

Assessment of Value (AoV) Report

April 2024



Schroders

Chair's letter



Howard Williams
Chair of Schroder Unit Trusts Limited

As uncertainties in the global landscape persist, we remain dedicated to finding attractive investment opportunities that can withstand economic and geopolitical change as well as deliver investment returns over the long term.

This is our fifth Assessment of Value report, covering our Asset Management funds, and it aligns with our core purpose: to provide the best possible service and investment performance through active management. As part of our continued commitment to you, and the reporting responsibility set by the Financial Conduct Authority (FCA), we produce this Assessment of Value report annually for each UK-domiciled investment fund that we manage. The data for this report was collected as at 31 December 2023.

Assessing the value created by our funds is a continual process that we have incorporated into their everyday oversight. The risk and performance of each fund is formally reviewed at Committees and by the Board of Schroder Unit Trusts Limited, the manager of the funds covered in this report. These discussions are integrated into our annual assessment.

The Board is committed to taking appropriate and timely action when necessary. Following last year's assessment, we implemented several measures, including:

- Taking action on individual funds identified as not consistently demonstrating value. This included making changes to portfolio managers and portfolio composition (see the performance section on page 6 for more information).

- Continuing to offer scale discounts for retail investors in our largest funds. Since we implemented scale discounts in the fourth quarter of 2020, retail investors have benefitted from discounts worth approximately £4.8 million in aggregate. In 2023, we saved investors £1.1 million in fees due to scale discounts (see the economies of scale section on page 10 for more information).
- Continuing to pass cost savings to retail investors through our automatic share class conversions. Since 2021, we have saved investors more than £800,000 in aggregate (including £168,000 in 2023) in lower fees (see the classes of units section on page 12 for more information).
- Reducing fee levels for our funds where our analysis showed that pricing was not as competitive as we would wish.

We are committed to continually improving the clarity of the findings summarised in this report. We provide a clear outline of our methodology, conclusions and next steps for each of the seven areas assessed. We also describe the governance steps that we undertake throughout the Assessment of Value lifecycle. By providing detailed and comprehensive information, we aim to ensure that our stakeholders have a thorough understanding of our assessment process and any actions we are taking to deliver better value.

Market dynamics were complex in 2023. Whilst developed equity markets generally performed well, gains were disproportionately driven by just a few very large companies in the US and Europe. This proved a challenge for active investment strategies not targetting this narrow section of markets. Furthermore, rising interest rates made cash savings an increasingly attractive alternative to bonds and equities. Against this backdrop, we remain committed to helping investors navigate markets and meet their long-term savings goals. With inflationary pressures easing and the prospect of interest rates falling around the globe, we believe that there are reasons for UK investors to be optimistic.

We hope this report will assist you by providing a useful summary of the value that our funds provide. We also hope it will help to promote enhanced transparency, governance and positive outcomes for investors, ultimately strengthening trust in the asset management industry.



Assessing the value created by our funds is a continual process that we have incorporated into their everyday oversight.





Contents

Schroder Unit Trusts Limited (SUTL) board of directors	4
Introduction	5
1. Performance	6
2. Quality of service	7
3. Authorised fund manager costs	8
4. Comparable market rates	9
5. Economies of scale	10
6. Comparable services	11
7. Classes of shares or units	12
The Assessment of Value report lifecycle	13
How to read your fund page	14
Fund report	15
Glossary of terms	16

Schroder Unit Trusts Limited (SUTL) board of directors*

The SUTL board, which includes executive directors and independent non executive directors, is responsible for representing the best interests of investors and implementing the outcomes of the Assessment of Value.



James Rainbow
Head of UK, Client Group

Executive director of SUTL and joined the board in December 2019.

James Rainbow is Head of UK Client Group and a member of Schroders Group Management Committee. He joined Schroders in 2007 and has more than 25 years of industry experience.



Ravi Lamba
Head of Group Financial Control

Executive director of SUTL and joined the board in March 2024.

Ravi is Head of Group Financial Control at Schroders. He joined Schroders in 2020 and is a chartered accountant with more than 20 years of industry experience.



Anna O'Donoghue
Global Head of Product Development & Governance

Executive director of SUTL and joined the board in September 2022.

Anna is Global Head of Product Development and Governance at Schroders and has an executive MBA. She joined Schroders in 2019 and has more than 20 years of industry experience.



Paul Truscott
Head of Product Development, UK and Europe

Executive director of SUTL and joined the board in July 2019.

Paul is Head of Product Development, UK and Europe at Schroders. He joined Schroders in 1991 and is a chartered management accountant with more than 30 years of industry experience.



Stephen Reedy
Head of EMEA Operations Hub

Executive director of SUTL and joined the board in December 2019.

Stephen is Head of EMEA Operations Hub at Schroders, providing operational services across the region. He joined Schroders in 2019 and is a chartered accountant with more than 25 years of industry experience.



Howard Williams
Independent Non-Executive Director

Chair of SUTL since December 2023 and was appointed to the board in February 2018.

Howard worked for 23 years at JP Morgan Asset Management where he was the Chief Investment Officer and Head of Global Equities. He has more than 40 years of industry experience. As Chair of the SUTL board, Howard holds the regulatory responsibility for SUTL carrying out the Assessment of Value.



Calum Thomson
Independent Non-Executive Director

Independent non-executive director of SUTL and was appointed to the board in July 2017.

Calum is a former Senior Audit Partner at Deloitte LLP and currently holds a number of non-executive directorships within the investment industry. He has more than 25 years of industry experience.



As Chair of the SUTL board, I hold the regulatory responsibility for SUTL complying with its obligation as Authorised Fund Manager (AFM) including carrying out the Assessment of Value, recruiting independent directors and acting in the best interests of investors.

Howard Williams,
Independent Non-Executive Director

*The Board of Directors reflects current composition as at publication.

Introduction

Throughout this report, the Schroder Unit Trusts Limited (SUTL) board, will be referred to as 'we'.

Who is the report designed for?

This annual Assessment of Value report is aimed at individuals who invest in our UK domiciled fund ranges or their advisers. It outlines each fund's assessment and concludes on whether we believe that we have demonstrated value.

There are 85 funds reviewed, 4 of which are internal funds used as implementation vehicles by Schroders Multi-Asset investment team and one is a single client fund. Please note the internal and single client funds are not covered individually in this report.

How should you use the report?

We recommend that you take time to read the 'Seven areas' section to understand how we have made our assessment, which has been conducted using data as at 31 December 2023.

Our conclusions for each fund are set out separately in each individual fund's report.

The report complements other fund documentation such as the Prospectus, Factsheet and the Key Investor Information Document (KIID), and should be read alongside them.

The document is interactive; please use the Contents page to navigate your way around it.

We have included a glossary at the back of the document to define the technical terms which some investors may not be familiar with.

Where we write 'share class' in the report, it is to be understood as meaning unit/share class as applicable to the relevant fund.

The combined report of funds in scope for this assessment can be found [here](#).





What will the report tell you?

The FCA has asked us to look at seven specific areas when assessing the value we deliver to our investors:

- 1 Performance** – has the fund performed in line with expectations?
- 2 Quality of service** – are we meeting expectations on the service we deliver?
- 3 Authorised fund manager costs** – are the fees charged to the fund reasonable and appropriate?
- 4 Comparable market rates** – how do our fees compare against competitors?
- 5 Economies of scale** – do our funds benefit from cost savings as they grow?
- 6 Comparable services** – how do the fees we charge your fund compare with what we charge clients for similar products?
- 7 Classes of shares or units** – are you in the most appropriate type of share or unit?

Please follow the [link here](#) to find the detail of the regulation in COLL 6.6.21.

What do the icons used throughout the report represent?

-  Where an area has this icon, we believe that the fund is demonstrating value in that area.
-  Where an area has this icon, we have concluded after further qualitative review that the fund is demonstrating value in that area.
-  Where an area has this icon, we recognise that the fund is not demonstrating value in that area consistently. We have completed a further review and shared the outcomes with you.
-  Where an area has this icon, we recognise that there is insufficient data available to appropriately assess that area.

What should you do if you have any questions?

You can contact us at schrodersinvestor@HSBC.com if you have any further questions.

Institutional and Corporate Clients may also contact schrodersinstitutional@HSBC.com.

If you have an adviser you may wish to discuss your questions with them directly.

1. Performance

Has the fund performed in line with expectations?

We think clients can reasonably expect funds to meet their investment objectives, albeit with the knowledge that they are not guaranteed. We consider the performance of our funds after the fees have been deducted.

Our methodology

You will find the investment objective of a fund in its Prospectus, Key Investor Information Document (KIID) and Factsheet (if available). These clearly describe the aim of the fund and the investment strategy used to achieve this goal.

We assess the returns of each share class (or unit class, see [glossary](#)) over the performance period to give us an indication of how well a fund is meeting its investment objective. The performance period is the length of time over which we expect the fund to deliver its investment objective.

If we state a time range, then for the purposes of this report we look at the upper end of the range. For example, if the range is three-to-five years, we assess the delivery of the investment objective over five years. If a fund has not yet reached the upper end of its performance period, we review the existing track record to determine if it is delivering value.

Where a fund has launched during the year, we believe there is insufficient data to provide investors with a useful assessment of the fund's past performance.

We also look at how the fund has performed against its peers, both within the Investment Association (IA) sector and against a customised peer group provided by an independent third party, Broadridge (see the comparable market rates section on page 9 for more information).

Broadridge is a global consultant to the financial services industry. This is the fifth year we are working with Broadridge on the Assessment of Value.

We acknowledge that sometimes funds will underperform their investment objective given their particular investment style. We consider a number of measures over the performance period to make a judgement on whether or not the investment objective is being met, including specific sustainability, income or volatility objectives where applicable.

As part of our continuous reviews, we hold Asset Class Risk and Performance Committees every quarter which evaluate the performance of our funds against the expectations set (see the Assessment of Value report lifecycle section on page 13 for more information on our governance process).

Our conclusion

Of the 85 funds in scope, we have determined that 4 have insufficient data to provide investors with a useful assessment of the funds' performance. Of the remaining 81 funds, our initial review of all share classes identified that 38 are demonstrating value in the performance area. After further qualitative analysis on the remaining 43 funds, we concluded that, in total, 73 out of the 81 funds, are demonstrating value.

More information on fund-level performance is captured within the individual fund pages of this report.

Next steps

Where any share class of a fund has underperformed its investment objective we have provided a detailed performance commentary and outlined the remedial actions we are taking where we believe appropriate. For these funds there has been particular scrutiny placed via each stage of our governance lifecycle.



In 2023, market participants were surprised by the resilience of the US economy in the face of higher interest rates, which led to strong performance from equities, albeit the rally was very concentrated in the “Magnificent 7” stocks in the US. Government bond markets were more volatile as expectations of rate cuts in 2023 proved to be premature, although signs of falling inflation at the end of the year allowed bond prices to recover.

Johanna Kyrklund,

Co-Head of Investment and Group CIO

2. Quality of service

Are we meeting expectations on the service we deliver?

Several elements contribute to the service we offer investors in our funds, in particular, fund operations, investment process and the overall client experience. We have reviewed both the quality of service we directly provide and the quality of service provided by any third party we have delegated services to.

Our methodology

We assess whether we are delivering value for investors against each of the three elements – fund operations, investment process and client experience.

- Our fund operations team aims to ensure that we execute all operations of the fund efficiently and accurately. We assess whether key aspects of fund operations have met or exceeded the rigorous internal and external standards that we have set for them. For example, we look at whether investors are able to make informed decisions based on accurate and timely financial reporting and distributions, whether our complaints resolution handling process is effective, and how risk controls and events are managed. These standards, known as Key Performance Indicators (KPIs), enable us to provide accurate and timely financial reporting to both our clients and the regulators.
- The strength of our investment process for each fund is validated through a number of governance processes and forums. We also review our governance around liquidity and risk management so that the policies and procedures we have in place are robust and fit for purpose.

- Communications and client service form an important part of our clients' experience, and we evaluate these to ensure they are relevant, current and tailored to clients' needs. We want our clients to be clear about the funds they are investing in and the associated risks. The client experience that we provide is evaluated internally, using internal and external metrics provided from third parties. This provides us with a holistic view of the client experience.

In light of the FCA Consumer Duty regulation, we have carried out consumer testing on a representative range of retail facing materials. We have also updated our marketing procedures to ensure that all our communications and marketing materials continue to be of value to clients in helping them to achieve good outcomes. Further to this, we have enhanced our SUTL UCITS Authorised Unit Trust prospectus and we are in the process of enhancing our other retail prospectuses to aid investor understanding.

Our conclusion

Our initial review identified that out of the 85 funds, 83 are demonstrating value in the quality of service area. After further qualitative analysis on the remaining 2 funds, we concluded that all 85 funds are demonstrating value.

More information on fund-level quality of service is captured within the individual fund pages of this report.

We will continue to closely monitor the range of Management Information (MI) we collate so we can provide the best quality of service to our clients. In particular, we believe it is important to have strong liquidity oversight, risk management and operational resilience controls in place.



We continue to review our consumer facing communications as part of ongoing testing in line with the requirements of the Consumer Duty and make enhancements where appropriate.

Keith Evins,
Head of UK Marketing



3. Authorised fund manager costs

Are the fees charged to the fund reasonable and appropriate?

We review every cost component of the Schrodgers Annual Charge (SAC) at a share class level.

Our methodology

In March 2021, we moved to an “all-in fee” charging structure which we believe is simpler, more transparent and easier to understand. This is called the Schrodgers Annual Charge (SAC) and is the main component of the Ongoing Charge Figure (OCF). The OCF is disclosed in the Key Investor Information Document (KIID) for the fund and represents the total charges you pay to invest in the fund. We periodically assess the effectiveness of the charging structure as part of our annual review process. As outlined in the table, this review covers all services which now form part of the SAC. Previously these services, such as administration, trustee, custody, audit, and professional services were charged separately to funds.

We undertake a detailed assessment of the costs that we incur in providing the services associated with the SAC to funds and to their associated share classes. We compare these costs against what we charge investors. This is to ensure that the SAC is appropriate while at the same time allowing us to:

- Retain a well-capitalised business
- Continue to operate during stress scenarios
- Continue to innovate and develop new products

We do not include transaction costs in our assessment as these are not comparable between peers. This is due to a lack of consistent methodology for estimating overall transaction costs across firms. It is also due to the fact that the overall transaction costs reflect circumstances that are unique to each fund, such as the securities and volume traded, the market conditions while trading, and the amount of fund inflows and outflows.

Where funds have third party manager costs, we seek value by negotiating the fees through our procurement framework with regular monitoring to ensure that these continue to be reasonable and appropriate.

Fee breakdown

	Scale discount
	SAC (Schrodgers Annual Charge)
Charges outside SAC	Extraordinary fees
	Third party fund manager costs
	Transaction costs
Total fee paid by investor	OCF*

Our conclusion

After our assessment of all share classes, we have concluded that all 85 funds are demonstrating value in the authorised fund manager costs area. We concluded that in relation to each charge, the costs of providing the service to which the charge relates are reasonable and appropriate.

We continuously review our costs and fee structures to ensure they are appropriate.

For funds that use third party fund managers, these costs will continue to be disclosed separately outside of the SAC. This is to provide transparency of third party fund manager costs, given that they can vary. For funds which have scale discounts applied, the SAC will be adjusted on a monthly basis (see the economies of scale section on page 10 for more information).



We undertake a rigorous assessment to support the Board's decision-making process in the Assessment of Value and ensure that appropriate actions are taken when necessary.

Richard Oldfield,
Chief Financial Officer

*For Schrodgers Capital UK Real Estate Fund and Schrodgers Capital UK Real Estate Fund Feeder Trust, the assessment is based on the total expense ratio (TER).

4. Comparable market rates

How do our fees compare against our competitors?

We assess the amount we charge at a share class level by comparing the price of our funds against the price of similar funds offered by our external peers in the relevant Investment Association (IA) Sector, and against the customised peer group provided by Broadridge where applicable.

Our methodology

The Investment Association (IA) is a trade body that represents investment managers and asset management firms in the UK. The IA divides large numbers of funds into smaller groups to aid comparisons between funds in one or more sectors.

We use an independent third party, Broadridge, to compare the charges of our funds against the relevant IA sector (where applicable) and share class type. Broadridge categorises share classes into one of three types:

- 1 Retail share classes with no intermediary commissions.
- 2 Share classes with bundled charges paying commission to intermediaries.
- 3 Share classes which are for institutional investors or have limited investment opportunities for retail investors, to provide a like for like comparison.

As the investment approach of funds in an IA sector can vary, we also assess each fund against a customised peer group (where applicable). The funds in the customised peer groups are proposed by Broadridge on the basis that they are more directly comparable than other funds in the IA Sector.

In addition, our Product Strategy team undertakes an internal assessment of charges which is based on our pricing framework and with a view to ensuring that our pricing is fair. This analysis is conducted across all share classes and includes comparison vis-à-vis peers and our pricing framework. Targeted fee reductions are then proposed as appropriate.

We have added a visual in the individual fund pages to show how your fund is priced compared to its peers. Low signifies the fund's clean fee share classes are priced cheaper than the majority of its peers and high indicates the clean fee share classes are priced higher than the majority of its peers.

Where a fund is bespoke in nature, it is not comparable to other funds and therefore has no peer group that we can compare the fund's charges against. We have noted this in the individual fund pages.

Our conclusion

Our initial review identified that 37 funds out of the 85 funds are demonstrating value in the comparable services area. After further qualitative analysis on the remaining 48 funds, we concluded that 21 funds have insufficient data to provide investors with a useful assessment of the funds' charges and the remaining 27 funds are demonstrating value.

Next steps

We will continue to review our fees against our competitors on an ongoing basis with a view to ensure that we deliver a compelling value proposition to investors.



The FCA released a second review of the Assessment of Value process in August 2023. In that report they continued to highlight the importance of a robust process related to fee evaluation. Understanding where your products are from a pricing perspective compared to an ever changing market is key to ensuring that good value on the pricing front is being provided to investors.

Devin McCune,

Regulatory & Compliance Vice President Governance, Broadridge



5. Economies of scale

Do funds enjoy cost savings as they grow?

A fund can generate economies of scale as it grows. This is because we are able to manage and operate larger funds more efficiently. We have considered whether a fund achieves economies of scale and whether it is appropriate to share these savings with investors.

Our methodology

We generate economies of scale at both fund and group level. A fund can generate economies of scale because we are able to manage and operate larger funds more efficiently, meaning that our costs of managing the fund decrease as the size of the fund grows. The size of our Schroders group and global presence is a further benefit as it enables negotiating power, resulting in lower prices.

We have completed this assessment at fund level so we can assess whether there are potential economies of scale in each fund and whether or not these have been achieved in practice. Where economies of scale have been achieved, we then consider whether that benefit is being reflected in lower charges for you as investors in retail share classes. Every fund can, in theory, benefit from economies of scale but whether or not your fund does will depend on the overall fund size.

We have determined that funds generally generate meaningful economies of scale when they grow to £1 billion in size, although this can vary depending on the type of investments that we manage for you.

In December 2020, we implemented scale discounts in retail share classes for every fund that is larger than £1 billion. We use a tiered system to offer this saving; as the AUM of the fund increases so does the saving. The combined size of the discount will vary depending on the AUM of our funds; for example, where the AUM of a fund has dropped below £1 billion the discount will no longer apply, and where the AUM of a fund has fallen but remains above £1 billion, the saving will reduce in line.

Scale discounts only apply to retail share classes (A, Z, L, C, P1, P2). Non-retail share classes receive discounts via lower management fees or rebates and therefore a scale discount is not applied.

Our conclusion

After our assessment, we have concluded that all 85 funds are demonstrating value in the economies of scale area.

During 2023 we passed on discounts reflecting economies of scales across 9 funds*, representing aggregate savings to investors of £1.1 million.

We will continue to review the economies of scale that each fund produces on an ongoing basis to enable us to deliver a compelling value proposition to investors. When a fund reaches the required level, scale discounts are applied automatically to each fund's retail share or unit classes.



The implementation of scale discounts has reduced the cost of our products for retail investors in aggregate by approximately £4.8 million as at 31 December 2023.

Ravi Lamba,

Head of Group Financial Control

*7 funds have AUM greater than £1bn as at 31/12/2023. 2 other funds have AUM greater than £1bn for part of 2023 with the scale discounts being applied appropriately.

6. Comparable services

How do the fees we charge on your fund compare with what we charge clients for similar products?

We have compared each charge internally to assess whether it is possible to receive the same service for a lower charge in another Schroders fund or mandate of comparable size with a similar investment objective and policy. Comparable services is an internally focused assessment against Schroders' funds and/or segregated mandates, whereas comparable market rates is an externally focused assessment against external competitor and/or peer funds (see the comparable market rates section on page 9 for more information).

Our methodology

We manage money for clients all over the world, including individuals, charities, pension schemes and large institutions. In particular instances, some of that money is managed in similar strategies to that of your fund.

We recognise that clients have different needs and require different services. The charges we set for our funds and segregated mandates reflect a variety of factors. These include the services provided and our costs of providing these services, for instance the costs of running funds that are sold through distributors or intermediaries such as an online platform or financial adviser which are not applicable to our segregated mandates.

The charges also reflect the length of time for which investors typically invest in a product and the economies of scale inherent given the scale of a fund or mandate.

Where a fund is bespoke in nature, there is no internal service offered which can act as a direct comparison and we have noted this in the individual fund pages.

Our conclusion

Our initial review identified that 44 funds out of the 85 funds are demonstrating value in the comparable services area. After further qualitative analysis on the remaining 41 funds, we concluded that 21 funds have insufficient data to provide investors with a useful assessment of the funds' charges and the remaining 20 funds are demonstrating value.

Next steps

We will continue to review the charges against comparable services for each fund on an ongoing basis to ensure that we deliver a compelling value proposition to our clients. Where appropriate, we will make changes in the best interest of investors.



We remain committed to continuously testing the strength and validity of our pricing framework, taking a client-centric approach. By comparing our funds and strategies against similar ones, we gain valuable insights into whether our products provide value in terms of fees. This approach helps us align ourselves more closely with the perspectives and expectations of our clients.

Tom Darnowski,

Global Head of Product Strategy

7. Classes of shares or units

Are you in the most appropriate type of share or unit?

For some of our funds, we issue different types of shares (or units if your fund is a unit trust) which depend upon the features and services we offer. These are called ‘share classes’ or ‘unit classes’ and can differ for various reasons. For example, you could hold a share class that was set up specifically so that you could buy it through an adviser.

Our methodology

Our aim is that you are invested in the share class that offers the best price for you, given how you are investing and the features you are looking for.

Where there are different classes of shares in your fund, we compare the value we deliver across these.

We review the charges across all share classes in your fund. We look at all the share classes that serve broadly the same purpose and compare those charges.

Our conclusion

Our review of all share classes identified that all 85 funds are demonstrating value in the classes of shares or units offered to investors.

Last year we converted 2,200 clients to ‘clean fee’ share classes comprising of A to Z conversions and eligible P1 to P2 conversions (see classes of shares or units table for more information).

These conversions equate to £45.9 million AUM across the in-scope funds in the report and have saved investors £168,000 per annum in total.

We continue to conduct a semi-annual automatic conversion for investors that have had their adviser removed. This conversion is carried out every May and November.

We will continue to monitor and review our share classes throughout the year and convert investors to cheaper share classes where appropriate.

Share Class Table

Having multiple share classes means we can apply the appropriate charging rates for different types of client, for example, institutional or retail clients. All our mainstream share classes are shown in the table. Each share class in a fund may have a different charge, minimum investment levels or other restrictions or features.



Share class	Who is it for?	Explanation of charges
Retail share classes		
Z ¹	The main share class for retail investors.	‘Clean fee’ share class.
A ²	A retail share class for some advised investors.	Substantially similar rights to the Z share class for clients with an adviser. Where the client is not receiving advice they have now been converted to the Z share class.
C	A legacy retail share class created for Cazenove Capital investors.	Substantially similar rights to the Z share class.
Institutional share classes		
I	The main share class for institutional investors.	‘Clean fee’ share class.



Automated conversions continue to be carried out on a semi-annual basis, so that investors are in the most appropriate share class available to them.

James Rainbow,
Head of UK, Client Group

¹ The P2 class is equivalent to the Z class.

² The P1 class is equivalent to the A class.

The Assessment of Value report lifecycle

On this page we share the key governance steps taken to produce our Assessment of Value report. Additionally, we describe our rigorous fund governance and oversight model; although the Assessment of Value is an annual process, we review the value we deliver to our investors throughout the year.

1. Governance inputs

We use an independent third party, Broadridge, to provide data on performance and charges, and to construct customised fund peer groups. Additionally, multiple internal teams - including Finance, Fund Operations, Client Group, Investment, Compliance, Legal, Risk and Marketing – provide input to the assessment process.

2. Risk and Performance Committees

The risk and performance of each fund is reviewed every quarter at a formal Committee. Performance is also reviewed twice a year by the SUTL board, with enhanced ongoing monitoring of underperforming funds.

3. Product Governance Committee (PGC)

The Product Governance Committee consider each of the seven areas for every fund and share class, and subsequently determine the recommended assessment outcome for the SUTL Board. This process draws on the experience of key stakeholders from across the business. The Product Governance Committee also conduct further reviews of underperforming funds as do Risk and Performance Committees.



5. Publish report

The Product Governance team are responsible for drafting the Assessment of Value report which is published on our website and made available on request for clients and investors. We publish this report for our core Asset Management funds in April every year and for our Wealth Management funds in October every year.

4. SUTL Board

Each step of the Assessment of Value methodology is comprehensively reviewed and agreed by the SUTL Board. Their role includes reviewing, challenging and validating each individual recommended fund assessment outcome approved by the Product Governance Committee. These outcomes and proposed remedial actions are presented to the SUTL Board by the Product Governance team.



A key part of our role as independent non-executive directors is to bring an external perspective to support our executive directors, by providing independent oversight and engaging in constructive discussions which challenge the delivery of value. Acting in the best interests of investors is something to be reassessed continuously throughout the year.

Calum Thomson and Howard Williams,
Independent Non-Executive Directors



How to read your fund page

To assist you in finding your way around the individual fund pages we have created the following guide to highlight the key areas.

Overall conclusion

Our conclusions on each fund are set out separately in each individual fund's report. Each area is considered separately for every fund and is given equal weighting. This contributes to an overall assessment as to whether or not we believe that we have delivered value to our investors. This incorporates both qualitative information as well as quantitative data.

Performance data

Here you can find the fund's performance data, typically a factsheet or Key Investor Information Document (KIID), up to the reference date of 31 December 2023 or earlier. To get the latest performance data, please visit the Schroders' Fund Centre and refer to the Documents section for your fund.

Actions

Where this report identifies that certain funds are not demonstrating value consistently, we have completed a further review and shared the remedial actions that we have taken, or plan to take, to address the issues we have identified.

The seven areas

We have explained our analysis for each of the seven assessment criteria in these sections.

Assessment period

Our assessment is carried out using data as at 31 December 2023.

Your fund reports

You should review the reports for each fund that you are invested in and decide whether you feel the product is still suitable for your needs and delivering what you expected from it.

Navigation

You can click the contents icon at the top right of each page to return back to the contents page.

This fund was restructured in January 2023 and renamed from Schroder Small Cap Discovery Fund to Schroder Asian Discovery Fund. Please refer to the fund's factsheet [here](#) for performance data as at 31 December 2023.

Schroder Asian Discovery Fund

Overall conclusion

Taking into account all seven areas, we believe that the fund is demonstrating value overall. We have summarised our assessment of each area below. For more detail on how we completed this assessment, please refer to the 'Seven areas' section in the front of this report.

Target Benchmark: MSCI All Countries Asia Ex Japan Small Mid Cap (Net Total Return)
Chain linked: a blend of the MSCI Small Cap indices (Emerging Markets, Hong Kong, Singapore) until 31/12/22

1. Performance

Performance Commentary: In the relevant five-year period, the fund has underperformed its target benchmark. If we break down the period into calendar years, the fund has outperformed in four of the calendar years but underperformed in 2022 when the fund underperformed the target benchmark by -7.9%. This has driven the overall five-year performance.

Focusing on 2022, the two most significant detractors, accounting for around three-quarters of the underperformance, have been Taiwan and Russia. Our Russian holdings were revalued at zero following Russia's invasion of Ukraine. It is worth noting over the six months before Russia's invasion we had reduced or risk managed the largest of our Russian positions - which had performed very strongly - and were always mindful of managing our aggregate Russian exposure due to the political risk inherent to the market. The other significant detractor has been Taiwan. Our exposure to more growth-orientated areas of the Taiwan market, such as information technology and consumer discretionary, hurt relative performance. We remain comfortable with our holdings in both sectors from a longer-term perspective.

More broadly in terms of markets and style in 2022, we have seen value outperform growth in emerging market small caps by approximately 12%. This was unfavourable to the fund, which has a bias to growth equities (companies that investors are willing to pay a premium for on the basis of their future growth prospects), rather than value equities (companies that are believed to be trading at a discount to their true value). Against the fund's broader benchmark (which incorporates both growth and value investment styles), this was a headwind for the fund.

Remedial Action: We do not believe any fundamental changes in process/strategy are necessary. The fund has outperformed its target benchmark since inception and given the unique and unconstrained nature of the fund, we expected performance to vary quite widely against the index. We transitioned the fund in January 2023 to have an increased focus on Asia ex Japan and a focus on small to mid-cap companies rather than just small-cap. The fund's target benchmark was also changed to MSCI AC Asia ex Japan Small Mid Cap and the fund was renamed Schroder Asian Discovery Fund. There is no change to the type of stocks that the managers are seeking and the process remains broadly the same, but we believe this improves the fund offering to clients with an increased focus on Asia, where we have strong investment analyst resource.

We have confidence in the fund's investment strategy going forward and in our ability to deliver on its investment objective in the future.

2. Quality of service

We have assessed key service areas relating to our fund operations, our investment process and our client experience. We also looked at our liquidity management process, as well as the nature of fund complaints and breaches as appropriate. Through all our metrics we have concluded that we provide value to our investors in our quality of service, along with a mature and effective framework for fund oversight and reporting of risks.

3. Authorised fund manager costs

We reviewed every cost component of the Schroders Annual Charge (SAC) at a share class level. We concluded that in relation to each charge, the costs of providing the service to which the charge relates are reasonable and appropriate.

4. Comparable market rates
Ongoing Charges Figure: 1.00%

Due to the bespoke nature of this fund it is not comparable to other funds and therefore has no peer group that we can compare the fund's charges against.

5. Economies of scale

Currently, the fund's AUM is below £1bn and therefore it is not large enough to achieve meaningful savings from economies of scale, consequently a scale discount has not been applied.

6. Comparable services

Due to the bespoke nature of this fund, there is no internal service offered which can act as a direct comparison.

7. Classes of shares or units

All available share classes have been comprehensively reviewed. Where share classes with substantially similar rights and a differential in fee level are identified we convert investors to the cheaper of the available share classes on a semi-annual basis. Investors are therefore in the cheapest share classes available to them given how they are investing and the features they are looking for.

21 The assessment has been completed using data as at 31/12/2023. Key: **○○○** Demonstrating value **○○○** Completed a further review, demonstrating value **○○○** Completed a further review, not demonstrating value consistently **○** Insufficient data available to appropriately assess the area

Schroder Institutional Pacific Fund

Overall conclusion

Taking into account all seven areas, we believe that the fund is demonstrating value overall. We have summarised our assessment of each area below. For more detail on how we completed this assessment, please refer to the 'Seven areas' section in the front of this report.

Target Benchmark: MSCI Pacific Ex Japan (Net Total Return) Index
Chain linked: MSCI Pacific ex Japan (Gross Total Return) Index until 01/07/2023

1. Performance



The fund has delivered its investment objective over the recommended performance period and is delivering value for the performance criteria.

2. Quality of service



We have assessed key service areas relating to our fund operations, our investment process and our client experience. We also looked at our liquidity management process, as well as the nature of fund complaints and breaches as appropriate. Through all our metrics we have concluded that we provide value to our investors in our quality of service, along with a mature and effective framework for fund oversight and reporting of risks.

3. Authorised fund manager costs



We reviewed every cost component of the Schroders Annual Charge (SAC) at a share class level. We concluded that in relation to each charge, the costs of providing the service to which the charge relates are reasonable and appropriate.

4. Comparable market rates



Ongoing Charges Figure: 0.52%

Due to the bespoke nature of this fund it is not comparable to other funds and therefore has no peer group that we can compare the fund's charges against.

7. Classes of shares or units



All available share classes have been comprehensively reviewed. Where share classes with substantially similar rights and a differential in fee level are identified we convert investors to the cheaper of the available share classes on a semi-annual basis. Investors are therefore in the cheapest share classes available to them given how they are investing and the features they are looking for.

5. Economies of scale



Currently, the fund's AUM is below £1bn and therefore it is not large enough to achieve meaningful savings from economies of scale, consequently a scale discount has not been applied.

6. Comparable services



We have reviewed the charges for each share class of your fund against other comparable funds and/or segregated mandates managed by Schroders. These share classes have fee rates that are lower than the equivalent share classes in such comparable funds and/or the fees charged on such comparable segregated mandates. We have therefore concluded that the fees associated with this fund are reasonable and appropriate.

Glossary of Terms

Absolute return

An asset's standalone return (gain or loss) over time. It is not being compared to anything else such as a benchmark or another asset.

Active management

The management of investments based on active decision-making rather than with the objective of replicating the return of an index. The manager aims to beat the market through research, analysis and their own judgement.

AFM (Authorised Fund Manager)

The AFM is responsible for the overall management of the fund and may appoint an investment manager to invest money on behalf of clients. An authorised investment fund is one that is authorised and regulated by the UK financial regulator, the FCA. *Please also see FCA definition.*

Alternative asset

An investment outside of the traditional asset classes of equities, bonds and cash. Alternative investments include property, hedge funds, commodities, private equity, and infrastructure.

AMC (Annual Management Charge)

Following the introduction of the Schrodgers Annual Charge, AMC has been replaced by SAC. *Please see SAC definition.*

Assessment of Value

The FCA requires managers of UK funds to publish an annual report demonstrating how they are providing value to investors in their funds.

Asset allocation

The apportionment of a portfolio's assets between asset classes and/or markets. For example, a fund may hold a combination of shares, bonds and cash. The weightings given vary according to the investment objective and the investment outlook.

Asset class

Broad groups of different types of investments. The main investment asset classes are equities, bonds and cash. Non-traditional asset classes are known as alternative investments.

Attribution

A sophisticated method for evaluating the performance of a portfolio or fund manager.

Benchmark

A standard (usually an index or a market average) against which an investment fund's performance is measured.

Please also see comparator benchmark and target benchmark definitions.

Bond

A way for governments and companies (the issuers of the bond) to borrow money for a certain amount of time. A typical arrangement would be in exchange for an upfront payment from an investor, the issuer will make periodic interest payments to the investor and then repay the initial investment amount at the end of the bond's term (its maturity).

Bond proxies

Investments (namely stocks or ETFs) that, in theory, replicate a bond's price stability.

Bottom-up (investment style)

Investment based on analysis of microeconomic variables, whereby individual companies' history, management, and potential are considered more important than general market or sector trends (as opposed to top-down investing).

Brexit

An abbreviation for "British exit," referring to the withdrawal of the United Kingdom (UK) from the European Union (EU).

Broad-based

Relates to an index or average that is designed to reflect a representation of a group of stocks or an entire market.

Business cycle

Also referred to as the "economic cycle". Essentially it describes how business activity goes up and down over time. There are four stages of the business or economic cycle: expansion, slowdown, recession and recovery.

Capital growth

The increase in the value of an asset or investment over time.

Capital risk

The potential loss of all or part of an investment.

Cazenove Capital

A long-established wealth manager which is part of the Schrodgers group.

Chain-linked

Where a benchmark for a fund has changed during a performance period, performance of the fund is measured against the new benchmark from the date when the new benchmark became effective, but is measured against the previous benchmark prior to the effective date of the benchmark change.

Clean fee share classes

A class of fund shares that does not include commissions or distribution fees in its Schrodgers Annual Charge (SAC).

Conservative (investment style)

Prioritises the preservation of capital over market returns by investing in lower-risk securities.

Conviction (investment style)

A fund manager's strongly held belief in the view of an investment or investment approach.

Comparator benchmark

A standard (usually an index or a market average) against which an investment fund's performance is compared to.

Covid-19

The name given by the World Health Organisation (WHO) to the illness caused by the coronavirus illness which was first recorded in 2019.

Glossary of Terms

CPI (Consumer Price Index)

The Consumer Price Index (CPI) measures how much prices of consumer goods and services change over a period of time. For example, if CPI is 2.5% for the 12 months ending January 2020, this means that on average, the price of consumer goods will be about 2.5% higher than they were in January 2019. *Please also see Inflation definition.*

Corporate governance

The system of rules, practices, and processes by which a company is directed and controlled.

Cyclical stock

A stock where returns are directly affected by changes in the overall economy. Opposite of defensive stocks.

Defensive stock

A stock which aims to provide consistent dividends and stable earnings regardless of the overall stock market environment.

Dividend

The distribution of corporate earnings to eligible shareholders. A payment made by a company to its shareholders. The company decides how much the dividend will be, and when it will be paid.

Discount rate

The rate used to measure expected value of future cash flows

Domicile (e.g. a UK-domiciled fund)

A fund's domicile is essentially its country of residence. It determines how a fund is to be treated from a tax perspective much as the domicile (i.e. permanent home) determines what tax legislation applies. Schroders has a range of unit trust funds that are UK-domiciled while the Schroder International Selection Fund range is domiciled in Luxembourg.

Downside risk

An estimate of the potential decline in value of a given investment.

Duration

A measure of a bond investment's sensitivity to changes in interest rates. The longer the duration, the more sensitive it is. Calculating duration for a fixed income investment such as a bond is a complicated sum. It takes into account the current value of the bond, the coupon or interest payment, the book cost, and the number of years the bond has left to run. Put simply, the longer the duration number the higher the potential return (and the greater the risk).

Economic cycle

Also referred to as the "business cycle". *Please also see Business cycle definition.*

Emerging markets

Countries that have rapidly growing economies and may be going through the process of industrialisation. This is compared to developed markets which have already undergone this process and are considered to be already economically advanced.

Equities

Also known as shares or stocks, this represents a share in the ownership of a company.

ESG (Environmental, Social and Governance)

ESG represents environmental, social and governance considerations and covers issues such as climate change, energy use, labour standards, supply chain management and how well a company is run.

ETF (Exchange-Traded Fund)

ETFs usually track an underlying index and trade just as a normal stock would on an exchange. ETFs can track stocks in a single industry or an entire index of equities.

Factor (investment style)

An approach that involves targeting specific drivers of return across asset classes.

FCA (Financial Conduct Authority)

The FCA regulates the UK's financial markets. Its objective is to ensure that relevant markets function well - for individuals, for business and for the economy as a whole.

FTSE All Share

A price-weighted index comprising of approximately 650 of the top UK publicly listed companies.

Fundamental analysis

The process of identifying stocks that are undervalued by looking at the underlying investment.

Gilt

A bond issued by the UK government.

Growth (investment style)

Companies perceived as stable growers that investors are willing to pay a premium for on the basis of their future growth prospects.

Earnings are expected to increase at an above- average rate compared to their industry sector or the overall market.

Hedge fund

A collective name for funds targeting absolute returns through investment in financial markets and/or applying non-traditional portfolio management techniques. Hedge funds can invest using a broad array of strategies, ranging from conservative to aggressive.

IA (Investment Association) sector

As published by the Investment Association, the IA sectors divide the fund universe to reflect the asset type, industry sector, or geographic regions funds are invested in. There are over 35 IA sectors. These are there to help navigate the large universe of funds in the UK and include some offshore (EU) funds. The sectors divide up the funds into smaller groups, to allow like-for-like comparisons between funds in one or more sectors, for instance to look at performance and fund charges.

Glossary of Terms

Income distribution

The distribution of income to unit holders of pooled funds in proportion to the number of units held.

Index (investment style)

A passive investment strategy that seeks to replicate the returns of a benchmark index.

Inflation

A measure of the increase in prices of goods and services over time.

Investment universe

The range of stocks in which a portfolio can invest.

KIID (Key Investor Information Document)

A two-page document that summarises a fund's investment objective, key risks, ongoing charges figure (*please see OCF definition*) and past performance. It is required for funds that come under EU law and is designed to allow comparability across funds.

Large cap

Please see Market capitalisation definition.

LIBID (London Interbank Bid Rate)

The average interest rate at which financial institutions in the UK pay for depositing eurocurrency.

LIBOR

The benchmark interest rate at which global banks lend to one another. Since the end of 2021, LIBOR has been phased out and replaced by the Sterling Overnight Index Average (SONIA) as the industry standard benchmark. *Please see SONIA definition.*

Liquidity

The ease with which an asset can be sold for cash. An asset can be described as illiquid if it takes a long time to sell, such as property, or if it is difficult to find someone willing to buy it.

LTV Loan to Value Ratio

The ratio of the value of the home you want to buy and the loan you'll need to buy it, shown as a percentage.

Long/short (investment style)

A strategy, used primarily by hedge funds, that involves taking long positions (buying a holding) in stocks that are expected to increase in value and short positions (borrowing a stock and selling it in the hope of repurchasing it at a lower price to return to the stock lender) in stocks that are expected to decrease in value.

Macroeconomic

Refers to the behaviour and drivers of an economy as a whole. Factors include inflation, unemployment, etc. as opposed to microeconomic which is the behaviour of small economic units, such as individual consumers or households.

Magnificent seven

Seven high-performing large cap stocks considered to be leaders in their industries: Apple, Microsoft, Google parent Alphabet, Amazon, Nvidia, Meta Platforms and Tesla.

Market capitalisation

A measure of a company's size, calculated by multiplying the total number of shares in issue by the current share price. Companies are commonly grouped according to size, such as small cap, mid cap, large cap or all cap. There is no consensus on the definition of these groupings and they may vary from fund to fund depending on the country of investment.

Mid cap

Please see Market capitalisation definition.

MSCI (Morgan Stanley Capital International)

An investment research firm that provides stock indices, portfolio risk and performance analytics, and government tools.

Multi Asset

An investment which contains a combination of asset classes, creating a group or portfolio of assets.

Nominal return

A value which has not been adjusted for inflation.

OCF (Ongoing Charges Figure)

The OCF is made up of the Schroders Annual Charge (SAC), the administration charge and 'other' costs. The administration fee includes directly attributable costs, such as Transfer Agency costs and Fund Accounting fees, and allocated costs to support functions, such as Finance, Tax, Risk, Audit, Legal and Compliance.

Option

Gives the buyer the right (not the obligation) to buy or sell an underlying asset at an agreed price on, or before, a given date in the future.

Overweight

When a portfolio or fund has a greater percentage weighting in an asset class, sector, geographical region or stock than the index or benchmark against which it is measured.

Passive management

A style of investment management that aims to replicate the performance of a set benchmark.

Peer group

A group of funds that may be compared with one another, often for performance purposes. A peer group will usually be based on the fund's investment scope.

Performance period

The length of time over which we expect the fund to deliver its investment objective.

Glossary of Terms

QE (Quantitative Easing)

A tool central banks can use to stimulate an economy by increasing the supply of money. Technically, it involves the central bank printing new money and using this to buy assets from the financial market. This results in more money being in circulation, higher asset prices and lower interest rates (prices and interest rates tend to move in the opposite direction). This combination makes it more attractive for people to invest, borrow and spend more, driving economic growth. This technique has, in recent years, been used by the European Central Bank, the US Federal Reserve and the Bank of England.

Qualitative analysis

The use of subjective judgment and information that cannot be represented by numbers (such as a company's culture) to evaluate an investment.

Quality (investment style)

Companies with higher profitability and perceived to be stable over time relative to their peers. Quality is measured by its profitability, stability, financial strength, sales growth and governance.

Quantitative analysis

Quantitative is often better understood as "numerical". It is used to identify and target the underlying factors responsible for the outperformance of some financial assets over others.

RDR (Retail Distribution Review)

A Financial Conduct Authority (FCA) initiative that aims to provide greater clarity about different types of financial services available. It also seeks to improve transparency around the costs and fees associated with financial advice. The amount of risk capital set by legislation or local regulators, which companies must hold against any difficulties such as market or credit risks.

Real return

The return generated by an investment, having been adjusted for the effects of inflation. For example, an investment grew in value by 5% return over one year, and the rate of inflation was 2%, the real return would be 3%.

Recovery stock

A stock which has fallen in price but which is believed to have the ability to recover.

RICs

Regulated investment companies

Risk premium/premia

The extra return over cash that an investor expects to earn as compensation for owning an investment that is not risk free, so its value could increase or decrease.

Risk-adjusted return

A technique to measure the returns from an investment that takes into account the degree of risk that must be accepted in order to achieve it.

Risk-free rate

The rate of return over a specified period of time on an investment with zero risk.

RPI (Retail Price Index)

The Retail Price Index (RPI) measures how much prices of consumer goods and services change over a period of time. RPI is a measure of inflation and takes the exact same premise as CPI; however, it also includes housing costs. RPI has been deemed an inferior measure to CPI. *Please also see Inflation definition.*

S&P 500

A stock market index that tracks the average performance of the top 500 listed US companies.

Scenario analysis

The process of estimating the expected value of a portfolio in response to adverse events.

Schroder Investment Management (Schroders)

Schroders is a global investment manager. It actively manages investments for a wide range of institutions and individuals, to help them meet their financial goals.

Schroders Annual Charge (SAC)

A single all-in-fee charged to the funds which includes the previously separated Annual Management Charge (AMC), administration fee and most of the other fees that are normally charged. It excludes the extraordinary legal/tax fees and third party fund manager costs.

Share class

A way to differentiate between different types of shares. For companies, this may mean that some shares have voting rights while others do not. Within a fund, the different share classes may represent different ways of paying the investor the income from the fund, different fees and expenses or different base currencies. For example, a fund will often have an "accumulation" share class and an "income" share class. With the former, any income produced will be automatically reinvested back into the fund (more shares will be bought in the fund). With the income share class, income can either be received as a regular payment or reinvested.

Small cap

Please see Market capitalisation definition.

SONIA (Sterling Overnight Index Average)

The interest rate paid by financial institutions during periods when the markets are closed.

Standard deviation

A measure of historical volatility calculated by comparing the average (or mean) return with the average variance from that return.

Stress test

The process of testing the resilience of institutions and investment portfolios against possible worst case future financial situations.

Glossary of Terms

Target benchmark

A standard (usually an index or a market average) which an investment fund's performance aims to match or exceed.

TER (Total Expense Ratio)

The total expense ratio (TER) is the total fees associated with managing and operating each fund. The TER does not include property management fees or other property level costs, performance fees, trading costs, or one-off entry and exit charges.

Thematic (investment style)

Investing according to a chosen investment theme. For example, an investor with a "health and wellness" focus will likely only consider funds that invest in healthy food brands or those companies focused on developing new vaccines.

Top-down (investment style)

An investment strategy which finds the best sectors or industries to invest in, based on analysis of the corporate sector as a whole and macroeconomic trends such as GDP and CPI to determine investment decisions (as opposed to bottom-up investing).

Total return

The total return of an investment is the combination of any capital appreciation (or depreciation) plus any income from interest or dividends. It is measured over a set period, and is given as a percentage of the value of the investment at the start of that period.

Tracking error

A measure of how closely an investment portfolio follows the index against which it is benchmarked.

Underweight

When a portfolio or fund has a lower percentage weighting in an asset class, sector, geographical region or stock than the index or benchmark against which it is measured.

Unit class

Unit classes are a way to differentiate between different types of units in a unit trust. Where we write 'share class' in the report, it is to be construed as meaning unit/share class as applicable to the relevant fund. *Please also see Share class definition.*

Unit trust

A type of open-ended pooled investment vehicle, or fund, which is structured as a trust. It is split up into equal portions called "units" which belong to the unitholder. The money paid for the units goes into a pool with other investors' money which an investment manager uses to buy financial instruments on behalf of the unitholders, with the aim of generating a return for them.

Value (investment style)

A style of investing that involves buying securities that are trading at a significant discount to their true value in the belief that over time, the asset's relatively low price will rise to more accurately reflect the intrinsic value of the business. Value is measured by a company's cash flows, dividends, earnings and assets.

Volatility

A statistical measure of the fluctuations in a security's price or particular market. For example, a highly volatile share experiences greater changes in price than other investments. High volatility is taken as an indication of higher risk.

Yield

A measure of the income return earned on an investment. In the case of a share, the yield is the annual dividend payment expressed as a percentage of the market price of the share. For property, it is the rental income as a percentage of the capital value. For bonds, the yield is the annual interest as a percentage of the current market price.



EST. 1804

Schroder Unit Trusts Limited

1 London Wall Place, London EC2Y 5AU, United Kingdom

T +44 (0) 20 7658 6000

 [schroders.com](https://www.schroders.com)

 [@schroders](https://twitter.com/schroders)

Important information: This document is intended to be for information purposes only and it is not intended as promotional material in any respect. The material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. The material is not intended to provide, and should not be relied on for, accounting, legal or tax advice, or investment recommendations. Information herein is believed to be reliable but Schroders does not warrant its completeness or accuracy. No responsibility can be accepted for errors of fact or opinion. Reliance should not be placed on the views and

information in the document when taking individual investment and/or strategic decisions. Past performance is not a reliable indicator of future results, prices of shares and the income from them may fall as well as rise and investors may not get back the amount originally invested. Schroders has expressed its own views in this document and these may change. Issued by Schroder Investment Management Limited, 1 London Wall Place, London EC2Y 5AU, which is authorised and regulated by the Financial Conduct Authority. For your security, communications may be taped or monitored. 611534.