares in issue are given in the Comparative Table on pages 284 to 286.

The distributions per share class are given in the Distribution Table on pages 295 to 296.

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 Authorised Corporate Director'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 Authorised Corporate Director in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £10,920,300 (2024 – £12,541,200).

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Foreign currency risk

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.

At the year end date, the majority of the Fund's financial assets and liabilities were denominated in sterling. As a result, the Fund has no material exposure to currency movements.

Liquidity risk

The primary source of this risk to the Fund is the liability to shareholders for any cancellation of shares. 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 0.50% (2024 – 0.42%) 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.

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 Authorised Corporate Director 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.

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 31 December 2025 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

2025				2024			
Lowest	Highest	Average	Leverage 31 December	Lowest	Highest	Average	Leverage 31 December
0.00%	0.10%	0.00%	0.00%	0.00%	0.00%	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.

2025	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	89,193	41	267	89,501	0.05	0.30
Sales						
Equities	105,300	(48)	(1)	105,251	(0.05)	–
Total cost as a percentage of the Fund's average net asset value (%)		0.08	0.23			

Notes to the Accounts

For the year ended 31 December 2025 (continued)

2024	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	93,547	40	308	93,895	0.04	0.33
Funds	33,174	–	–	33,174	–	–
	126,721	40	308	127,069		
Sales						
Equities	130,290	(66)	(1)	130,223	(0.05)	–
Funds	27,516	–	–	27,516	–	–
	157,806	(66)	(1)	157,739		
Total cost as a percentage of the Fund's average net asset value (%)		0.07	0.21			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.72% (2024 – 1.22%).

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.

15 Shares in issue reconciliation

	Number of shares in issue 31.12.24	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 31.12.25
A Accumulation shares	1,278,622	79,952	(395,162)	(120,944)	842,468
C Accumulation shares	301	–	–	–	301
S Accumulation shares	1,107,313	12,884	(604,621)	–	515,576
S Income shares	4,543,235	1,964	(435,104)	–	4,110,095
Z Accumulation shares	20,536,056	17,622	(4,100,893)	88,475	16,541,260
Z Income shares	1,889,060	34,350	(334,420)	11,308	1,600,298

Distribution Tables

Interim distribution for the six months ended 30 June 2025

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.8.25 per share	Distribution paid 31.8.24 per share
A Accumulation shares				
Group 1	4.2470p	–	4.2470p	1.7364p
Group 2	1.3287p	2.9183p	4.2470p	1.7364p
C Accumulation shares				
Group 1	6.5502p	–	6.5502p	3.8866p
Group 2	6.5502p	–	6.5502p	3.8866p
S Accumulation shares				
Group 1	1.2900p	–	1.2900p	0.8241p
Group 2	0.7505p	0.5395p	1.2900p	0.8241p
S Income shares				
Group 1	1.0944p	–	1.0944p	0.7139p
Group 2	0.6891p	0.4053p	1.0944p	0.7139p
Z Accumulation shares				
Group 1	7.1213p	–	7.1213p	4.1560p
Group 2	3.0534p	4.0679p	7.1213p	4.1560p
Z Income shares				
Group 1	6.2686p	–	6.2686p	3.7210p
Group 2	2.2760p	3.9926p	6.2686p	3.7210p

Final distribution for the six months ended 31 December 2025

Group 1 Shares purchased prior to 1 July 2025

Group 2 Shares purchased on or after 1 July 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
A Accumulation shares				
Group 1	4.9724p	–	4.9724p	2.6013p
Group 2	3.6432p	1.3292p	4.9724p	2.6013p
C Accumulation shares				
Group 1	7.6823p	–	7.6823p	4.8504p
Group 2	7.6823p	–	7.6823p	4.8504p
S Accumulation shares				
Group 1	1.4865p	–	1.4865p	1.0020p
Group 2	0.8538p	0.6327p	1.4865p	1.0020p
S Income shares				
Group 1	1.2423p	–	1.2423p	0.8600p
Group 2	0.6479p	0.5944p	1.2423p	0.8600p
Z Accumulation shares				
Group 1	8.2344p	–	8.2344p	5.2480p
Group 2	4.4022p	3.8322p	8.2344p	5.2480p

Distribution Tables

(continued)

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
Z Income shares				
Group 1	7.1526p	–	7.1526p	4.6641p
Group 2	4.5233p	2.6293p	7.1526p	4.6641p

Equalisation

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

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

Schroder UK-Listed Equity Income Maximiser Fund

Fund Information

Investment objective and policy

Schroder UK-Listed Equity Income Maximiser Fund (the 'Fund') aims to provide income by investing in equity and equity related securities of large UK companies.

The Fund aims to deliver an income of 7% per year but this is not guaranteed and could change depending on market conditions.

The Fund invests at least 80% of its assets in a passively managed portfolio from the top 100 listed UK companies by market capitalisation.

To seek to enhance the yield, the Investment Manager selectively sells short dated call options over individual securities held by the Fund, portfolios of securities or indices by agreeing strike prices above which potential capital growth is sold.

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 Appendix 2. Section 6: Derivatives and Forwards of the Prospectus).

The Fund's investment strategy will typically underperform a similar portfolio of equities without a derivative overlay in periods when the underlying equity prices are rising, and has the potential to outperform when the underlying equity prices are falling.

Fund characteristics

The Fund's performance should be assessed against its target benchmark of 7% income per year, and compared against the FTSE 100 (Net Total Return) index and the Investment Association UK Equity Income 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 benchmarks have been selected because the Investment Manager and the Manager believe that each of these benchmarks is a suitable comparison for performance purposes given the Fund's investment objective and policy.

Review of Investment Activities

The Fund aims to deliver an income of 7% per year (although this is not guaranteed and could change depending on market conditions). For the year ending 31 December 2025, the Fund distributed 7.17%¹.

From 31 December 2024 to 31 December 2025, the price of Z Accumulation shares² on a dealing basis rose by 22.8%. In comparison, the FTSE³ 100 (Net Total Return) Index generated a return of 25.8%³ and the Investment Association UK Equity Income sector average generated a total return of 18.4%⁴.

UK equities had a strong year in 2025, with returns of more than 20% driven by the FTSE 100's exposure to energy, mining, defence and financials, alongside attractive valuations and high dividend yields. Despite weak domestic growth, globally diversified earnings and a defensive sector mix helped UK equities outperform several major global markets.

In order to generate the 7% distributable income, the Fund invests in a UK equity portfolio that broadly mirrors the exposure of the FTSE 100, from which it receives dividends. These dividends are combined with a covered call option overlay strategy to deliver the overall 7% income target.

The option strategy allows us to generate an enhanced yield by exchanging some of the potential upside in the stocks we own for an upfront cash payment. In performance terms, this trade-off means that the Fund has the potential to outperform a similar portfolio of equities when the underlying share prices are falling, flat or gently rising – this is due to the upfront payment. It will also capture the first phase of any growth in the stocks it holds when prices are rising fast; but, given the sacrifice of some potential upside, can lag a similar portfolio of equities that does not use a covered call strategy in that environment.

Over 2025, the underlying equity portfolio delivered broadly in line with the wider market, and the options detracted to a limited extent, while delivering the required income enhancement. The behaviour remains within expectations for the strategy, as outlined, and the Fund continues to deliver on its income objective.

Co-Fund Manager:

Scott Thomson



Co-Fund Manager:

Jeegar Jagani



Co-Fund Manager:

Ghokhulan Manickavasagar



Co-Fund Manager:

Kaarthi Chandrasegaram



Schroders' Structured Fund Management Team consists of Scott Thomson, Head of Structured Fund Management, Jeegar Jagani, CFA, Ghokhulan Manickavasagar and Kaarthi Chandrasegaram. Scott and Jeegar have managed the option overlay strategy since 2009 and 2012 respectively, and were joined by Ghokhulan in 2017 and Kaarthi in 2019. The team have over 61 years of combined investment experience in derivatives and structuring, including the management of the £3.1 billion Maximiser range (as at 31 December 2025). The Maximiser range consists of eight Maximiser-branded funds plus segregated mandates, all of which apply a two-step income enhancement strategy investing in equities.

1 The dealing price of Z Accumulation shares reflects the reinvestment of the distribution.

2 The dealing price of Z Accumulation shares reflects the reinvestment of the distribution.

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4 Source: Morningstar.

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 simulated 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 6 to 5 with effect from 8 July 2025 for all share classes with the exception of the W Income shares that changed from 3 September 2025.

For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com/en-gb/uk/individual/Fund-centre/.

Comparative Table

Financial year to 31 December	L Accumulation shares			L Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	71.97	66.36	61.79	53.46	52.89	53.03
Return before operating charges*	16.90	5.85	4.79	12.18	4.61	4.00
Operating charges	(0.27)	(0.24)	(0.22)	(0.20)	(0.19)	(0.18)
Return after operating charges*	16.63	5.61	4.57	11.98	4.42	3.82
Distributions**	(5.51)	(4.96)	(4.75)	(3.99)	(3.85)	(3.96)
Retained distributions**	5.51	4.96	4.75	-	-	-
Closing net asset value	88.60	71.97	66.36	61.45	53.46	52.89
*after direct transaction costs of	(0.06)	(0.01)	(0.02)	(0.04)	(0.01)	(0.02)
Performance						
Return after charges (%)	23.11	8.45	7.40	22.41	8.36	7.20
Other information						
Closing net asset value (£000's)	2,978	1,708	356	24,131	4,464	986
Closing number of shares	3,361,693	2,372,570	536,037	39,271,446	8,350,068	1,864,247
Operating charges (%)	0.34	0.34	0.34	0.34	0.34	0.34
Direct transaction costs (%)***	0.08	0.01	0.04	0.08	0.01	0.04
Prices						
Highest dealing price	88.51p	73.56p	66.43p	62.23p	57.04p	56.78p
Lowest dealing price	67.89p	63.88p	61.42p	49.53p	50.92p	50.71p

Comparative Table

(continued)

Financial year to 31 December	Q1 Accumulation shares			Q1 Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value						
Opening net asset value	72.11	66.45	61.86	53.60	52.98	53.08
Return before operating charges*	16.94	5.83	4.74	12.19	4.61	4.00
Operating charges	(0.19)	(0.17)	(0.15)	(0.14)	(0.13)	(0.13)
Return after operating charges*	16.75	5.66	4.59	12.05	4.48	3.87
Distributions**	(5.52)	(4.96)	(4.75)	(4.00)	(3.86)	(3.97)
Retained distributions**	5.52	4.96	4.75	-	-	-
Closing net asset value	88.86	72.11	66.45	61.65	53.60	52.98
*after direct transaction costs of	(0.06)	(0.01)	(0.02)	(0.04)	(0.01)	(0.02)
Performance						
Return after charges (%)	23.23	8.52	7.42	22.48	8.46	7.29
Other information						
Closing net asset value (£000's)	2	1	1	47,193	45,863	33,217
Closing number of shares	2,000	2,000	2,000	76,551,858	85,571,123	62,694,268
Operating charges (%)	0.24	0.24	0.24	0.24	0.24	0.24
Direct transaction costs (%)***	0.08	0.01	0.04	0.08	0.01	0.04
Prices						
Highest dealing price	88.77p	73.70p	66.53p	62.43p	57.16p	56.84p
Lowest dealing price	68.04p	63.98p	61.49p	49.66p	51.01p	50.77p

Comparative Table

(continued)

Financial year to 31 December	W Income shares ¹	Z Accumulation shares		
	2025 pence per share	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value				
Opening net asset value	50.00	71.84	66.29	61.78
Return before operating charges*	9.71	16.88	5.86	4.79
Operating charges	(0.11)	(0.35)	(0.31)	(0.28)
Return after operating charges*	9.60	16.53	5.55	4.51
Distributions**	(2.36)	(5.50)	(4.95)	(4.74)
Retained distributions**	–	5.50	4.95	4.74
Closing net asset value	57.24	88.37	71.84	66.29
*after direct transaction costs of	(0.04)	(0.06)	(0.01)	(0.02)
Performance				
Return after charges (%)	19.20	23.01	8.37	7.30
Other information				
Closing net asset value (£000's)	2	1,813	904	365
Closing number of shares	3,000	2,051,570	1,257,841	550,875
Operating charges (%)	0.30	0.44	0.44	0.44
Direct transaction costs (%)***	0.08	0.08	0.01	0.04
Prices				
Highest dealing price	58.88p	88.28p	73.43p	66.37p
Lowest dealing price	50.00p	67.75p	63.82p	61.38p

Comparative Table

(continued)

Financial year to 31 December	Z Income shares		
	2025 pence per share	2024 pence per share	2023 pence per share
Change in net asset value			
Opening net asset value	53.40	52.88	53.06
Return before operating charges*	12.15	4.61	4.02
Operating charges	(0.25)	(0.24)	(0.23)
Return after operating charges*	11.90	4.37	3.79
Distributions**	(3.98)	(3.85)	(3.97)
Closing net asset value	61.32	53.40	52.88
*after direct transaction costs of	(0.04)	(0.01)	(0.02)
Performance			
Return after charges (%)	22.28	8.26	7.14
Other information			
Closing net asset value (£000's)	27,836	10,402	3,854
Closing number of shares	45,391,462	19,479,811	7,288,223
Operating charges (%)	0.44	0.44	0.44
Direct transaction costs (%)***	0.08	0.01	0.04
Prices			
Highest dealing price	62.11p	57.00p	56.80p
Lowest dealing price	49.46p	50.90p	50.71p

** 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.

1 W Income shares launched on 28 April 2025.

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 31.12.25	Market Value £000's	% of net assets
Equities 96.30% (96.86%)			
Basic Materials 6.73% (6.52%)			
Anglo American	45,215	1,394	1.34
Antofagasta	18,850	618	0.59
Fresnillo	9,830	328	0.32
Glencore	442,409	1,798	1.73
Rio Tinto GBP	47,701	2,859	2.75
		6,997	6.73
Consumer Discretionary 5.42% (11.06%)			
Berkeley Group Holdings	8,372	327	0.31
Compass Group	71,846	1,698	1.63
Entain	25,664	197	0.19
Games Workshop Group	1,855	350	0.34
Informa	58,936	521	0.50
InterContinental Hotels Group	6,686	699	0.67
International Consolidated Airlines Group	43,069	178	0.17
Kingfisher	104,782	328	0.32
Next	5,297	725	0.70
Pearson	25,933	272	0.26
Persimmon	25,318	344	0.33
		5,639	5.42
Consumer Staples 14.73% (16.18%)			
Associated British Foods	13,888	295	0.28
British American Tobacco	83,337	3,509	3.38
Coca-Cola Europacific Partners	10,623	727	0.70
Coca-Cola HBC	9,603	369	0.36
Diageo	90,366	1,449	1.39
Imperial Brands	36,046	1,124	1.08
J Sainsbury	88,720	288	0.28
Marks & Spencer Group	89,680	296	0.29
Reckitt Benckiser Group	28,776	1,727	1.66
Tesco	269,297	1,190	1.14
Unilever	89,223	4,335	4.17
		15,309	14.73
Energy 9.31% (10.80%)			
BP	668,619	2,894	2.78
Shell	247,604	6,783	6.53
		9,677	9.31
Financials 25.33% (21.17%)			
3i Group	40,875	1,333	1.28
Admiral Group	12,885	409	0.39
Aviva	140,879	964	0.93
Barclays	583,137	2,775	2.67
HSBC Holdings	735,367	8,624	8.30
ICG	16,264	334	0.32

	Holding at 31.12.25	Market Value £000's	% of net assets
Legal & General Group	620,862	1,626	1.56
Lloyds Banking Group	2,475,297	2,432	2.34
London Stock Exchange Group	20,766	1,858	1.79
M&G	170,245	488	0.47
NatWest Group	332,825	2,169	2.09
Phoenix Group Holdings	60,191	443	0.43
Prudential	99,404	1,138	1.09
St. James's Place	23,170	321	0.31
Standard Chartered	77,661	1,414	1.36
		26,328	25.33
Health Care 13.18% (12.09%)			
AstraZeneca	62,842	8,665	8.34
GSK	172,631	3,149	3.03
Haleon	372,802	1,396	1.34
Smith & Nephew	39,407	488	0.47
		13,698	13.18
Industrials 11.81% (11.30%)			
Ashtead Group	19,143	974	0.94
BAE Systems	126,366	2,166	2.08
Bunzl	14,651	304	0.29
DCC	4,740	219	0.21
Diploma	7,783	412	0.40
Experian	39,674	1,334	1.28
Halma	19,981	706	0.68
Intertek Group	8,092	374	0.36
Melrose Industries	60,114	354	0.34
Rentokil Initial	105,055	469	0.45
Rolls-Royce Holdings	358,753	4,124	3.97
Smiths Group	17,354	408	0.39
Weir Group	15,365	437	0.42
		12,281	11.81
Real Estate 1.59% (0.92%)			
LondonMetric Property REIT	458,826	869	0.84
Rightmove	36,473	189	0.18
Segro REIT	82,447	594	0.57
		1,652	1.59
Technology 2.94% (1.13%)			
Auto Trader Group	40,724	239	0.23
RELX	77,934	2,353	2.27
Sage Group	42,432	459	0.44
		3,051	2.94
Telecommunications 1.19% (1.27%)			
BT Group	247,505	455	0.44
Vodafone Group	793,791	785	0.75
		1,240	1.19
Utilities 4.07% (4.42%)			
Centrica	220,152	373	0.36

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets
National Grid	208,531	2,380	2.29
SSE	48,924	1,066	1.02
United Utilities Group	34,623	414	0.40
		4,233	4.07
Equities total		100,105	96.30
Collective Investment Schemes 0.64% (1.01%)			
Global Equity Funds 0.64% (0.63%)			
Scottish Mortgage Investment Trust ³	56,059	665	0.64
		665	0.64
US Equity Funds 0.00% (0.38%)			
Collective Investment Schemes total		665	0.64
Futures 0.05% (0.03%)			
FTSE 100 Index March 2026	38	57	0.05
Futures total		57	0.05
Options (0.28)% ((0.10)%)			
Written Options (0.28)% ((0.10)%)			
3i Group Call 33.088 06/01/2026	(12,507)	(2)	0.00
Admiral Group Call 33.174 06/01/2026	(4,402)	0	0.00
Admiral Group Call 33.193 20/01/2026	(3,884)	0	0.00
Anglo American Call 32.179 06/01/2026	(9,223)	(1)	0.00
Anglo American Call 32.711 20/01/2026	(8,138)	(2)	0.00
Ashtead Group Call 53.674 06/01/2026	(4,393)	0	0.00
Ashtead Group Call 55.123 20/01/2026	(3,876)	0	0.00
AstraZeneca Call 147.149 06/01/2026	(21,473)	0	0.00
AstraZeneca Call 143.308 20/01/2026	(18,946)	(15)	(0.02)
Auto Trader Group Call 6.647 06/01/2026	(13,915)	0	0.00
Aviva Call 6.73 06/01/2026	(43,108)	(6)	(0.01)
Aviva Call 7.072 20/01/2026	(38,037)	(1)	0.00
BAE Systems Call 17.796 06/01/2026	(43,179)	(1)	0.00

	Holding at 31.12.25	Market Value £000's	% of net assets
BAE Systems Call 18.046 20/01/2026	(38,099)	(4)	(0.01)
Barclays Call 4.715 06/01/2026	(199,257)	(16)	(0.02)
Barclays Call 4.993 20/01/2026	(175,815)	(5)	(0.01)
BP Call 4.966 06/01/2026	(187,547)	0	0.00
BP Call 4.528 20/01/2026	(165,483)	(4)	(0.01)
British American Tobacco Call 46.414 06/01/2026	(28,476)	0	0.00
British American Tobacco Call 43.869 20/01/2026	(25,126)	(5)	(0.01)
BT Group Call 1.862 06/01/2026	(56,802)	(1)	0.00
BT Group Call 1.908 20/01/2026	(50,119)	(1)	0.00
Centrica Call 1.798 20/01/2026	(74,301)	0	0.00
Coca-Cola Europacific Partners Call 82.473 06/01/2026	(3,629)	0	0.00
Coca-Cola HBC Call 39.725 06/01/2026	(3,281)	0	0.00
Coca-Cola HBC Call 40.009 20/01/2026	(2,895)	0	0.00
Compass Group Call 24.692 06/01/2026	(27,481)	0	0.00
Compass Group Call 24.481 20/01/2026	(24,248)	(1)	0.00
Diageo Call 18.868 06/01/2026	(15,208)	0	0.00
Diageo Call 16.766 20/01/2026	(13,419)	(2)	0.00
Diploma Call 56.858 06/01/2026	(2,659)	0	0.00
Diploma Call 56.365 20/01/2026	(2,346)	0	0.00
Experian Call 35.779 06/01/2026	(13,556)	0	0.00
Experian Call 35.565 20/01/2026	(11,961)	(1)	0.00

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets		Holding at 31.12.25	Market Value £000's	% of net assets
Fresnillo Call 38.958 20/01/2026	(2,963)	(1)	0.00	Legal & General Group Call 2.67 20/01/2026	(153,663)	(2)	0.00
Games Workshop Group Call 207.943 20/01/2026	(626)	(1)	0.00	Lloyds Banking Group Call 1.045 06/01/2026	(757,440)	0	0.00
Glencore Call 4.002 06/01/2026	(74,457)	(7)	(0.01)	Lloyds Banking Group Call 1.027 20/01/2026	(668,330)	(3)	0.00
Glencore Call 4.229 20/01/2026	(65,697)	(3)	0.00	London Stock Exchange Group Call 96.411 06/01/2026	(7,942)	0	0.00
GSK Call 19.149 06/01/2026	(52,825)	0	0.00	London Stock Exchange Group Call 93.389 20/01/2026	(4,672)	(3)	0.00
GSK Call 19.07 20/01/2026	(46,610)	(3)	0.00	LondonMetric Property Call 2.005 06/01/2026	(128,700)	0	0.00
Haleon Call 3.837 06/01/2026	(127,386)	0	0.00	LondonMetric Property Call 1.945 20/01/2026	(113,559)	(1)	0.00
Haleon Call 3.867 20/01/2026	(112,399)	(2)	0.00	M&G Call 2.821 06/01/2026	(58,172)	(3)	(0.01)
Halma Call 37.752 06/01/2026	(6,827)	0	0.00	M&G Call 2.986 20/01/2026	(51,328)	(2)	0.00
HSBC Holdings Call 11.406 06/01/2026	(225,022)	(79)	(0.08)	Marks & Spencer Group Call 3.742 06/01/2026	(30,643)	0	0.00
HSBC Holdings Call 12.31 20/01/2026	(198,549)	(6)	(0.01)	Marks & Spencer Group Call 3.532 20/01/2026	(27,038)	(1)	0.00
Imperial Brands Call 33.754 06/01/2026	(12,316)	0	0.00	National Grid Call 11.997 06/01/2026	(71,255)	0	0.00
Imperial Brands Call 32.25 20/01/2026	(10,867)	(2)	0.00	National Grid Call 11.727 20/01/2026	(62,872)	(3)	0.00
Informa Call 9.763 06/01/2026	(22,543)	0	0.00	NatWest Group Call 7.021 06/01/2026	(113,726)	0	0.00
Informa Call 9.131 20/01/2026	(19,890)	(1)	0.00	NatWest Group Call 6.88 20/01/2026	(100,346)	(2)	0.00
InterContinental Hotels Group Call 106.858 06/01/2026	(2,557)	(1)	0.00	Next Call 149.757 06/01/2026	(2,026)	0	0.00
InterContinental Hotels Group Call 110.639 20/01/2026	(2,256)	(1)	0.00	Next Call 143.578 20/01/2026	(1,787)	(2)	0.00
Intertek Group Call 48.328 06/01/2026	(3,095)	0	0.00	Pearson Call 10.568 06/01/2026	(9,919)	(1)	0.00
J Sainsbury Call 3.457 06/01/2026	(30,315)	0	0.00	Pearson Call 11.111 20/01/2026	(8,752)	(1)	0.00
J Sainsbury Call 3.401 20/01/2026	(26,749)	(1)	0.00	Prudential Call 11.877 06/01/2026	(22,813)	0	0.00
Legal & General Group Call 2.615 06/01/2026	(174,151)	(3)	(0.01)	Prudential Call 12.128 20/01/2026	(20,129)	(1)	0.00

Portfolio Statement (continued)

	Holding at 31.12.25	Market Value £000's	% of net assets		Holding at 31.12.25	Market Value £000's	% of net assets
Reckitt Benckiser Group Call 62.533 06/01/2026	(6,604)	0	0.00	Smiths Group Call 25.505 06/01/2026	(7,080)	0	0.00
Reckitt Benckiser Group Call 61.644 20/01/2026	(5,827)	(2)	0.00	Smiths Group Call 24.695 20/01/2026	(6,247)	0	0.00
RELX Call 32.362 06/01/2026	(29,809)	0	0.00	SSE Call 23.399 06/01/2026	(18,713)	0	0.00
RELX Call 31.644 20/01/2026	(26,302)	(2)	0.00	SSE Call 22.616 20/01/2026	(16,511)	(3)	0.00
Rentokil Initial Call 4.543 06/01/2026	(24,110)	(1)	0.00	Standard Chartered Call 18.158 06/01/2026	(23,764)	(5)	(0.01)
Rentokil Initial Call 4.714 20/01/2026	(21,273)	(1)	0.00	Standard Chartered Call 18.999 20/01/2026	(20,968)	(2)	0.00
Rio Tinto Call 57.767 06/01/2026	(14,596)	(33)	(0.03)	Tesco Call 4.896 06/01/2026	(92,018)	0	0.00
Rio Tinto Call 62.998 20/01/2026	(12,879)	(3)	0.00	Tesco Call 4.596 20/01/2026	(81,193)	(2)	0.00
Rolls-Royce Holdings Call 11.695 06/01/2026	(122,585)	(9)	(0.01)	Unilever Call 50.979 20/01/2026	(24,090)	(2)	0.00
Sage Group Call 11.475 06/01/2026	(14,499)	0	0.00	United Utilities Group Call 12.624 06/01/2026	(13,243)	0	0.00
Sage Group Call 11.289 20/01/2026	(12,793)	0	0.00	United Utilities Group Call 12.375 20/01/2026	(11,685)	(1)	0.00
Scottish Mortgage Investment Trust Call 11.66 06/01/2026	(15,724)	(4)	(0.01)	Vodafone Group Call 0.986 06/01/2026	(141,691)	(1)	0.00
Scottish Mortgage Investment Trust Call 12.668 20/01/2026	(13,874)	0	0.00	Vodafone Group Call 1.02 20/01/2026	(125,022)	(1)	0.00
Shell Call 29.43 06/01/2026	(84,606)	0	0.00	Weir Group Call 29.528 06/01/2026	(5,250)	0	0.00
Shell Call 28.063 20/01/2026	(74,652)	(11)	(0.01)	Weir Group Call 29.789 20/01/2026	(4,632)	0	0.00
Smith & Nephew Call 13.183 06/01/2026	(9,043)	0	0.00	Written Options total		(288)	(0.28)
Smith & Nephew Call 12.671 20/01/2026	(7,979)	(1)	0.00	Options total		(288)	(0.28)
				Portfolio of investments		100,539	96.71
				Net other assets		3,416	3.29
				Net assets attributable to shareholders		103,955	100.00

The comparative percentage figures in brackets are as at 31 December 2024.
Unless otherwise stated, all securities are admitted to official stock exchange listings.

§ Closed ended Fund.

Statement of Total Return

For the year ended 31 December 2025

		2025	2024
	Notes	£000's	£000's
Income			
Net capital gains	2	11,967	267
Revenue	3	6,431	3,936
Expenses	4	(258)	(141)
Net revenue before taxation		6,173	3,795
Taxation	5	(689)	(404)
Net revenue after taxation		5,484	3,391
Total return before distributions		17,451	3,658
Distributions	6	(5,690)	(3,504)
Change in net assets attributable to shareholders from investment activities		11,761	154

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2025

	2025	2024
	£000's	£000's
Opening net assets attributable to shareholders	63,342	38,779
Amounts receivable on issue of shares	43,688	40,115
Amounts payable on cancellation of shares	(15,155)	(15,973)
	28,533	24,142
Dilution adjustment	78	128
Change in net assets attributable to shareholders from investment activities	11,761	154
Retained distribution on Accumulation shares	241	139
Closing net assets attributable to shareholders	103,955	63,342

Balance Sheet

As at 31 December 2025

	2025	2024
	£000's	£000's
Assets		
Investments	100,827	62,016
Current assets		
Debtors	645	181
Cash and bank balances	4,747	2,461
Total assets	106,219	64,658
Liabilities		
Investment liabilities	(288)	(65)
Creditors		
Distributions payable	(1,361)	(897)
Other creditors	(615)	(354)
Total liabilities	(2,264)	(1,316)
Net assets attributable to shareholders	103,955	63,342

Notes to the Accounts

For the year ended 31 December 2025

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by Schroder UK-Listed Equity Income Maximiser Fund are disclosed on pages 9 to 10.

2 Net capital gains

The net capital gains during the year comprise:

	2025	2024
	£000's	£000's
Non-derivative securities	15,519	2,206
Derivative contracts	(3,553)	(1,938)
Foreign currency gains/(losses)	1	(1)
Net capital gains	11,967	267

3 Revenue

	2025	2024
	£000's	£000's
UK dividends	2,630	1,689
Overseas dividends	89	79
Franked distributions	5	2
Real estate income distributions	37	11
Bank interest	63	48
Net revenue return from derivative contracts	3,607	2,107
Total revenue	6,431	3,936

4 Expenses

	2025	2024
	£000's	£000's
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Schroders Annual Charge ¹	258	141
Total expenses	258	141

¹ Audit fees including VAT for the year were £8,848 (2024 – £8,848).

Notes to the Accounts

For the year ended 31 December 2025 (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

	2025	2024
	£000's	£000's
Corporation tax	688	404
Overseas withholding tax	1	–
Total current tax (Note 5(b))	689	404

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

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for Open Ended Investment Companies of 20% (2024 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2025	2024
	£000's	£000's
Net revenue before taxation	6,173	3,795
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	1,234	759
Effects of:		
Revenue not subject to corporation tax	(546)	(355)
Overseas withholding tax	1	–
Total tax charge for the year (Note 5(a))	689	404

6 Distributions

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

	2025	2024
	£000's	£000's
Monthly Dividend distribution	1,321	824
Interim Dividend distribution	1,612	954
Monthly Dividend distribution	1,659	1,147
Final Dividend distribution	1,426	935
	6,018	3,860
Add: Revenue deducted on cancellation of shares	134	161
Deduct: Revenue received on issue of shares	(462)	(517)
Distributions	5,690	3,504
Net revenue after taxation	5,484	3,391
Expenses taken to capital	258	141
Marginal tax relief	(52)	(28)
Distributions	5,690	3,504

Details of the distributions per share are set out in the Distribution Tables on pages 315 to 317.

Notes to the Accounts

For the year ended 31 December 2025 (continued)

7 Fair value hierarchy

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

Basis of valuation	2025		2024	
	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	100,827	–	62,016	–
Level 2: Observable market data	–	(288)	–	(65)
Level 3: Unobservable data	–	–	–	–
Total	100,827	(288)	62,016	(65)

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 Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director with particular attention paid to the carrying value of the investments.

8 Debtors

	2025 £000's	2024 £000's
Amounts receivable for issue of shares	439	39
Accrued revenue	202	138
Overseas withholding tax recoverable	4	4
Total debtors	645	181

9 Other creditors

	2025 £000's	2024 £000's
Amounts payable for cancellation of shares	7	122
Purchases awaiting settlement	203	–
Accrued expenses	54	16
Corporation tax payable	351	216
Total other creditors	615	354

10 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2024 – Nil).

11 Related party transactions

The Authorised Corporate Director provides key management personnel services for the Fund and is therefore considered a related party.

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

The Authorised Corporate Director acts as principal on all transactions of shares in the Fund. The aggregate monies received through the issue and cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders and Distributions in the Notes to the Accounts. Amounts due from or to the Authorised Corporate Director in respect of share transactions at the balance sheet date are included under Debtors and Other creditors in the Notes to the Accounts.

Shares held or managed by the Authorised Corporate Director as a percentage of the Fund's net asset value at the balance sheet date were 0.01% (2024 – 0.01%).

Notes to the Accounts

For the year ended 31 December 2025 (continued)

12 Share classes

At the reporting date the Fund had seven share classes. The costs and expenses due to the Manager are referred to as the Schroders Annual Charge. Details of the charges applied to each share class can be found in the prospectus.

The closing net asset value of each share class, the closing net asset value per share and the closing number of shares in issue are given in the Comparative Table on pages 300 to 303.

The distributions per share class are given in the Distribution Table on pages 315 to 317.

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, derivative, foreign currency, liquidity and interest rate risks. The Authorised Corporate Director'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 Authorised Corporate Director in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £10,053,900 (2024 - £6,195,100).

Derivative risk

Where a Fund trades in derivatives to achieve its investment objective, this involves a higher degree of risk and may lead to a higher volatility in the share prices of the Fund. The Authorised Corporate Director employs a risk management process to allow the Authorised Corporate Director to measure derivative and forward positions and their contribution to the overall risk profile of the Fund. As part of this risk management process the Authorised Corporate Director conducts daily value at risk analysis of the Fund and performs both stress and back testing of the Fund.

Foreign currency risk

At the year end date, the majority of the Fund's financial assets and liabilities were denominated in sterling. As a result, the Fund has no material exposure to currency movements.

Liquidity risk

The primary source of this risk to the Fund is the liability to shareholders for any cancellation of shares. 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 4.57% (2024 - 3.88%) 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 and amounts held or overdrawn at futures clearing houses and brokers 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.

Derivatives

During the year the Fund entered into derivative contracts for specific investment purposes in addition to being used for efficient management.

Global risk exposure

Commitment approach

When using derivatives, the Authorised Corporate Director 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.

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. Call options sold within the Fund must be covered by ownership of the underlying equity, and controls are in place to ensure that no leverage is employed in relation to the option strategy. During the year ended 31 December 2025 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:

Notes to the Accounts

For the year ended 31 December 2025 (continued)

Global Exposure – Commitment Approach

2025				2024			
Lowest	Highest	Average	Global Exposure – Commitment Approach 31 December	Lowest	Highest	Average	Global Exposure – Commitment Approach 31 December
0.98%	11.69%	3.37%	5.33%	0.00%	9.57%	1.81%	4.94%

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.

2025	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	29,219	4	137	29,360	0.01	0.47
Sales						
Equities	6,150	(1)	–	6,149	(0.02)	–
Total cost as a percentage of the Fund's average net asset value (%)		0.01	0.16			

2024	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Purchases ¹ :						
Equities	27,310	4	131	27,445	0.01	0.48
Corporate actions purchases:						
Equities	179	–	–	179	–	–
	27,489	4	131	27,624		
Sales						
Equities	5,435	(1)	–	5,434	(0.02)	–
Total cost as a percentage of the Fund's average net asset value (%)		0.01	0.26			

1 Excluding in-specie transfers and corporate actions.

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.07% (2024 – 0.08%).

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 31 December 2025 (continued)

15 Shares in issue reconciliation

	Number of shares in issue 31.12.24	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 31.12.25
L Accumulation shares	2,372,570	2,717,229	(1,728,106)	–	3,361,693
L Income shares	8,350,068	34,586,660	(3,696,036)	30,754	39,271,446
Q1 Accumulation shares	2,000	–	–	–	2,000
Q1 Income shares	85,571,123	8,532,428	(16,075,926)	(1,475,767)	76,551,858
W Income shares	–	3,000	–	–	3,000
Z Accumulation shares	1,257,841	1,110,073	(316,344)	–	2,051,570
Z Income shares	19,479,811	28,436,575	(3,976,392)	1,451,468	45,391,462

16 Counterparty exposure

The types of non-exchange traded derivatives held at the balance sheet date were and options contracts. The total position by counterparty at the balance sheet date was as follows:

Counterparty	Forward foreign currency contracts £000's	Credit default swaps £000's	Commodity index swaps £000's	Contract for difference £000's	Interest rate swaps £000's	Total return swaps £000's	Inflation linked swaps £000's	Options contracts £000's	Swaption contracts £000's	Total £000's
Barclays										
2025	–	–	–	–	–	–	–	–	–	–
2024	–	–	–	–	–	–	–	(4)	–	(4)
Citigroup										
2025	–	–	–	–	–	–	–	–	–	–
2024	–	–	–	–	–	–	–	(6)	–	(6)
Goldman Sachs										
2025	–	–	–	–	–	–	–	(157)	–	(157)
2024	–	–	–	–	–	–	–	(47)	–	(47)
J.P. Morgan										
2025	–	–	–	–	–	–	–	(27)	–	(27)
2024	–	–	–	–	–	–	–	(5)	–	(5)
Morgan Stanley										
2025	–	–	–	–	–	–	–	(34)	–	(34)
2024	–	–	–	–	–	–	–	–	–	–
Societe Generale										
2025	–	–	–	–	–	–	–	–	–	–
2024	–	–	–	–	–	–	–	(3)	–	(3)
Toronto-Dominion Bank										
2025	–	–	–	–	–	–	–	(7)	–	(7)
2024	–	–	–	–	–	–	–	–	–	–
UBS										
2025	–	–	–	–	–	–	–	(63)	–	(63)
2024	–	–	–	–	–	–	–	–	–	–

At the balance sheet date no collateral was held or pledged by the Fund or on behalf of the counterparties in respect of the above.

Distribution Tables

Quarterly distribution for the three months ended 31 March 2025

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.5.25 per share	Distribution paid 31.5.24 per share
L Accumulation shares				
Group 1	1.3670p	–	1.3670p	1.1877p
Group 2	0.9873p	0.3797p	1.3670p	1.1877p
L Income shares				
Group 1	1.0158p	–	1.0158p	0.9469p
Group 2	0.5488p	0.4670p	1.0158p	0.9469p
Q1 Accumulation shares				
Group 1	1.3686p	–	1.3686p	1.1891p
Group 2	1.3686p	–	1.3686p	1.1891p
Q1 Income shares				
Group 1	1.0184p	–	1.0184p	0.9485p
Group 2	0.3455p	0.6729p	1.0184p	0.9485p
Z Accumulation shares				
Group 1	1.3646p	–	1.3646p	1.1865p
Group 2	0.7297p	0.6349p	1.3646p	1.1865p
Z Income shares				
Group 1	1.0146p	–	1.0146p	0.9466p
Group 2	0.5255p	0.4891p	1.0146p	0.9466p

Interim distribution for the three months ended 30 June 2025

Group 1 Shares purchased on 28 April 2025

Group 2 Shares purchased after 28 April 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.8.25 per share
W Income shares			
Group 1	0.6676p	–	0.6676p
Group 2	0.6676p	–	0.6676p

Interim distribution for the three months ended 30 June 2025

Group 1 Shares purchased prior to 1 April 2025

Group 2 Shares purchased on or after 1 April 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.8.25 per share	Distribution paid 31.8.24 per share
L Accumulation shares				
Group 1	1.5157p	–	1.5157p	1.4038p
Group 2	0.3711p	1.1446p	1.5157p	1.4038p

Distribution Tables

(continued)

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 31.8.25 per share	Distribution paid 31.8.24 per share
L Income shares				
Group 1	1.1065p	–	1.1065p	1.1006p
Group 2	0.5025p	0.6040p	1.1065p	1.1006p
Q1 Accumulation shares				
Group 1	1.5201p	–	1.5201p	1.4057p
Group 2	1.5201p	–	1.5201p	1.4057p
Q1 Income shares				
Group 1	1.1095p	–	1.1095p	1.1026p
Group 2	0.8164p	0.2931p	1.1095p	1.1026p
Z Accumulation shares				
Group 1	1.5129p	–	1.5129p	1.4023p
Group 2	1.0136p	0.4993p	1.5129p	1.4023p
Z Income shares				
Group 1	1.1051p	–	1.1051p	1.1000p
Group 2	0.4767p	0.6284p	1.1051p	1.1000p

Quarterly distribution for the three months ended 30 September 2025

Group 1 Shares purchased prior to 1 July 2025

Group 2 Shares purchased on or after 1 July 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution paid 30.11.25 per share	Distribution paid 30.11.24 per share
L Accumulation shares				
Group 1	1.4264p	–	1.4264p	1.3170p
Group 2	0.4299p	0.9965p	1.4264p	1.3170p
L Income shares				
Group 1	1.0209p	–	1.0209p	1.0118p
Group 2	0.3182p	0.7027p	1.0209p	1.0118p
Q1 Accumulation shares				
Group 1	1.4313p	–	1.4313p	1.3178p
Group 2	1.4313p	–	1.4313p	1.3178p
Q1 Income shares				
Group 1	1.0238p	–	1.0238p	1.0138p
Group 2	0.2172p	0.8066p	1.0238p	1.0138p
W Income shares				
Group 1	–	–	–	–
Group 2	–	–	–	–
Z Accumulation shares				
Group 1	1.4232p	–	1.4232p	1.3153p
Group 2	1.1236p	0.2996p	1.4232p	1.3153p
Z Income shares				
Group 1	1.0192p	–	1.0192p	1.0111p
Group 2	0.4266p	0.5926p	1.0192p	1.0111p

Distribution Tables

(continued)

Final distribution for the three months ended 31 December 2025

Group 1 Shares purchased prior to 1 October 2025

Group 2 Shares purchased on or after 1 October 2025

	Net revenue 2025 per share	Equalisation 2025 per share	Distribution payable 28.2.26 per share	Distribution paid 28.2.25 per share
L Accumulation shares				
Group 1	1.1993p	–	1.1993p	1.0469p
Group 2	0.4103p	0.7890p	1.1993p	1.0469p
L Income shares				
Group 1	0.8433p	–	0.8433p	0.7896p
Group 2	0.3712p	0.4721p	0.8433p	0.7896p
Q1 Accumulation shares				
Group 1	1.1990p	–	1.1990p	1.0495p
Group 2	1.1990p	–	1.1990p	1.0495p
Q1 Income shares				
Group 1	0.8463p	–	0.8463p	0.7920p
Group 2	0.4508p	0.3955p	0.8463p	0.7920p
W Income shares				
Group 1	1.6953p	–	1.6953p	–
Group 2	1.6953p	–	1.6953p	–
Z Accumulation shares				
Group 1	1.1959p	–	1.1959p	1.0446p
Group 2	0.6102p	0.5857p	1.1959p	1.0446p
Z Income shares				
Group 1	0.8414p	–	0.8414p	0.7883p
Group 2	0.3657p	0.4757p	0.8414p	0.7883p

Equalisation

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

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

Remuneration (unaudited)

UCITS remuneration disclosures for Schroder Unit Trusts Limited ('SUTL') for the year to 31 December 2024

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 62 to 83 of the 2024 Annual Report & Accounts (available on the Group's website www.schroders.com/ir) 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 and periodically reviewing its implementation in relation to SUTL. During 2024 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 minor recommendations relating to policy documentation.

Our ratio of operating compensation costs to net operating income guides the total spend on remuneration each year. This is recommended by the Remuneration Committee to the Board of Schroders plc. This approach aligns remuneration 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 & compliance, legal and internal audit matters from the heads of those areas.

The remuneration data that follows reflects amounts paid in respect of performance during 2024.

- 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 150 UCITS MRTs of SUTL in respect of the financial year ended 31 December 2024 is £110.24 million, of which £42.44 million was paid to senior management, £64.63 million was paid to MRTs deemed to be taking risk on behalf of SUTL or the UCITS funds that it manages and £3.18 million was paid to 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

Authorised Corporate Director

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

Directors

R. Lamba
P. Middleton
C. Thomson
H. Williams

Investment Adviser

For all sub funds except Schroder India Equity Fund and Schroder AAA Flexible ABS Fund:

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

Schroder India Equity Fund:
Schroder Investment Management (Singapore) Limited
138 Market Street
#23-01 CapitaGreen
Singapore 048946
Authorised to carry on investment business by the Monetary Authority of Singapore

Schroder AAA Flexible ABS Fund:
Schroder Investment Management North America Inc.
7 Bryant Park
New York
10018-3706 USA
Registered investment adviser with the Securities and Exchange Commission of the United States of America

Depository

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

Registrar

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

The Authorised Corporate Director is responsible for maintaining the register for each Fund. It has delegated certain registrar functions to HSBC Bank Plc, 8 Canada Square, London, E14 8HQ.

Administration Details

Schroders Investor Services
PO BOX 1402
Sunderland
SR43 4AF

Independent Auditor

KPMG LLP
319 St Vincent Street
Glasgow G2 5 AS

Authorisation

The Company is an investment Company with variable capital under Regulation 12 of the OEIC Regulations, incorporated with limited liability in England and Wales and authorised by the Financial Conduct Authority under Regulation 14 of the OEIC Regulations. The Company is a UCITS scheme for the purpose of the categorisation of the Collective Investment Schemes sourcebook.

Value Assessment

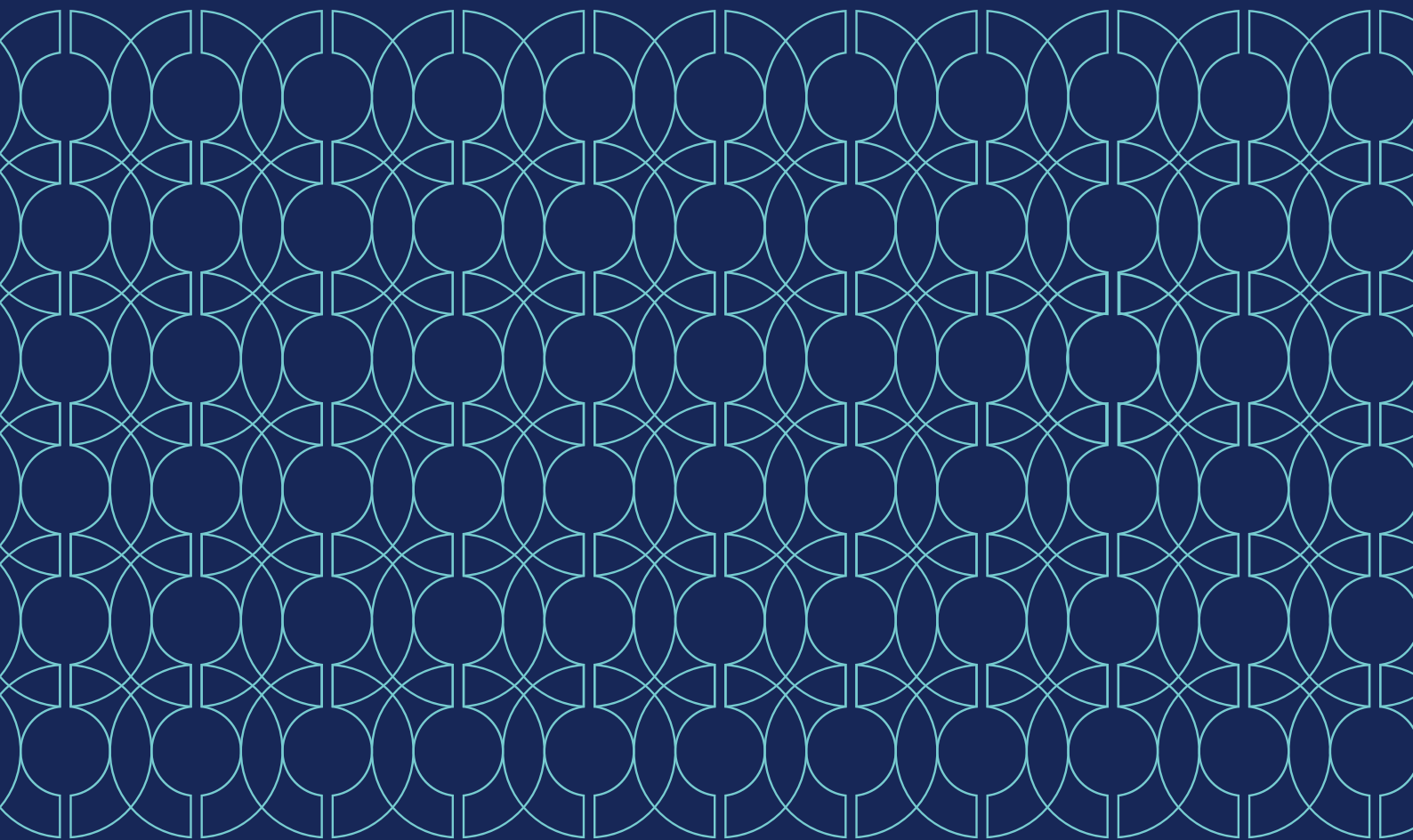
A statement on the Assessment of Value is published on the group website at www.schroders.com/en-gb/uk/intermediary/funds-and-strategies/charges/schroders-assessment-of-value-reports/ 4 months of the annual reference date' 31 December.

Task Force on Climate-Related Financial Disclosures

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

Other information

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



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