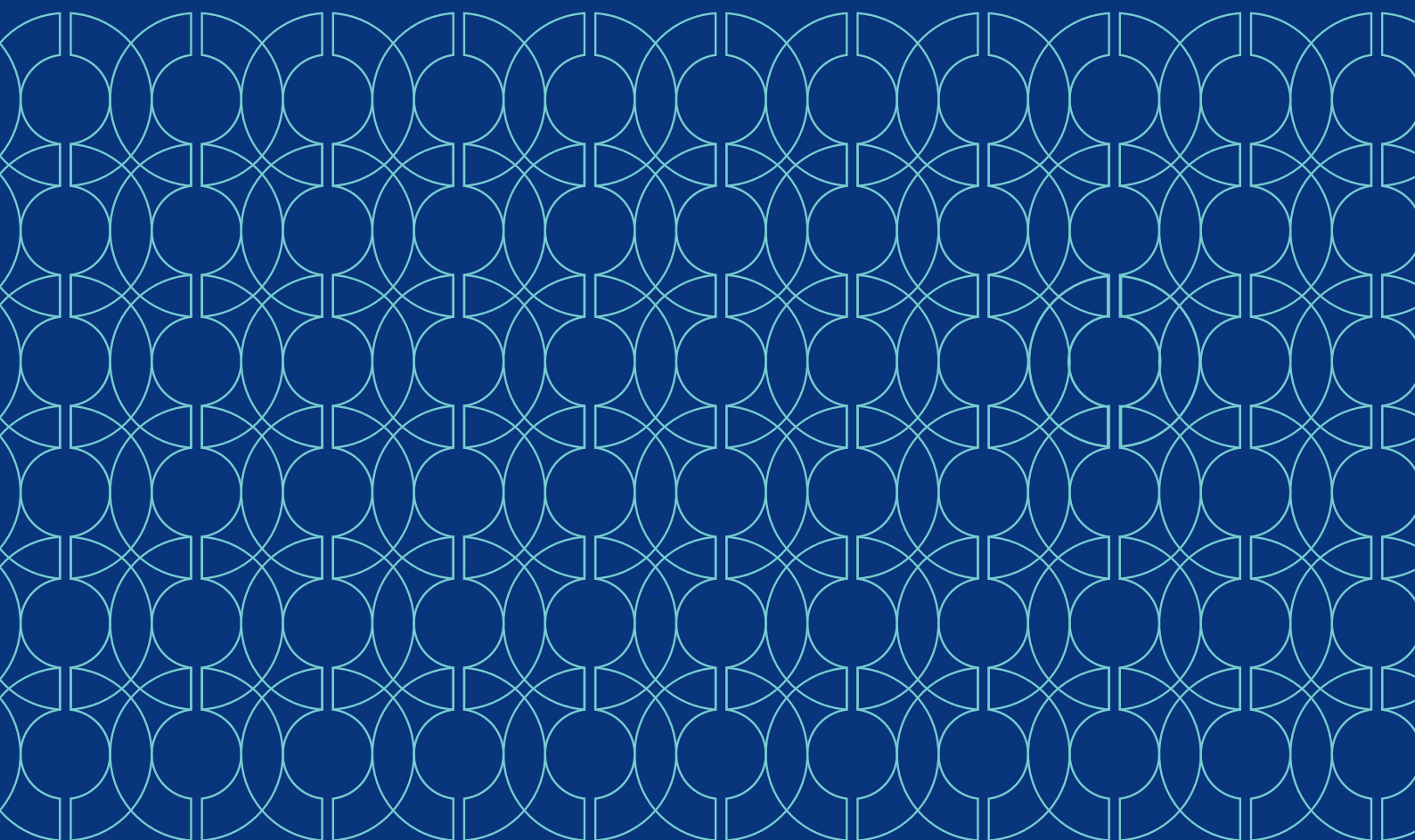


Schroders

Schroder Income Maximiser

Interim Report and Accounts

February 2020



Schroder Income Maximiser

February 2020

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¹ Collectively these comprise the Manager's report.

Fund Information

Investment objective and policy

The Schroder Income Maximiser's (the 'fund') aims to provide income and capital growth by investing in equity and equity-related securities of 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 is actively managed and invests at least 80% of its assets in equity and equity related securities of UK companies which are selected for their long term income and capital growth potential. These are companies that are incorporated, headquartered or have their principal business activities in the UK.

To seek to enhance the yield, the Investment Manager selectively sells short dated call options over individual securities, portfolios of securities or indices held by the Fund, 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 section 6 of Appendix I of the Prospectus).

The Fund's investment strategy will typically underperform a similar portfolio without derivatives in periods when the underlying stock prices are rising, and outperform when the underlying stock prices are falling.

Fund characteristics

The Fund's performance should be assessed against the income target of 7% per year, and compared against the FTSE All Share (Gross 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.

Total purchases and sales

	For the period 28.2.20 £000's	For the year to 31.8.19 £000's
Total purchases	46,388	327,568
Total sales	108,418	220,101

Fund Performance

	Number of units in issue 28.2.20	Net asset value p per unit 28.2.20	Net asset value p per unit 31.8.19
A Income units	304,151,650	34.40	37.79
A Accumulation units	65,716,688	99.07	106.05
L Income units	363,629,481	37.99	41.59
L Accumulation units	73,418,920	60.86	64.94
Q Income units	16,260,939	38.48	42.11
S Income units	56,374,316	37.61	41.13
Z Income units	1,268,581,850	41.12	45.04
Z Accumulation units	135,167,673	77.81	83.05

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

Review of Investment Activities

From 31 August 2019 to 28 February 2020, the price of Z Accumulation units on a selling price to dealing price basis, which reflects the reinvestment of the distributions paid to unitholders, fell 6.33%. The Fund's performance should be assessed against the income target of 7% per year (for the year ending 30 November 2019 the Fund distributed 7.81% for the Z Income units where distributions are taken out of the fund and not reinvested), and compared against the FTSE All Share index and the Investment Association UK Equity Income sector average return, which delivered a negative total return of 5.47%² and a negative total return of 2.44%² respectively.

The fund underperformed the wider market over the period under review. The nature of our concentrated, benchmark-unaware approach means portfolios will go through periods of underperformance. We have examined and re-examined all of the positions held and no stone has been left unturned. It is our firm belief that we hold a portfolio of companies with the most attractive risk/reward profiles available to UK equity market investors today, and that clients will ultimately be well rewarded for their patience.

It is always the case that two fundamental factors will drive our relative performance: do we have a headwind or a tailwind from the value style? And have we had a period of higher or lower than average developments for our individual stocks? The seeds of outperformance are sown in bear markets, and while there hasn't been a bear market for stocks in the recent years running up to and including this period, there certainly has been a bear market for value. So what about the impact of individual stocks?

Pearson, the British-based publishing business, was our largest detractor. Much of this was due to a profit warning after weaker-than-expected performance in its higher education courses in the US. The business is still going through a major transition from textbooks to a fully digital learning platform. Successful restructures take time and are seldom smooth. There will be good news and bad news as the company makes the shift to a digital future. We are confident it can and will be done; significant upside remains. Other detractors included mining group South32 and global communications services group WPP. On the positive side, interdealer broker TP ICAP, UK supermarket group Tesco and chipmaker Intel benefited performance.

The fund's yield strategy (which uses options) continues to perform as we would expect, with the fund having delivered its 7% annual target yield over the 12 months to end November. The options produce an enhanced income by exchanging some of the potential capital growth on selected holdings (above a certain level) in return for an upfront cash payment on a regular rolling basis. Our aim is to sell just enough potential growth across the portfolio to meet the target, while still benefiting from the first phase of any share price increase. This trade off typically means that the options will detract from performance when share prices are rising, but will be positive for performance when shares are falling, which is what we have seen in this period.

Since the end of the period under review, the worrying Covid-19 pandemic has understandably rattled markets, resulting in significant volatility. The true extent of the damage to the nation, economy and businesses will likely not be known for many months. This volatility has however opened up additional investment opportunities, which we believe, on a five-year view, could deliver strong returns for the fund.

Fund Manager:

Global Value Team

The Global Value Team, specifically Nick Kirrage and Kevin Murphy, are responsible for stock selection in the underlying portfolio. The Global Value team has over 100 years of combined investment experience. Kevin and Nick have managed assets in a value style for 13 years and have managed the equity portfolio for Schroder Income Maximiser since 2010. They are co-heads of the Global Value Team, which consists of 9 investors who manage both value and income orientated portfolios across Global, European and UK equity. A dedicated Investment Director and Investment Specialist also support the team

Structured Fund Management Team

Schroders' Structured Fund Management Team consists of Jeegar Jagani, CFA, Scott Thomson and Ghokhulan Manickavasagar, reporting into Mike Hodgson, Head of Risk Managed Investments & Structuring. Mike and the team have over 70 years of combined investment experience in derivatives and structuring, including the management of the £4.6 billion Maximiser range (as at 31 December 2019). The Maximiser range consists of 7 listed funds and segregated mandates, all of which apply a two-step income enhancement strategy investing in equities

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2 Source: Thomson Reuters Datastream.

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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.

Statement of the Manager's Responsibilities

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

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

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

The Manager's report and accounts for the period ended 28 February 2020 were signed on 22 April 2020 on behalf of the Manager by:

P. Chislett
Directors

P. Truscott

Portfolio Statement

	Holding at 28.2.20	Market Value £000's	% of net assets
Equities 96.81% (99.43%)			
Oil & Gas 9.25% (10.77%)			
BP	12,703,114	50,304	5.00
Eni	1,884,979	17,868	1.77
Royal Dutch Shell B	1,501,432	24,978	2.48
		93,150	9.25

Basic Materials 11.27% (11.42%)			
Anglo American	2,929,388	52,483	5.21
BHP Group	2,225,554	31,567	3.14
South32	26,881,485	29,398	2.92
		113,448	11.27

Industrials 2.45% (2.73%)			
Royal Mail	15,196,994	24,688	2.45
		24,688	2.45

Consumer Goods 2.18% (1.11%)			
Imperial Brands	1,411,530	21,944	2.18
		21,944	2.18

Health Care 7.01% (8.53%)			
GlaxoSmithKline	2,459,950	38,429	3.82
Sanofi	448,894	32,150	3.19
		70,579	7.01

Consumer Services 23.30% (24.00%)			
J Sainsbury	11,891,342	23,277	2.31
Marks & Spencer Group	19,445,713	30,802	3.06
Next	29,114	1,771	0.18
Pearson	8,720,750	48,627	4.83
Reach	5,422,588	7,939	0.79
Tesco	19,140,372	43,736	4.35
William Hill	10,230,842	15,229	1.51
Wm Morrison Supermarkets	23,259,406	39,808	3.95

	Holding at 28.2.20	Market Value £000's	% of net assets
WPP	3,105,002	23,374	2.32
		234,563	23.30

Telecommunications 4.20% (3.68%)			
BT Group	14,031,061	19,865	1.97
Vodafone Group	16,697,896	22,432	2.23
		42,297	4.20

Utilities 5.55% (4.76%)			
Centrica	54,922,071	39,610	3.93
Drax Group	6,026,809	16,272	1.62
		55,882	5.55

Financials 28.57% (28.00%)			
Aviva	11,146,001	39,089	3.88
Barclays	22,468,343	33,419	3.32
HSBC Holdings	7,655,017	40,097	3.98
Legal & General Group	4,021,040	10,455	1.04
Lloyds Banking Group	60,521,973	30,382	3.02
Provident Financial	4,732,632	19,011	1.89
Royal Bank of Scotland Group	22,113,701	39,506	3.93
Standard Chartered	7,557,068	42,516	4.22
TP ICAP	9,102,672	33,152	3.29
		287,627	28.57

Technology 3.03% (4.43%)			
HP	724,400	11,504	1.14
Intel	456,422	19,032	1.89
		30,536	3.03

Equities total		974,714	96.81
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Options (0.15)% ((0.33)%)			
Written Options (0.15)% ((0.33)%)			
Anglo American Call 23.638 04/03/2020	(285,615)	0	0.00

Portfolio Statement (continued)

	Holding at 28.2.20	Market Value £000's	% of net assets
Anglo American Call 23.864 11/03/2020	(287,080)	0	0.00
Anglo American Call 22.843 18/03/2020	(339,747)	(5)	0.00
Anglo American Call 23.762 01/04/2020	(377,055)	(9)	0.00
Anglo American Call 23.859 08/04/2020	(417,437)	(12)	0.00
Anglo American Call 22.267 22/04/2020	(253,533)	(29)	(0.01)
Anglo American Call 22.837 06/05/2020	(194,898)	(21)	0.00
Anglo American Call 23.861 13/05/2020	(247,730)	(17)	0.00
Anglo American Call 22.477 27/05/2020	(284,867)	(47)	(0.01)
Aviva Call 4.444 04/03/2020	(724,490)	0	0.00
Aviva Call 4.633 11/03/2020	(780,220)	0	0.00
Aviva Call 4.377 18/03/2020	(769,600)	0	0.00
Aviva Call 4.48 01/04/2020	(576,360)	(1)	0.00
Aviva Call 4.431 08/04/2020	(873,014)	(2)	0.00
Aviva Call 4.355 22/04/2020	(874,042)	(6)	0.00
Aviva Call 4.33 06/05/2020	(1,037,720)	(2)	0.00
Aviva Call 4.299 13/05/2020	(1,055,673)	(3)	0.00
Aviva Call 3.996 27/05/2020	(1,008,169)	(18)	0.00
Barclays Call 1.894 04/03/2020	(2,190,663)	0	0.00
Barclays Call 1.98 11/03/2020	(2,359,176)	0	0.00
Barclays Call 1.846 18/03/2020	(553,261)	(1)	0.00
Barclays Call 1.956 01/04/2020	(3,370,251)	(4)	0.00
Barclays Call 1.908 08/04/2020	(2,548,754)	(7)	0.00
Barclays Call 1.82 22/04/2020	(3,538,764)	(33)	(0.01)

	Holding at 28.2.20	Market Value £000's	% of net assets
Barclays Call 1.846 06/05/2020	(2,027,417)	(21)	0.00
Barclays Call 1.904 13/05/2020	(2,213,043)	(17)	0.00
Barclays Call 1.864 27/05/2020	(1,907,697)	(24)	(0.01)
BHP Group Call 18.991 04/03/2020	(289,322)	0	0.00
BHP Group Call 18.919 11/03/2020	(231,656)	0	0.00
BHP Group Call 17.632 18/03/2020	(322,705)	(3)	0.00
BHP Group Call 19.119 01/04/2020	(157,047)	(1)	0.00
BHP Group Call 18.915 08/04/2020	(149,884)	(2)	0.00
BHP Group Call 18.115 22/04/2020	(151,337)	(6)	0.00
BHP Group Call 18.392 06/05/2020	(200,299)	(8)	0.00
BHP Group Call 18.346 13/05/2020	(300,449)	(13)	0.00
BHP Group Call 17.143 27/05/2020	(311,577)	(32)	(0.01)
BP Call 5.1 04/03/2020	(1,253,825)	0	0.00
BP Call 5.071 11/03/2020	(1,260,255)	0	0.00
BP Call 4.932 18/03/2020	(1,507,807)	(3)	0.00
BP Call 5.191 01/04/2020	(1,651,404)	(4)	0.00
BP Call 5.199 08/04/2020	(1,568,834)	(5)	0.00
BP Call 4.969 22/04/2020	(1,321,207)	(17)	0.00
BP Call 5.091 06/05/2020	(801,444)	(11)	0.00
BP Call 4.941 13/05/2020	(1,030,342)	(19)	0.00
BP Call 4.647 27/05/2020	(1,254,630)	(56)	(0.01)
BT Group Call 2.213 11/03/2020	(982,174)	0	0.00
BT Group Call 2.202 01/04/2020	(1,403,106)	0	0.00
BT Group Call 2.066 08/04/2020	(1,332,950)	0	0.00
Centrica Call 0.863 18/03/2020	(3,460,090)	0	0.00
Centrica Call 1.006 06/05/2020	(1,405,377)	0	0.00

Portfolio Statement (continued)

	Holding at 28.2.20	Market Value £000's	% of net assets
Centrica Call 0.891 27/05/2020	(2,670,353)	(5)	0.00
Drax Group Call 3.346 04/03/2020	(77,527)	0	0.00
Drax Group Call 3.051 18/03/2020	(94,688)	0	0.00
Drax Group Call 3.502 01/04/2020	(68,273)	0	0.00
Drax Group Call 3.413 08/04/2020	(75,563)	0	0.00
Drax Group Call 3.058 22/04/2020	(81,685)	(2)	0.00
Drax Group Call 3.171 06/05/2020	(106,541)	(1)	0.00
Drax Group Call 2.938 27/05/2020	(85,004)	(3)	0.00
Eni Call 14.464 04/03/2020	(122,523)	0	0.00
Eni Call 14.295 11/03/2020	(131,948)	0	0.00
Eni Call 13.704 18/03/2020	(197,922)	(1)	0.00
Eni Call 14.743 01/04/2020	(188,497)	0	0.00
Eni Call 14.35 08/04/2020	(179,073)	(1)	0.00
Eni Call 13.958 22/04/2020	(197,922)	(3)	0.00
Eni Call 13.904 06/05/2020	(197,922)	(5)	0.00
Eni Call 14.073 13/05/2020	(197,922)	(5)	0.00
Eni Call 12.586 27/05/2020	(188,500)	(18)	0.00
GlaxoSmithKline Call 17.937 04/03/2020	(299,989)	0	0.00
GlaxoSmithKline Call 18.803 11/03/2020	(323,065)	0	0.00
GlaxoSmithKline Call 17.487 18/03/2020	(308,066)	(8)	0.00
GlaxoSmithKline Call 18.699 01/04/2020	(315,530)	(2)	0.00
GlaxoSmithKline Call 18.866 08/04/2020	(197,034)	(2)	0.00
GlaxoSmithKline Call 18.706 22/04/2020	(217,971)	(4)	0.00
GlaxoSmithKline Call 18.485 06/05/2020	(125,639)	(5)	0.00
GlaxoSmithKline Call 17.995 13/05/2020	(246,208)	(22)	0.00
GlaxoSmithKline Call 17.255 27/05/2020	(273,105)	(50)	(0.01)
HP Call 22.37 04/03/2020	(47,000)	(6)	0.00

	Holding at 28.2.20	Market Value £000's	% of net assets
HP Call 21.96 11/03/2020	(50,700)	(17)	0.00
HP Call 22.9 01/04/2020	(72,400)	(17)	0.00
HP Call 23.61 08/04/2020	(68,800)	(10)	0.00
HP Call 23.25 22/04/2020	(114,000)	(33)	(0.01)
HSBC Holdings Call 5.847 04/03/2020	(497,576)	0	0.00
HSBC Holdings Call 6.165 11/03/2020	(535,851)	0	0.00
HSBC Holdings Call 5.743 18/03/2020	(803,776)	(11)	0.00
HSBC Holdings Call 5.962 01/04/2020	(765,501)	(9)	0.00
HSBC Holdings Call 5.998 08/04/2020	(727,226)	(9)	0.00
HSBC Holdings Call 5.848 22/04/2020	(803,776)	(27)	(0.01)
HSBC Holdings Call 5.869 06/05/2020	(803,776)	(33)	(0.01)
HSBC Holdings Call 6.159 13/05/2020	(803,776)	(14)	0.00
HSBC Holdings Call 5.72 27/05/2020	(765,504)	(52)	(0.01)
Intel Call 61.85 04/03/2020	(67,200)	0	0.00
Intel Call 61.92 11/03/2020	(72,400)	(5)	0.00
Intel Call 64.95 01/04/2020	(103,500)	(12)	0.00
Intel Call 63.89 08/04/2020	(98,300)	(23)	(0.01)
Intel Call 70.6 22/04/2020	(85,600)	(3)	0.00
J Sainsbury Call 2.489 04/03/2020	(772,937)	0	0.00
J Sainsbury Call 2.613 11/03/2020	(832,393)	0	0.00
J Sainsbury Call 2.228 18/03/2020	(846,372)	(2)	0.00
J Sainsbury Call 2.394 08/04/2020	(1,053,528)	(2)	0.00
J Sainsbury Call 2.247 22/04/2020	(679,891)	(7)	0.00
J Sainsbury Call 2.288 06/05/2020	(779,764)	(10)	0.00
J Sainsbury Call 2.386 13/05/2020	(877,405)	(7)	0.00
J Sainsbury Call 2.33 27/05/2020	(557,502)	(5)	0.00

Portfolio Statement (continued)

	Holding at 28.2.20	Market Value £000's	% of net assets
Legal & General Group Call 3.174 04/03/2020	(678,712)	0	0.00
Legal & General Group Call 3.371 18/03/2020	(763,997)	0	0.00
Legal & General Group Call 3.259 22/04/2020	(471,663)	(5)	0.00
Legal & General Group Call 3.252 06/05/2020	(469,878)	(3)	0.00
Legal & General Group Call 3.257 13/05/2020	(704,817)	(6)	0.00
Legal & General Group Call 3.095 27/05/2020	(730,921)	(14)	0.00
Lloyds Banking Group Call 0.685 04/03/2020	(5,900,892)	0	0.00
Lloyds Banking Group Call 0.694 11/03/2020	(6,354,807)	0	0.00
Lloyds Banking Group Call 0.685 01/04/2020	(9,078,295)	0	0.00
Lloyds Banking Group Call 0.614 08/04/2020	(6,869,205)	0	0.00
Lloyds Banking Group Call 0.598 22/04/2020	(4,553,371)	0	0.00
Lloyds Banking Group Call 0.608 06/05/2020	(4,202,268)	(1)	0.00
Lloyds Banking Group Call 0.614 13/05/2020	(5,646,454)	(1)	0.00
Lloyds Banking Group Call 0.561 27/05/2020	(9,532,210)	(20)	0.00
Marks & Spencer Group Call 2.274 04/03/2020	(1,263,971)	0	0.00
Marks & Spencer Group Call 2.458 11/03/2020	(1,361,199)	0	0.00
Marks & Spencer Group Call 1.97 18/03/2020	(957,723)	(1)	0.00
Marks & Spencer Group Call 2.432 01/04/2020	(548,694)	0	0.00
Marks & Spencer Group Call 2.031 08/04/2020	(1,568,968)	(4)	0.00
Marks & Spencer Group Call 2.024 22/04/2020	(644,990)	(2)	0.00
Marks & Spencer Group Call 2.035 06/05/2020	(787,391)	(2)	0.00
Marks & Spencer Group Call 2.04 13/05/2020	(799,701)	(2)	0.00
Marks & Spencer Group Call 1.926 27/05/2020	(721,863)	(8)	0.00

	Holding at 28.2.20	Market Value £000's	% of net assets
Next Call 77.147 04/03/2020	(29,114)	0	0.00
Reach Call 1.566 22/04/2020	(119,662)	(15)	0.00
Reach Call 1.972 06/05/2020	(141,450)	(13)	0.00
Reach Call 1.942 13/05/2020	(101,269)	(9)	0.00
Reach Call 2.15 27/05/2020	(131,720)	(13)	0.00
Royal Bank of Scotland Group Call 2.559 04/03/2020	(2,156,085)	0	0.00
Royal Bank of Scotland Group Call 2.783 11/03/2020	(2,321,938)	0	0.00
Royal Bank of Scotland Group Call 2.23 18/03/2020	(3,299,489)	0	0.00
Royal Bank of Scotland Group Call 2.624 01/04/2020	(1,561,400)	0	0.00
Royal Bank of Scotland Group Call 2.419 08/04/2020	(1,910,131)	0	0.00
Royal Bank of Scotland Group Call 2.395 22/04/2020	(2,156,036)	(1)	0.00
Royal Bank of Scotland Group Call 2.404 06/05/2020	(2,267,619)	(3)	0.00
Royal Bank of Scotland Group Call 2.483 13/05/2020	(2,065,704)	(2)	0.00
Royal Bank of Scotland Group Call 2.216 27/05/2020	(2,452,210)	(23)	0.00
Royal Dutch Shell B Call 22.785 04/03/2020	(195,186)	0	0.00
Royal Dutch Shell B Call 23.375 11/03/2020	(140,797)	0	0.00
Royal Dutch Shell B Call 20.362 18/03/2020	(217,707)	(2)	0.00
Royal Dutch Shell B Call 23.896 01/04/2020	(70,633)	0	0.00
Royal Dutch Shell B Call 23.697 08/04/2020	(126,395)	0	0.00
Royal Dutch Shell B Call 21.929 22/04/2020	(127,621)	(2)	0.00

Portfolio Statement (continued)

	Holding at 28.2.20	Market Value £000's	% of net assets
Royal Dutch Shell B Call 20.881 06/05/2020	(135,128)	(7)	0.00
Royal Dutch Shell B Call 21.067 13/05/2020	(202,693)	(10)	0.00
Royal Dutch Shell B Call 19.446 27/05/2020	(210,200)	(30)	(0.01)
Sanofi Call 89.931 04/03/2020	(43,767)	(2)	0.00
Sanofi Call 94.23 11/03/2020	(47,133)	(2)	0.00
Sanofi Call 98.249 18/03/2020	(47,478)	(1)	0.00
Sanofi Call 95.999 01/04/2020	(67,334)	(11)	0.00
Sanofi Call 95.334 08/04/2020	(50,924)	(13)	0.00
Sanofi Call 92.793 22/04/2020	(33,798)	(23)	0.00
Sanofi Call 94.95 06/05/2020	(31,174)	(17)	0.00
Sanofi Call 94.75 13/05/2020	(41,881)	(14)	0.00
Sanofi Call 95.218 27/05/2020	(47,220)	(19)	0.00
South32 Call 1.581 04/03/2020	(189,264)	0	0.00
South32 Call 1.673 11/03/2020	(292,667)	0	0.00
South32 Call 1.44 18/03/2020	(171,499)	0	0.00
South32 Call 1.609 01/04/2020	(139,376)	0	0.00
South32 Call 1.518 22/04/2020	(210,761)	0	0.00
South32 Call 1.542 06/05/2020	(170,946)	0	0.00
South32 Call 1.538 13/05/2020	(176,875)	0	0.00
Standard Chartered Call 7.542 04/03/2020	(736,814)	0	0.00
Standard Chartered Call 7.828 11/03/2020	(793,492)	0	0.00
Standard Chartered Call 6.717 18/03/2020	(744,009)	0	0.00
Standard Chartered Call 7.456 01/04/2020	(509,873)	0	0.00

	Holding at 28.2.20	Market Value £000's	% of net assets
Standard Chartered Call 7.566 08/04/2020	(707,771)	0	0.00
Standard Chartered Call 7.053 22/04/2020	(551,902)	(1)	0.00
Standard Chartered Call 6.937 06/05/2020	(925,455)	(3)	0.00
Standard Chartered Call 6.945 13/05/2020	(874,635)	(4)	0.00
Standard Chartered Call 6.628 27/05/2020	(1,001,447)	(19)	0.00
Tesco Call 2.53 04/03/2020	(1,866,186)	0	0.00
Tesco Call 2.72 11/03/2020	(2,009,739)	0	0.00
Tesco Call 2.754 18/03/2020	(2,221,981)	0	0.00
Tesco Call 2.701 01/04/2020	(2,241,532)	(3)	0.00
Tesco Call 2.654 08/04/2020	(2,643,380)	(11)	0.00
Tesco Call 2.623 22/04/2020	(1,470,644)	(14)	0.00
Tesco Call 2.743 13/05/2020	(3,720,152)	(29)	(0.01)
Tesco Call 2.592 27/05/2020	(2,009,739)	(37)	(0.01)
TP ICAP Call 4.447 04/03/2020	(79,371)	0	0.00
TP ICAP Call 4.533 11/03/2020	(122,914)	0	0.00
TP ICAP Call 4.219 18/03/2020	(63,910)	0	0.00
TP ICAP Call 4.544 08/04/2020	(75,145)	0	0.00
TP ICAP Call 4.024 22/04/2020	(65,850)	(1)	0.00
TP ICAP Call 4.276 06/05/2020	(79,013)	0	0.00
TP ICAP Call 4.208 13/05/2020	(91,910)	(1)	0.00
Vodafone Group Call 1.638 04/03/2020	(1,085,363)	0	0.00
Vodafone Group Call 1.635 11/03/2020	(1,168,852)	(1)	0.00
Vodafone Group Call 1.68 18/03/2020	(1,753,279)	(2)	0.00

Portfolio Statement (continued)

	Holding at 28.2.20	Market Value £000's	% of net assets
Vodafone Group Call 1.588 01/04/2020	(1,669,789)	(15)	0.00
Vodafone Group Call 1.699 08/04/2020	(1,586,300)	(6)	0.00
Vodafone Group Call 1.682 22/04/2020	(1,753,279)	(10)	0.00
Vodafone Group Call 1.633 06/05/2020	(1,753,279)	(19)	0.00
Vodafone Group Call 1.657 13/05/2020	(1,753,279)	(17)	0.00
Vodafone Group Call 1.68 27/05/2020	(1,669,790)	(17)	0.00
William Hill Call 2.059 04/03/2020	(312,146)	0	0.00
William Hill Call 2.15 11/03/2020	(505,648)	0	0.00
William Hill Call 2.244 01/04/2020	(288,869)	0	0.00
William Hill Call 2.133 08/04/2020	(290,477)	(1)	0.00
William Hill Call 1.919 06/05/2020	(279,909)	(4)	0.00
William Hill Call 2.23 13/05/2020	(311,513)	(1)	0.00
William Hill Call 1.989 27/05/2020	(543,297)	(8)	0.00
Wm Morrison Supermarkets Call 2.137 04/03/2020	(1,620,045)	0	0.00
Wm Morrison Supermarkets Call 2.162 11/03/2020	(1,606,181)	0	0.00
Wm Morrison Supermarkets Call 1.963 18/03/2020	(1,018,170)	0	0.00

	Holding at 28.2.20	Market Value £000's	% of net assets
Wm Morrison Supermarkets Call 2.051 01/04/2020	(1,027,920)	0	0.00
Wm Morrison Supermarkets Call 2.045 08/04/2020	(2,012,030)	(1)	0.00
Wm Morrison Supermarkets Call 1.96 22/04/2020	(1,236,461)	(4)	0.00
Wm Morrison Supermarkets Call 1.957 06/05/2020	(714,284)	(4)	0.00
Wm Morrison Supermarkets Call 1.957 13/05/2020	(862,312)	(5)	0.00
Wm Morrison Supermarkets Call 1.867 27/05/2020	(828,520)	(17)	0.00
WPP Call 10.698 04/03/2020	(201,825)	0	0.00
WPP Call 11.423 11/03/2020	(217,350)	0	0.00
WPP Call 10.815 18/03/2020	(326,025)	0	0.00
WPP Call 11.579 01/04/2020	(182,780)	0	0.00
WPP Call 11.233 08/04/2020	(264,086)	0	0.00
WPP Call 10.56 22/04/2020	(312,544)	(2)	0.00
WPP Call 10.644 06/05/2020	(326,025)	(4)	0.00
WPP Call 10.838 13/05/2020	(326,025)	(4)	0.00
WPP Call 10.329 27/05/2020	(326,025)	(9)	0.00
Written Options total		(1,485)	(0.15)

Portfolio Statement (continued)

	Holding at 28.2.20	Market Value £000's	% of net assets
Forward Foreign Currency Contracts (0.01)% ((0.23)%)			
Buy EUR 6,336,000 Sell GBP 5,432,229 15/04/2020	EUR 6,336,000	(18)	0.00
Buy USD 14,228,000 Sell GBP 10,951,060 15/04/2020	USD 14,228,000	81	0.01
Buy USD 7,620,000 Sell GBP 5,909,370 15/04/2020	USD 7,620,000	(1)	0.00
Sell EUR 68,200,000 Buy GBP 58,585,028 15/04/2020	EUR (68,200,000)	299	0.03
Sell USD 63,180,000 Buy GBP 48,481,765 15/04/2020	USD (63,180,000)	(506)	(0.05)
Forward Foreign Currency Contracts total		(145)	(0.01)
Portfolio of investments		973,084	96.65
Net other assets		33,701	3.35
Net assets attributable to unitholders		1,006,785	100.00

The comparative percentage figures in brackets are as at 31 August 2019.

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

Statement of Total Return (unaudited)

For the six months ended 28 February 2020

	28.2.20		28.2.19	
	£000's	£000's	£000's	£000's
Income				
Net capital losses		(89,342)		(37,788)
Revenue	31,577		40,469	
Expenses	(6,002)		(6,254)	
Net revenue before taxation	25,575		34,215	
Taxation	(1,841)		(3,350)	
Net revenue after taxation		23,734		30,865
Total return before distributions		(65,608)		(6,923)
Distributions		(28,385)		(34,710)
Change in net assets attributable to unitholders from investment activities		(93,993)		(41,633)

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

For the six months ended 28 February 2020

	28.2.20		28.2.19	
	£000's	£000's	£000's	£000's
Opening net assets attributable to unitholders		1,135,580 [^]		1,190,958
Amounts receivable on issue of units	40,057		127,314	
Amounts payable on cancellation of units	(80,791)		(52,691)	
		(40,734)		74,623
Dilution adjustment		0		178
Change in net assets attributable to unitholders from investment activities		(93,993)		(41,633)
Retained distribution on Accumulation units		5,922		7,944
Unclaimed distributions		10		12
Closing net assets attributable to unitholders		1,006,785		1,232,082[^]

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

Balance Sheet (unaudited)

As at 28 February 2020

	28.2.20	31.8.19
	£000's	£000's
Assets		
Investments	975,094	1,129,212
Current assets		
Debtors	7,732	22,149
Cash and bank balances	41,193	57,199
Total assets	1,024,019	1,208,560
Liabilities		
Investment liabilities	(2,010)	(6,433)
Creditors		
Distributions payable	(13,956)	(26,344)
Other creditors	(1,268)	(40,203)
Total liabilities	(17,234)	(72,980)
Net assets attributable to unitholders	1,006,785	1,135,580

Notes to the Accounts (unaudited)

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)).

Accounting policies

The accounting policies applied are consistent with those of the annual accounts for the year ended 31 August 2019 and are described in those annual accounts.

General Information

Manager

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU

Authorised and regulated by the Financial Conduct Authority

Investment Adviser

Schroder Investment Management Limited
1 London Wall Place
London EC2Y 5AU

Authorised and regulated by the Financial Conduct Authority

Trustee

J.P. Morgan Europe Limited
Chaseside
Bournemouth BH7 7DA

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority

Registrar

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU

Authorised and regulated by the Financial Conduct Authority

Administration Details

Schroders
FREEPOST
RLTZ-CHSY-HBUT
PO Box 1102
Chelmsford
Essex CM99 2XX

Investor Services
0800 718 777
investorservices@schroders.com
Dealing 0800 718 788
Fax 0870 043 4080

Independent Auditors

PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX

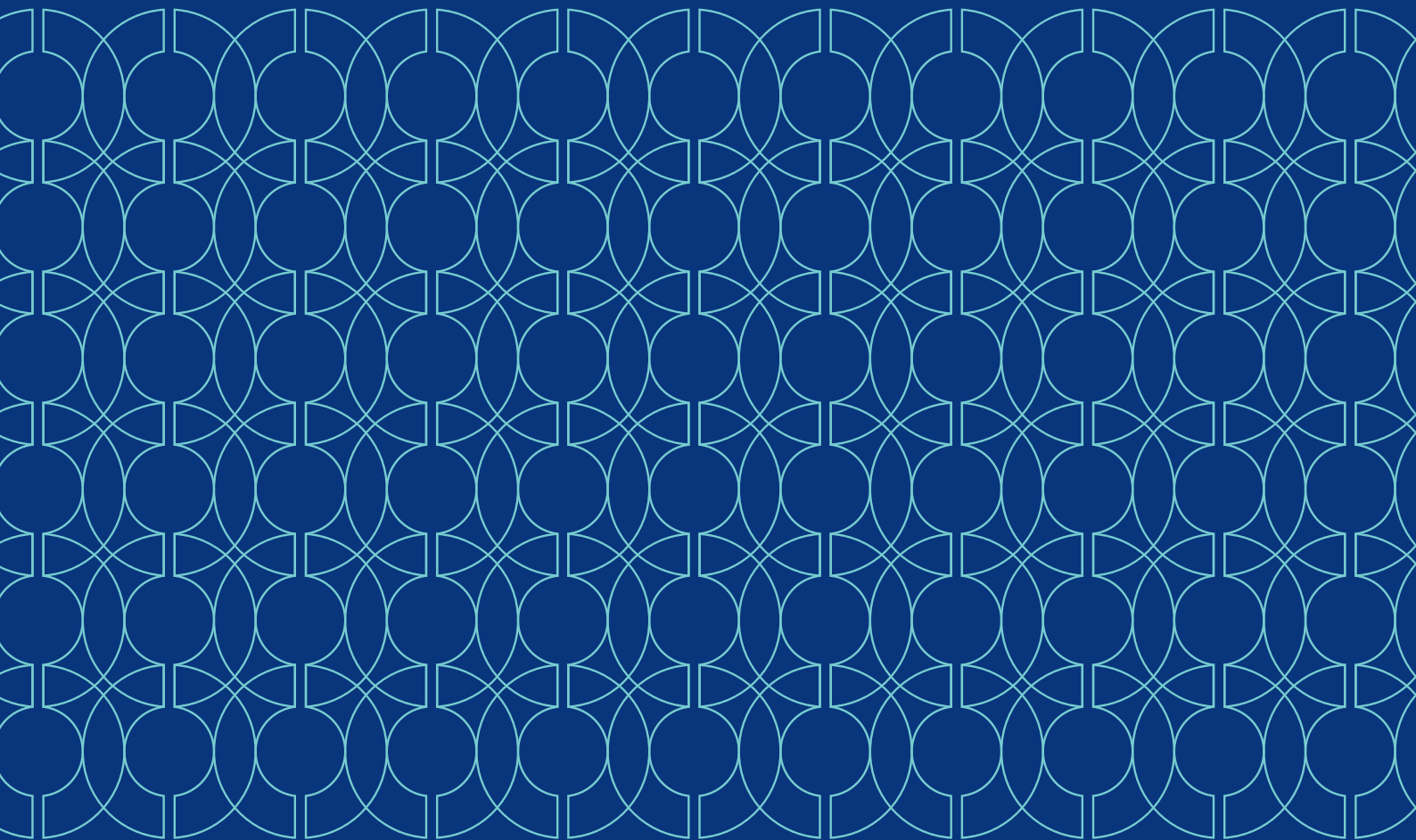
Authorisation

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

Other information

With effect from 14 November 2019 the minimum Initial investment for Z Income units and Z Accumulation units decreased from £1,000,000 to £50,000.

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



EST. 1804

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For further literature please contact Schroder Investor Services on 0800 718 777 or at investorservices@schroders.com, or visit our website at www.schroders.com.

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