

Schroder Investment Management North America Ltd Advisory Brochure

March 2022

ITEM 1: Cover Page

Schroder Investment Management North America Ltd (the “Adviser” or “SIMNA Ltd”) is an affiliate of Schroders plc, a global asset management company. Both are based in London, UK. The Adviser is registered with the Securities and Exchange Commission (the “Commission”) as an investment adviser and authorised and regulated by the Financial Conduct Authority. This brochure provides information about the products and services that the Adviser provides. It also contains a description of the Adviser’s business practices and highlights risks and conflicts that might arise. The brochure also contains a description of the qualifications of the Adviser’s management personnel. Supplementary brochures are available that describe the qualifications of the investment personnel in more detail for specific investment strategies.

The information presented in this brochure was prepared by the Adviser, which is solely responsible for the content. Neither the Commission nor any State securities regulator has approved or verified the information contained in this brochure, and the mere fact of registration with the Commission in no way implies that the adviser has any particular level of skill or training to carry out its business.

PURSUANT TO AN EXEMPTION FROM THE COMMODITY FUTURES TRADING COMMISSION IN CONNECTION WITH ACCOUNTS OF QUALIFIED ELIGIBLE PERSONS, THIS BROCHURE OR ACCOUNT DOCUMENT IS NOT REQUIRED TO BE, AND HAS NOT BEEN, FILED WITH THE COMMODITY FUTURES TRADING COMMISSION. THE COMMISSION DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN A TRADING PROGRAM OR UPON THE ADEQUACY OR ACCURACY OF COMMODITY TRADING ADVISOR DISCLOSURE. CONSEQUENTLY, THE COMMODITY FUTURES TRADING COMMISSION HAS NOT REVIEWED OR APPROVED THIS TRADING PROGRAM OR THIS BROCHURE OR ACCOUNT DOCUMENT.

If you have any questions about the content of this brochure, please contact us at the telephone number or e-mail address provided above. For specific questions about particular advisory services or products described in this brochure, you can find additional contact information at this worldwide website:

<http://www.schroders.com/us/contact-us>.

Additional information about Schroder Investment Management North America Ltd is also available on the SEC’s website at www.adviserinfo.sec.gov.

This brochure is the sixteenth amendment to the Firm's Advisory Brochure. This version includes information regarding:
Updates to Item 4, 5 and 8 to update information about a number of strategies and added information about some new strategies that are now marketing in the US.

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ITEM 4: Business Advisory

The Adviser is an affiliate of Schroders plc, a London Stock Exchange-listed financial services company. The Adviser is indirectly owned in its entirety by that public company. Trustees of certain settlements made by members of the Schroder family hold in excess of 25% of the voting shares of Schroders plc. Schroders has been in business since 1804. The Adviser registered with the Securities and Exchange Commission in 1990.

The Adviser manages assets for domestic and foreign clients through delegation from its affiliate adviser, Schroder Investment Management North America Inc. ("SIMNA Inc."). Portfolio managers for the Adviser generally work as portfolio managers for offshore affiliated advisers as well. The portfolio managers most often manage assets in the same strategy for a UK affiliate called Schroder Investment Management Ltd. That adviser is regulated by the UK Financial Conduct Authority and is not registered with the SEC. Schroder Investment Management Ltd does not do business in the US.

The non-US Equity and Fixed Income strategies that the Adviser manages for SIMNA Inc. are:

- Global/International Equity
- Global/International Alpha
- International Alpha ADR
- Global/International Small Cap
- Emerging Markets Equity
- Emerging Markets Equity Alpha
- Frontier Markets Equity
- Emerging Markets Equity Impact
- Global Emerging Markets Small Cap
- Global Climate Change
- Global Climate Leaders
- Global Sustainable Growth
- Global Disruption
- Global Energy Transition
- Global Sustainable Food & Water
- Healthcare Innovation
- US Large Cap Equity
- Swiss Equities
- Asian Equities
- Indian Equities
- Global Strategic Bond

The quantitative equity strategies are:

- Global Core
- International (ex-US) Value
- Global Value
- Global Quality
- Global Blend
- Global ESG
- Emerging Markets
- Emerging Markets Synergy

The multi-asset strategies are:

- Diversified Growth
- Alternative Risk Premia
- Sustainable Dynamic Balanced
- Multi-Asset Alpha

The Systematic Investments strategies are:

- Sustainable Multi-Factor Equity
- Global Multi-Factor Equity

The Adviser also offers alternative investment strategies including:

- Commodities
- Emerging Market Debt (Absolute Return)
- Insurance Linked Securities
- Multi-Strategy, Market Neutral

The Adviser also offers Portfolio Solutions strategies including:

- Risk-Managed US Equities
- Risk-Managed International Equities

For investment products and services managed by the Adviser, our affiliated adviser in the US, SIMNA Inc., markets products or services to US investors. The Adviser does not ordinarily take on clients directly. Clients and prospective clients contemplating investment in products managed by the Adviser enter agreements with SIMNA Inc., which then delegates management to the Adviser. Prospective clients will receive a similar brochure for SIMNA Inc. and should read carefully the disclosures in that brochure as well.

The Adviser primarily manages assets on a discretionary basis for SIMNA Inc. Substantially all of its accounts resulted from delegation of management authority from SIMNA Inc. The Adviser does not directly advertise, solicit clients or distribute products in the US. Its role in marketing is limited to assisting SIMNA Inc prepare their own material for its use. SIMNA Inc. independently makes decisions about what marketing material it will provide to US Investors. The types of clients for which the Adviser provides sub-advisory services include institutions, endowments, foundations, pension funds, government retirement plans, and insurance

companies and, to registered investment companies.¹

The specific guidelines for these types of accounts are generally the subject of negotiation between SIMNA Inc. and prospective clients. Clients may provide restrictions that differ from the Adviser's usual style of managing for a particular strategy. Some strategies may have more latitude for accepting deviations from the ordinary management style of a strategy. The Adviser must approve any guidelines agreed to by SIMNA Inc., but the Adviser does not directly negotiate with those prospective clients.

The Adviser has also registered as a Portfolio Manager in several Canadian provinces: Alberta, British Columbia, Manitoba, Nova Scotia, Ontario, Quebec, New Brunswick and Saskatchewan.

¹In mutual fund sub-advisory arrangement, the investment adviser appointed by the board of the fund delegates to another advisor the actual selection of securities for the fund, typically on a discretionary basis. Other responsibilities for operation of the fund – such as pricing, marketing and preparing information for the fund board – are retained by the principal adviser.

The Adviser does not actively manage accounts in wrap fee programs. SIMNA Inc. may agree to provide a model portfolio to some wrap sponsors. If the Adviser manages those strategies, it devises the model that SIMNA Inc. provides. All orders for the program's accounts are raised by the wrap fee program sponsor. Each sponsor exercises investment discretion and executes each client's portfolio transaction based on such sponsor's own judgement. The Adviser does not provide model portfolios based on the individual needs of any one client.

The table below shows the assets under management:

As of December 31, 2021	Assets	# of Accounts
Delegated from SIMNA Inc.	\$ 83,107,000,000	91
Managed by SIMNA Ltd.	\$ 83,107,000,000	91

ITEM 5: Fees and Compensation

The Adviser generally manages portfolios for SIMNA Inc. pursuant to delegation arrangements. SIMNA Inc. determines the fees for prospective clients and consults with the Adviser concerning the fees for the strategies that the Adviser manages. SIMNA Inc. may negotiate a different fee with its clients based on the circumstances, subject to the agreement of the Adviser. SIMNA Inc. and the Adviser agree upon a split of the fee that SIMNA Inc. negotiates with a prospective client.

The prospectus of each registered fund sub-advised by the Adviser sets forth the applicable fees and expenses. With respect to unregistered private funds managed by SIMNA Inc. and delegated to the Adviser, the applicable fees and expenses are set forth in the relevant offering or governing documents, or in certain cases, in a separate fee agreement between SIMNA Inc. and an investor in a private fund.

The standard fee structure that SIMNA Inc. and the Adviser have established for separate accounts in the strategies that the Adviser sub-advises are set forth below.

1. Equities

Global/International Equity

Separate Account

Management fee: 0.50% on first \$100 million;
0.40% on next \$100 million; and
0.35% thereafter

Minimum account size: \$50 million

Global/International Alpha

Separate Account

Management fee: 0.60% on first \$100 million;
0.50% on next \$100 million; and
0.45% thereafter

Minimum account size: \$50 million

International Alpha ADR

Offered only through model delivery to wrap-fee program sponsors.

Global/International Small Cap

Separate Account

Management fee: 0.95% on all assets

Minimum account size: \$100 million

Emerging Market Equity

Separate Account

Management fee: 1.00% on first \$100 million;
0.80% on the next \$100 million; and
0.65% thereafter

Minimum account size: \$100 million

Frontier Markets Equity

Separate Account

Management fee: 1.35% on first \$100 million;
and 1.10% thereafter
Minimum account size: \$100 million

Emerging Markets Equity Alpha

Separate Account

Management fee: 1.00% on first \$100 million;
0.80% on the next \$100 million;
and 0.65% thereafter
Minimum account size: \$100 million

Emerging Markets Equity Impact

Separate Account

Management fee: 1.00% on first \$100 million;
0.80% on the next \$100 million;
and 0.65% thereafter
Minimum account size: \$50 million

Global Emerging Markets Small Cap

Separate Account

Management fee: 1.35% on first \$100 million;
and 1.10% thereafter
Minimum account size: \$75 million

Global Climate Change

Separate Account

Management fee: 0.70% on first \$100 million;
0.60% on the next \$100 million;
and 0.55% thereafter
Minimum account size: \$100 million

Global Climate Leaders

Separate Account

Management fee: 0.65% on first \$100 million;
0.60% on the next \$100 million;
and 0.55% thereafter
Minimum account size: \$50 million

Global Sustainable Growth

Separate Account

Management fee: 0.65% on first \$100 million;
0.60% on the next \$100 million; and
0.55% thereafter
Minimum account size: \$50 million

Global Disruption

Separate Account

Management fee: 0.70% on first \$100 million;
0.60% on the next \$100 million; and
0.55% thereafter
Minimum account size: \$50 million

Global Energy Transition

Separate Account

Management fee: 0.70% on first \$100 million;
0.60% on the next \$100 million; and
0.55% thereafter
Minimum account size: \$50 million

Global Sustainable Food & Water

Separate Account

Management fee: 0.70% on first \$100 million;
0.60% on the next \$100 million; and
0.55% thereafter
Minimum account size: \$50 million

Healthcare Innovation

Separate Account

Management fee: 0.70% on first \$100 million;
0.60% on the next \$100 million; and
0.55% thereafter
Minimum account size: \$50 million

US Large Cap Equity

Separate Account

Management fee: 0.50% on first \$100 million;
0.40% on the next \$100 million; and
0.35% thereafter
Minimum account size: \$50 million

Swiss Equities

This strategy is available only through a pooled investment vehicle.

Asian Equities

Separate Account

Management fee: 0.90% on first \$100 million;
0.80% on the next \$100 million; and
0.75% thereafter
Minimum account size: \$100 million

Indian Equities

Separate Account

Management fee: 0.75% on first \$100 million;
0.65% on the next \$100 million; and
0.60% thereafter
Minimum account size: \$50 million

2. Fixed Income

Global Strategic Bond

Separate Account

Management fee: 1.00% on all assets and performance fee
Minimum fund size: \$50 million

3. Quantitative Equity Products (QEP)

Global Core

Separate Account

Management fee: 0.25% on the first \$200 million; and
0.15% thereafter
Minimum account size: Typically \$200 million

International (ex-US) Value

Separate Account

Management fee: 0.70% on first \$100 million;
0.55% on the next \$100 million; and
0.40% thereafter
Minimum account size: Typically \$100 million

Global Value

Separate Account

Management fee: 0.70% on first \$100 million;
0.55% on the next \$100 million; and
0.40% thereafter
Minimum account size: Typically \$150 million

Global Quality

Separate Account

Management fee: 0.70% on first \$100 million;
0.55% on the next \$100 million; and
0.40% thereafter
Minimum account size: Typically \$150 million

Global Blend

Separate Account

Management fee: 0.70% on first \$100 million;
0.55% on the next \$100 million; and
0.40% thereafter
Minimum account size: Typically \$150 million

Global / International ESG

Separate Account

Management fee: 0.70% on first \$100 million;
0.55% on the next \$100 million; and
0.40% thereafter
Minimum account size: Typically \$150 million

Emerging Markets

Separate Account

Management fee: 0.75% on first \$200 million;
and 0.60% thereafter
Minimum account size: Typically \$150 million

Emerging Markets Synergy

Separate Account

Management fee: 0.75% on first \$200 million;
and 0.60% thereafter
Minimum account size: Typically \$150 million

4. Multi Asset

Diversified Growth

Separate Account

AUM Management Fee

First \$200m	0.55%
Next \$300m	0.475%
Next \$500m	0.425%
Next \$500m	0.40%
Thereafter	0.375%

Minimum account size: \$300 million

Alternative Risk Premia

Separate Account

Management fee: 0.65% on the first \$250 million;
0.60% on the next \$250 million; and
0.55% thereafter
Minimum account size: \$250 million

Sustainable Dynamic Balanced

This strategy is available only through a pooled investment vehicle.

Multi-Asset Alpha

Separate Account

Management Fee:

First \$200m	0.55%
Next \$300m	0.475%
Next \$500m	0.425%
Next \$500m	0.40%
Thereafter	0.375%

Minimum account size: \$300 million

5. Systematic Investments

Sustainable Multi-Factor Equity

Separate Account

Management fee – 0.20%

Minimum account size: Typically \$200 million

Global Multi-Factor Equity

Separate Account

Management fee – 0.20%

Minimum account size: \$200 million

6. Alternatives

Emerging Market Debt

Separate Account

Management fee: 0.70% on the first \$100 million;
0.60% on the next \$100 million;
And 0.50 % thereafter.

Minimum account size: \$100 million

Commodities Total Return

Separate Account

Management fee: 0.70% on the first \$100 million;
0.60% on the next \$100 million;
0.50% thereafter, plus a relative on
the next \$100 million; and 0.50%
thereafter, plus a relative
performance fee of 20% of
outperformance over the
Bloomberg Commodity TR Index
(subject to watermark)

Minimum account size: \$100

Insurance Linked Securities

This strategy is available only through a pooled investment vehicle.

Multi-Strategy, Market Neutral

This strategy is available only through a pooled investment vehicle.

7. Portfolio Solutions

U.S. Risk-Managed Equities

Separate Account

0.20% on first \$250 million

0.15% on balance

\$150,000 per annum minimum fee

Fees are assessed on notional exposure rather than the assets under management

International Risk-Managed Equities

Separate Account

0.20% on first \$250 million

0.15% on balance

\$150,000 per annum minimum fee

Fees are assessed on notional exposure rather than the assets under management

Subject to consultation with the Adviser, SIMNA Inc. sometimes negotiates and agrees to fees on a different basis where the circumstances warrant it. SIMNA Inc. sometimes agrees to a lower fee, for example, where the amounts managed significantly exceed the minimum investment. Fee proposals made by the Adviser in connection with Request for Proposals ("RFPs") sometimes vary from the published fee schedule. The Adviser sometimes negotiates fees where the client has multiple existing accounts. Some clients have fees based on a different fee schedule in effect at the time agreements were originally executed and new funds the client added to the original account would receive the original fee. Fees sometimes are also be higher for clients who seek specialized mandates that vary significantly from the standard strategies managed for other clients. SIMNA Inc. and the Adviser generally have agreed on a minimum account size as shown under Item 5. In consultation with the Adviser, SIMNA Inc. may waive the minimum account size.

SIMNA Inc. collects fees paid by clients for which the Adviser is providing portfolio management services. Please see the disclosures in the SIMNA Inc. brochure relating to its policies regarding the timing of fees. Advisory clients incur other expenses apart from the advisory fee. These expenses typically include custody fees, brokerage services and other transaction fees. Funds and partnerships will have other expenses that may include legal, and accounting fees. Fund and partnership fees are shared by all participants in the vehicle.

The Adviser may also use non-affiliated money market funds as temporary investment vehicles for certain of its advisory accounts. Investing in money market funds for client accounts will incur a separate advisory fee paid to the manager of the money market fund. The client is responsible for that fee unless otherwise agreed or prohibited by law.

Neither the Adviser nor any of its employees accept compensation for the sale of securities or other investment services or products from third parties such as issuers or intermediaries. Please review Item 12 for disclosures about our brokerage practices and research provided by brokers.

ITEM 6: Performance-Based Fees and Side-by-Side Management

SIMNA Inc. sometimes enters into agreements for performance-based fees with qualified clients relating to strategies that the Adviser sub-advises. Some private funds also have fees calculated in part on performance. The Adviser receives a portion of the performance fees that SIMNA Inc. collects. There sometimes are instances in which a portfolio manager is managing accounts in the same strategy that have differences in the fee paid by difference accounts. This would include the management “side-by-side” of accounts with performance based and non-performance based fees, including where the Adviser has made an investment in certain funds that also include a performance fee. Managers have a potential conflict of interest arising from the fee difference among accounts. The Adviser monitors for such conflicts by reviewing account performance.

Accounts in the same strategy are included in a single composite for the purposes of performance presentations for that strategy. Trades for accounts in the same strategy are generally carried out as aggregated trades. In such trades, each account gets an average price and shares pro rata in the transaction costs. Where trades are done in the aggregate, a portfolio manager cannot favor one account over the other. In addition, where applicable, an investment risk committee which typically consists of investment staff, product managers and investment risk team members oversees these composites including a review of any account that is an “outlier.” An outlier would be any account that deviated significantly from the performance of the composite as a whole. Product managers or portfolio managers are required to explain whenever account performance is significantly different than composite results. The Adviser believes that the outlier review would identify accounts that needed further analysis if a manager unduly favored one account in the same strategy.

The Adviser provides investment management services predominantly to its US affiliate, SIMNA Inc., by sub-advising on investment management agreements that SIMNA Inc. has entered with institutions, endowments, foundations, pension funds, government retirement plans, and insurance companies or as sub-adviser to registered investment companies sponsored by other advisers. These clients and prospects are usually sophisticated investors. The Adviser also manages mutual funds open to retail investors but the Adviser almost exclusively markets to institutional clients and fund of funds products, who may have direct investments in the funds. As noted, the Adviser provides model portfolios to wrap-fee program sponsors, whose clients typically are in the high net worth category.

The Adviser sub-advises private institutional vehicles including trusts and partnerships that SIMNA Inc. offers only on a private placement basis. In order to invest in private vehicles, prospective clients generally must be “qualified purchasers” as defined under Section 2(a)(51) of the Investment Company Act of 1940. The Adviser reserves the right not to enter into an advisory agreement with any person or institution for any legally acceptable reason.

ITEM 7: Types of Clients

EQUITIES

1. International and Global Small Cap

ITEM 8: Methods of Analysis, Investment Strategies and Risk of Loss

The International and Global Small Companies strategy has a core investment style with a growth bias. It is managed by a team led by Luke Biermann (the Adviser) for International Small Cap and Luke Biermann and Bob Kaynor (SIMNA Inc.) for Global Small Cap. The investment strategy uses a bottom-up, fundamental, research-based approach. The portfolio managers and analysts seek to identify those companies that have compelling business models, strong management teams, attractive valuation levels and favorable long-term growth prospects. The team invests in undervalued stocks where it identifies catalysts for appreciation. The portfolio of approximately 125-175 stocks (approximately 200-250 for Global Small Cap) is diversified by region, country and type of company. It contains companies that typically exhibit solid return and growth characteristics, stronger than average balance sheets and cash flow attributes, and valuations broadly similar to or below those of the universe. The focus is on companies' long-term growth prospects with an investment horizon of approximately three years. The team seeks to manage risk at the security and country level.

The portfolio managers pick stocks within a regional framework. The team reviews an entire portfolio, monitors the overall sector positioning and attempts to ensure that the balance of risks and return is within expectations. The team also determines how to distribute the portfolio among regions, placing emphasis on regions with the most attractive prospects for smaller companies.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, volatile political conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, enhanced risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Investments in small capitalization companies generally carry greater risk than is customarily associated with larger capitalization companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies, and less liquidity.

2. Global and International Equities

The Global and International Equity strategies offers a high conviction, fundamental research-driven approach, aimed at delivering strong outperformance over the longer term within the context of a risk management framework. The portfolio management team at SIMNA Ltd. works to identify those companies which will deliver positive earnings surprise (we term this 'positive growth gap'). The Global Equities strategy is managed by Alex Tedder and Frank Thormann; the International Equities strategy is managed by Simon Webber and James Gautrey; the Global Alpha strategy is managed by Frank Thormann; and the International Alpha strategy is managed by James Gautrey. The strategies focus on selecting the best investment ideas that are identified by a team of locally based equity analysts and global sector specialists.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Products with high turnover may experience higher transaction costs.

3. Emerging Markets Equity and Frontier Markets Equity

The Emerging Market Equity strategy provides diversified exposure to a range of developing countries around the world. Developing economies are generally growing at a faster rate than developed economies, which leads to the opportunity for premium returns but often with higher risk attached. Ideas may be generated from many sources including our ongoing programme of company engagement, analysts' core coverage requirement, macroeconomic assessments, and our experienced investment professionals. In addition, we employ a system of quantitative style screens to flag potential new investment ideas. The investable universe is commonly defined by the MSCI Emerging Markets Index, which covers 25 countries and approximately 1,400 stocks. Index data as of December 31, 2021.

The Frontier Markets Equity strategy provides diversified exposure to a range of frontier market countries around the world. Frontier markets are at an even earlier stage of development than the emerging markets and offer some of the fastest rates of the economic growth in the world. This leads to the opportunity for premium returns, although there can be potentially higher risk attached. The primary investable universe is defined by the MSCI Frontiers Index which covers 28 countries and approximately 80 stocks, although the investment team will also invest in the wider frontier markets universe (index. Index data as at 31st December 2020).

Key characteristics of both strategies are summarized below:

- a. 50% of alpha generation is targeted from country allocation and 50% from stock decisions

- b. Country decisions are guided by a proprietary quantitative country model together with judgment overlay
- c. Fundamental in-house research with integrated ESG analysis carried out by a large team of analysts drives stock selection
- d. Risk management is applied in a proactive and disciplined fashion and includes tracking error targets and stop-loss reviews
- e. Team based approach organized around a matrix structure

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation.

Emerging markets pose greater risks than investments in developed markets. These risks include political and economic risks, civil conflicts and war, greater volatility, currency fluctuations, higher transactions costs, delayed settlement, possible foreign controls on investment, expropriation and nationalization risks, liquidity risks and less stringent investor protection and disclosure standards of some foreign markets. Events and evolving conditions in certain economies or markets may alter the risks associated with investments tied to countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in countries in emerging markets. These countries may have relatively unstable governments and less-established market economies than developed countries. Emerging markets may face greater social, economic, regulatory and political uncertainties. These risks make investments in emerging market more volatile and less liquid than in more developed countries.

4. Emerging Markets Equity Alpha

The Emerging Market Equity Alpha strategy, which is managed by SIMNA Ltd, provides exposure to the team's top graded stocks from developing countries around the world. Developing economies are generally growing at a faster rate than developed economies, which leads to the opportunity for premium returns but potentially with higher risk attached. Idea generation is driven by various sources including our ongoing programme of company engagement, analysts' core coverage requirement, macroeconomic assessments, and our experienced investment professionals. In addition, we employ a system of quantitative style screens to flag potential new investment ideas. The investable universe is primarily defined by the MSCI Emerging Markets Index, which covers 25 countries and approximately 1400 stocks (index data as at 31st December 2021), plus selected companies from the wider emerging and frontier markets universe.

Key characteristics are summarized below:

- a. Alpha generation is targeted through bottom-up fundamental stock selection, driven by in-house research with integrated ESG analysis, carried out by a large team of analysts.
- b. Proactive and disciplined risk management including tracking error targets and stop-loss reviews is applied to produce a concentrated, high conviction portfolio of 30-50 stocks with no systematic style bias
- c. Team based approach organized around a matrix structure

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation.

Emerging markets pose greater risks than investments in developed markets. These risks include political and economic risks, civil conflicts and war, greater volatility, currency fluctuations, higher transactions costs, delayed settlement, possible foreign controls on investment, expropriation and nationalization risks, liquidity risks, and less stringent investor protection and disclosure standards of some foreign markets. Events and evolving conditions in certain economies or markets may alter the risks associated with investments tied to countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in countries in emerging markets. These countries may have relatively unstable governments and less-established market economies than developed countries. Emerging markets may face greater social, economic, regulatory and political uncertainties. These risks make investments in emerging markets more volatile and less liquid than in more developed countries.

5. Emerging Markets Equity Impact

The Global Emerging Markets Impact Strategy invests in companies that intentionally and materially contribute to having a positive impact to society in line with the UN sustainable development goals (SDGs), including in 5 key areas: climate change, health and wellness, responsible consumption, sustainable infrastructure and inclusion. The strategy is driven by fundamental bottom-up stock analysis conducted by fund managers and analysts globally. Each company in a portfolio must have a positive societal return, be managed in a sustainable way and be an attractive investment from a financial perspective. The strategy invests in a concentrated portfolio of 30-50 publicly listed equities within Emerging markets with a low turnover given the long term horizon of investments. The investable universe is primarily defined by the MSCI Emerging Markets Index, which covers 25 countries and approximately 1400 stocks. Index data as at 31st December 2021.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation.

Emerging markets pose greater risks than investments in developed markets. These risks include political and economic risks, civil conflicts and war, greater volatility, currency fluctuations, higher transactions costs, delayed settlement, possible foreign controls on investment, expropriation and nationalization risks, liquidity risks, and less stringent investor protection and disclosure standards of some foreign markets. Events and evolving conditions in certain economies or markets may alter the risks associated with investments tied to countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in countries in emerging markets. These countries may have relatively unstable governments and less-established market economies than developed countries. Emerging markets may face greater social, economic, regulatory and political uncertainties. These risks make investments in emerging markets more volatile and less liquid than in more developed countries.

6. Global Climate Change

Schroders' Global Climate Change is a thematic global equity strategy which seeks to maximize excess returns by investing in companies whose long-term business outlook in our opinion, is significantly impacted by efforts to mitigate or adapt to climate change. Within the broad theme we have identified five sub-themes within which we believe climate change investment opportunities are most apparent – energy efficiency; low carbon leaders; clean energy; sustainable transport; and environmental resources. The strategy excludes companies that report significant ownership of fossil fuel reserves (e.g. oil, coal, gas, tar-sands, shale-gas) from our investable universe.

The strategy is managed by portfolio managers Simon Webber and Isabella Hervey-Bathurst. The portfolio managers are directly responsible for all decisions made within the strategy and have a detailed knowledge of all companies in which investments are made. The portfolio is benchmark-unconstrained, resulting in a high conviction portfolio of 50-80 stocks.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and

fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets.

7. Global Climate Leaders

Schroders' Global Climate Leaders is a thematic global equity strategy which is positioned as a Net Zero (or Paris Agreement) aligned global portfolio of best ideas from the Schroders Global Equity team and Global Climate Change investment team. Climate Leaders are companies that have ambitious targets to decarbonise, consistent with achieving a 1.5 degree scenario under the Paris Agreement on Climate Change or better. The strategy seek invest in the most attractive companies from a universe of approximately the top 5-10% of listed companies with respect to climate change alignment, as defined by their ambitions and the seriousness of their interim targets and delivery on these, based on the team's appraisal.

The strategy is managed at SIMNA Ltd by portfolio managers Simon Webber and Isabella Hervey-Bathurst. The portfolio managers are directly responsible for all decisions made within the strategy and have a detailed knowledge of all companies in which investments are made. The portfolio is benchmark-unconstrained, typically resulting in a high conviction portfolio of approximately 50-80 stocks.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets.

8. Global Sustainable Growth

The Global Sustainable Growth invests in issuers that the investment team believes are truly responsible companies that are managed for the long term, with stakeholder interests at heart, which offer the potential for capital growth. We believe that ultimately good corporate citizenship is an important driver of long term earnings durability and alpha generation. The strategy is managed with reference to material environmental, social and governance factors. This means issues such as climate change, environmental performance, labor standards or board composition may be considered in the assessment of companies. The strategy may invest in companies of any market capitalization.

The strategy is managed at SIMNA Ltd by portfolio managers Katherine Davidson and Charles Somers. The portfolio managers are directly responsible for all decisions made within the strategy and have a detailed knowledge of all companies in which investments are made. The portfolio is benchmark-unconstrained, typically resulting in a high conviction portfolio of 30-50 stocks.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Investments in small capitalization companies generally carry greater risk than is customarily associated with larger capitalization companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies, and less liquidity.

9. Global Emerging Markets Small Cap

The Global Emerging Markets Small Cap strategy provides diversified exposure to the smaller companies of emerging markets. The strategy is largely index unconstrained, with the primary investable universe being the MSCI Emerging Markets Small Cap Index, which covers 25 countries and approximately 1,800 stocks (index data as of December 31, 2021), although the strategy also aims to find good investments in medium-sized emerging companies and opportunistically in frontier market stocks. The strategy is managed by the Emerging Markets Equity team.

Idea generation is driven by a combination of factor screens and a global network of analysts and portfolio managers. Stocks on the focus list are assessed and selected after a thorough assessment of their fundamentals and business model. The strategy follows a proactive approach to risk management.

Key characteristics are summarized below:

- a. Alpha generation is targeted through bottom-up fundamental stock selection, driven by in-house research with integrated ESG analysis, carried out by a large team of analysts.
- b. Proactive and disciplined risk management including tracking error targets and stop-loss reviews is applied to produce a concentrated, high conviction portfolio of 60-120 stocks with no systematic style bias although low quality stocks will tend to be avoided.
- c. Team based approach organized around a matrix structure

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and

fluctuation) risk, market entry or exit restrictions, illiquidity and taxation.

Emerging markets pose greater risks than investments in developed markets. These risks include political and economic risks, civil conflicts and war, greater volatility, currency fluctuations, higher transactions costs, delayed settlement, possible foreign controls on investment, expropriation and nationalization risks, liquidity risks, and less stringent investor protection and disclosure standards of some foreign markets. Events and evolving conditions in certain economies or markets may alter the risks associated with investments tied to countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in countries in emerging markets. These countries may have relatively unstable governments and less-established market economies than developed countries. Emerging markets may face greater social, economic, regulatory and political uncertainties. These risks make investments in emerging markets more volatile and less liquid than in more developed countries.

10. Global Disruption

The strategy seeks to exploit disruptive impact within and across industries on a global basis. Disruption is a persistent feature affecting the operating environment in many industries, occurring primarily due to the introduction of new technology, innovation, different service models, or the creation of new markets. The strategy aims to identify beneficiaries of disruption: typically, but not exclusively, the disruptors themselves. If a disruptive force gains traction in an industry or sub-sector, there is usually a dramatic change in the operating performance both of incumbents and disruptor(s).

The strategy's philosophy is based on the disciplined application of the Disruptive Innovation theme leading to a clear relationship between disruption and expectations for the forward-looking operating and financial performance of the stocks in the portfolio. Fundamental research forms the basis of our investment decisions, with an emphasis on medium to long-term returns. The strategy combines top-down analysis of the thematic drivers of the sector with bottom-up stock research. Proprietary analysis seeks to understand the drivers of earnings growth within the context of major global sector dynamics and trends. The manager focuses on growth drivers which will support earnings growth ahead of market consensus. The portfolio provides exposure across the market cap spectrum, recognizing the disruptive influence of emerging technologies developed by smaller companies. The strategy incorporates an explicit sub component of the portfolio designated an 'incubator'. The incubator portion comprises 10 - 20 less liquid, smaller cap stocks considered early stage disruptors or adaptors.

The portfolio is built bottom-up and stocks weighted on the basis of the manager's expectations for the trajectory of earnings growth; fundamental risk; valuation; and conviction. Environmental, Social and Governance (ESG) analysis is fully integrated into stock research and portfolio construction. The manager seeks to deliver a high conviction portfolio comprising 75-100 names exhibiting under-appreciated growth potential. Stock weights reflect the portfolio manager's assessment of risk-adjusted return and degree of conviction in the particular investment idea. The strategy is managed at SIMNA Ltd by portfolio manager Alex Tedder.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Investments in small capitalization companies generally carry greater risk than is customarily associated with larger capitalization companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies, and less liquidity.

11. Global Energy Transition

The strategy will aim to provide investors with a focussed thematic exposure to the best performing companies involved in new clean energy systems, as the world transitions to lower-carbon energy. It will target Global Resource emerging technologies and strategic industries integral to the global shift to cleaner energy, seeking opportunities across key value chains, including renewable energy, energy storage and electric vehicles. It will also selectively offer exposure to the underlying materials and technologies required for the transformation to take place. The strategy will not invest in companies principally involved in fossil fuels or nuclear energy. Crucially, the focus will be kept on the energy system and the associated technologies needed to enable its change. This means the strategy will only invest in companies involved in the production and distribution of clean energy, the management of energy consumption, or the production of materials and technologies required to facilitate these activities. A detailed revenue-based screen is run to find any company that reports exposure to energy transition technologies in its accounts. This broad list of companies is then screened again to produce a more concise 'focus list'. First, each company is assigned a 'primary technology' based on reported revenue exposure and principal market activity. A set of quantitative filters are then applied to identify the best-in-class companies within each technology group. At the company level, the focus is on finding businesses with high returns on invested capital, a clear path to free cash flow generation and a desire to distribute returns to equity holders. Balance sheet management is important given that many clean energy technologies are in the early stages of their development and are subject to new industry risks. The portfolio is typically managed between 30 and 50 stocks. The strategy is managed at SIMNA Ltd by portfolio manager Mark Lacey.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks

including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Investments in small capitalization companies generally carry greater risk than is customarily associated with larger capitalization companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies, and less liquidity. The returns on a portfolio of securities that excludes companies principally involved in fossil fuels or nuclear energy may trail the returns on a portfolio of securities that includes such companies. Trading in a portfolio focused on energy companies involves certain risks and special considerations not usually associated with investing in a more diverse portfolio, including risks related to the nature of the market for energy equities, including the risk that the energy issuers may be affected by market developments in different ways than issuers in other industries and may be more volatile than issuers in other industries.

12. Global Sustainable Food and Water

The strategy will aim to provide investors with focused thematic exposure to the best performing companies involved in sustainable food and water as the world transitions to make the system more sustainable whilst improving food security. It will target emerging technologies and strategic industries integral to the changing food and water system, seeking opportunities across key value chains, including water management, agricultural equipment, agricultural inputs, food production and processing, packaging, distribution, food and water retail, and recycling. As well as focusing on the wider food and water value chain, the strategy will have a sustainability overlay. In practice this means we will only invest in companies that are meaningfully addressing five core negative externalities (climate change and GHG emissions, biodiversity, water intensity and management, pollution and waste and wellbeing and health) associated with food and water, thus helping to alter the global food system so that it is more sustainable and encouraging of a healthy global population. The portfolio is typically managed between 40 and 60 stocks. The strategy is managed at SIMNA Ltd by portfolio manager Mark Lacey.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Investments in small capitalization companies generally carry greater risk than is customarily associated with larger capitalization companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger

companies, and less liquidity. Trading in a portfolio focused on companies which help the transition towards the sustainable provision of food and water involves certain risks and special considerations not usually associated with investing in a more diverse portfolio, including risks related to the nature of the market for water management, agricultural equipment, agricultural inputs, food production, processing, packaging and distribution, food and water retail and recycling. equities, including risks related to the nature of the market for these equities, may be affected by market developments in different ways than issuers in other industries and may be more volatile than issuers in other industries.

13. Healthcare Innovation

The strategy's investment objective is to achieve capital growth by investing in companies within sub-sectors ranging from large pharma and biotechnology to health insurance as well as food and leisure products, offering investors the potential to invest in an array of companies with very different return and growth profiles. The strategy is positioned to benefit from the structural growth in demand for healthcare provision and medical treatments, supported by demographic trends, improving standards of living and, technological advancements. Our philosophy is based on the belief that companies which surprise the market by delivering earnings above those anticipated by market consensus (we term this 'a positive growth gap') will produce strong and consistent outperformance over time. In the healthcare sector, we believe three structural themes will drive positive growth gap: 1. Product Innovation: We believe innovation in medical treatments (drugs, medicines and medical devices) will continue to drive positive earnings growth. 2. Health Service Innovation: We believe increasing scrutiny in healthcare costs will drive innovation and shift market share to the most efficient service providers. 3. Demographics: The population is aging globally & healthcare utilization typically rises with age.

The investment approach leverages the insights gained from proprietary local research. Four regionally-based healthcare analysts examine companies on a stock-by-stock basis, supplementing the research of the Portfolio Manager providing an idea pool of interesting healthcare-related companies. The breadth of our capabilities enable us to tap into a large universe of stocks spanning a diverse range of industries and across the market cap spectrum. The team combines top-down analysis of the healthcare sub-sectors with bottom-up stock research of companies within these sub-sectors, providing broad sector exposure. Fundamental research forms the basis of each investment decision as we strive to let stock selection drive the risk budget and portfolio allocations and thus country weightings are largely a by-product of bottom-up stock selection.

The portfolio is typically managed between 50 and 80 stocks. The strategy is managed at SIMNA Ltd by portfolio manager John Bowler.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks

including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Investments in small capitalization companies generally carry greater risk than is customarily associated with larger capitalization companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies, and less liquidity. Trading in a portfolio focused on healthcare companies involves certain risks and special considerations not usually associated with investing in a more diverse portfolio, including risks related to the nature of the market for healthcare equities, including the risk that the healthcare issuers may be affected by market developments in different ways than issuers in other industries and may be more volatile than issuers in other industries.

14. US Large Cap Equities

The US Large Cap Equity strategy offers a high conviction, fundamental research-driven approach, aimed at delivering strong outperformance over the longer term within the context of a risk management framework. The portfolio management team, led by portfolio manager Frank Thormann at SIMNA Ltd, works to identify those companies which will deliver positive earnings surprise (we term this 'positive growth gap'). The strategies focus on selecting the best investment ideas that are identified by a team of locally based equity analysts and global sector specialists.

Risks

All investments involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, volatile political conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions.

15. QEP Strategies

The Global unconstrained strategies, which include a Value, Quality and Blend approach, are index unconstrained, and diversified. The portfolio management team, located at SIMNA Ltd, applies a proprietary investment analysis based on an evaluation of a number of valuation metrics such as dividends, cash-flow, earnings, and asset-based measures as well as quality metrics such as profitability, stability, financial strength, sales growth and governance. The team starts with a universe of over 10,000 stocks of all sizes across both developed and emerging markets.

It assigns a value and quality rank for each stock and typically focuses on the top third of the respective rank for each strategy. Stock position sizes are determined by the evaluation of a company's fundamental risk as well as other considerations such as market impact costs, liquidity considerations, country risk and environmental, social and governance issues. Companies with better fundamentals and/or lower risk will receive higher weights in portfolios. The portfolios are diversified over many hundreds of stocks, which helps seek attractive opportunities but also reduces stock specific risk and avoids concentrations at the stock, sector or region levels. The universe is adjusted for our International strategy which targets investments in stocks listed outside of the US and for the Emerging Market strategy which targets investments in stocks listed in Emerging

Markets. For the Global ESG strategy, the team invests on the basis of valuations, business quality and ESG considerations. This strategy is active in all areas of ESG: exclusions, integration, ongoing research and engagement.

The team sells securities when stocks fall out of the top of the relevant value and quality universe, if their fundamentals have deteriorated or if it is taking advantage of investments that the team considers more attractive or that provide better diversification to the portfolio. The investment process may result in frequent trading of portfolio securities.

The Global Core strategy adopts a similar stock evaluation scheme as the unconstrained strategies but restrictions are in place at the stock, sector and region level governing how far portfolio weights can deviate from benchmark weights, with the objective of delivering a portfolio with low index relative risk.

The Emerging Markets Synergy strategy is a core EM offering, analyzing a universe of 5,000 stocks across emerging market countries, with a portfolio biased towards value and quality, and constructed to be highly diversified, typically containing over 250 stocks. The investment process also incorporates ESG considerations in several different ways: integration, research and engagement, and potential exclusions. The strategy is managed jointly by the Schroders' Global Emerging Markets (GEM) and QEP investment teams. In an effort to reduce stock-specific risks within the largest stocks in the MSCI emerging market index, we build a portfolio which takes active positions in liquid stocks with an average daily volume (ADV) of more than US\$150 million and an index weight of more than 0.5% up to +/-2%. This sleeve is managed by the fundamental Emerging Markets Equity team at Schroders based on their fundamental analysis of these stocks. The remainder of the portfolio is managed by the QEP Investment team via their usual approach, using their scalable quantitative tools to identify suitable opportunities from a Value and Quality perspective.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Products with high turnover may experience higher transaction costs.

16. Swiss Equities

The Swiss-based investment team manages a bottom-up, fundamentally driven ESG- integrated investment philosophy and process with a bias towards value, quality and small caps - three empirically proven factors that can deliver outperformance. Our strategy aims to exploit inefficiencies of the Swiss equity market. Inefficiencies can either be stock specific, related to the above mentioned three style factors or both. The team's approach is fundamental, bottom-up and judgmental, not simply quantitative. The integration of ESG occurs in a similar manner. Rather than only seeking optimized exposure to value, quality and small and mid-cap equities or

environmental, social and governance aspects, we examine each investment opportunity on its own fundamental merits and its contribution to the overall risk/return characteristics of the portfolio.

The universe of Swiss equities contains over 200 stocks. Those that do not have sufficient free float, where the market capitalization is too small and/or where the investment case is deemed to be questionable are excluded from further in-depth analysis. The remaining more than 100 stocks are covered by the team. Each stock is attributed a fair value, which is determined by a discounted free cash flow model, where applicable, which is also backed up by classical value style analysis. The outcome of the screening and research process is a matrix that plots over 100 stocks in a matrix with two axes: value and quality.

The strategy is managed with reference to material environmental, social and governance factors. This means issues such as climate change, environmental performance, labour standards or board composition that could impact a company's value may be considered in the assessment of companies.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation.

Trading in Swiss Equities involves certain risks and special consideration not usually associated with investing in securities of established U.S. companies, including risks related to the nature of the market for Swiss equities, including the risk that the Swiss markets may be affected by market developments in different ways than U.S. securities markets and may be more volatile than U.S. securities markets.

17. Asian Equities

The Asia ex Japan Equities strategies in general use a disciplined and repeatable active fundamental approach with a focus on companies that grow shareholder value in the long term. We focus on companies that grow shareholder value in the long term. The experienced investment team is led by Alex McDougall with professionals located in six cities within Asia. We believe that excellence in proprietary research that is conducted by an extensive team of experienced analysts located close to the companies that we invest in is critical to investment success. This proprietary research provides our specialised portfolio managers an in-depth understanding of the various investment opportunities, giving them the confidence to implement their stock picks with strong conviction, which in turn leads to long-term sustainable alpha generation.

The Asian Equities strategies includes a strategy which focuses on China A Shares as well as an All China strategy that focuses on onshore and offshore China equities. The China A strategy seeks to meet its investment objective by investing in equities of Chinese companies listed and traded on Chinese stock exchanges, predominantly the Shenzhen and Shanghai

Stock Exchanges. The All China strategy seeks to meet its investment objective by investing in equities of Chinese companies listed and traded onshore on Chinese stock exchanges, as well as offshore stock exchanges including those in Hong Kong and the US.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Products with high turnover may experience higher transaction costs.

Trading in Asian Equities involves certain risks and special consideration not usually associated with investing in securities of established U.S. companies, including risks related to the nature of the market for Asian equities, including the risk that the Asian markets may be affected by market developments in different ways than U.S. securities markets and may be more volatile than U.S. securities markets. Investing in the securities markets in mainland China is subject to the risks of investing in emerging markets generally and the risks specific to the mainland China market.

Emerging markets pose greater risks than investments in developed markets. These risks include political and economic risks, civil conflicts and war, greater volatility, currency fluctuations, higher transactions costs, delayed settlement, possible foreign controls on investment, expropriation and nationalization risks, liquidity risks, and less stringent investor protection and disclosure standards of some foreign markets. Events and evolving conditions in certain economies or markets may alter the risks associated with investments tied to countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in countries in emerging markets. These countries may have relatively unstable governments and less-established market economies than developed countries. Emerging markets may face greater social, economic, regulatory and political uncertainties. These risks make investments in emerging market more volatile and less liquid than in more developed countries.

18. Indian Equities

The Indian Equities strategy in general uses a disciplined and repeatable active fundamental approach with a focus on companies that grow shareholder value in the long term. The strategy utilizes research provided by Axis Asset Management Company Limited (Axis AMC) in India. We believe a fundamental investment approach focused on identifying such sustainable businesses while controlling risk is the best way to deliver returns in the Indian equity market over the long term. The experienced Schroders' investment team is led by Alex McDougall with professionals located primarily in Hong Kong and Singapore in Asia. The Axis AMC team is based in Mumbai, India. We believe that excellence in proprietary research

that is conducted by an extensive team of experienced analysts located close to the companies that we invest in is critical to investment success. This proprietary research provides our portfolio managers an in-depth understanding of the various investment opportunities, giving them the confidence to implement their stock picks with strong conviction, which in turn leads to long-term sustainable alpha generation. There are no market capitalisation restrictions on the securities that can be held.

The Indian Equities strategy seeks to meet its investment objective by investing primarily in equity and equity related securities of Indian companies or companies which have a substantial business exposure to India.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Products with high turnover may experience higher transaction costs.

Trading in Indian Equities involves certain risks and special consideration not usually associated with investing in securities of established U.S. companies, including risks related to the nature of the market for Indian equities, including the risk that Indian markets may be affected by market developments in different ways than U.S. securities markets and may be more volatile than U.S. securities markets.

Emerging markets pose greater risks than investments in developed markets. These risks include political and economic risks, civil conflicts and war, greater volatility, currency fluctuations, higher transactions costs, delayed settlement, possible foreign controls on investment, expropriation and nationalization risks, liquidity risks, and less stringent investor protection and disclosure standards of some foreign markets. Events and evolving conditions in certain economies or markets may alter the risks associated with investments tied to countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in countries in emerging markets. These countries may have relatively unstable governments and less-established market economies than developed countries. Emerging markets may face greater social, economic, regulatory and political uncertainties. These risks make investments in emerging market more volatile and less liquid than in more developed countries.

FIXED INCOME

19. Global Strategic Bond

The Global Strategic Bond strategy seeks to maximize risk adjusted returns by investing across the full maturity and spectrum of Global Fixed Income and Currency markets and securities. The investment team, led by Paul

Grainger, focuses on generating alpha through exploiting opportunities in duration, yield curve, country allocation, currency, credit beta, credit sector and credit idiosyncratic strategies – supported by extensive proprietary fundamental, technical and quantitative research. Key features include:

- a. Unconstrained non benchmarked approach to investing in Fixed Income and currency markets.
- b. Strong focus on portfolio construction
- c. A globally integrated investment framework enabling the team to invest in opportunities across the regional spectrum.

Risks

All investments involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including interest rate risk, credit risk, inflation/deflation risk, mortgage and asset-backed securities risk, Government securities risk, political and foreign investment risk, currency risk, derivatives risk, leverage risk, counterparty risk and liquidity risk. Frequent trading of the portfolio may result in relatively high transaction costs and may result in taxable capital gains.

ALTERNATIVES

20. Commodities

The Schroders Commodities Total Return Strategy aims to provide 's capital growth in excess of the Bloomberg Commodity Total Return index over a 3-5-year investment cycle by investing in commodity related investments worldwide. The Strategy is actively managed on an unconstrained basis by SIMNA Ltd. The London based team comprises of three dedicated commodity fund managers, who report to Abdallah Guezour (Head of EMD and Commodities). The investment opportunity set includes more than 60 commodities traded on a wide variety of exchanges around the world.

The strategy is:

- a. Designed to give investors an actively managed diversified exposure to commodities but with considerable downside risk protection
- b. Invested in futures, swaps and cash
- c. Research driven and actively managed
- d. Managed with a long bias but can short any commodity opportunistically as well as use cash as a defence asset
- e. Able to invest in agriculture, energy and metals on an unconstrained basis
- f. Permitted to be up to 75% long in any of the three sectors of energy, metals and agriculture but a maximum of 25% short in any of these sectors

Risks

Commodities investment carries significant risks and should only be considered by sophisticated investors who understand the nature of these risks, which include geopolitical, supply, demand and currency exchange rate risks. The Strategy will invest principally in commodity-related derivative instruments, including exchange futures and over

the counter swaps on commodities. Investments in commodity-linked derivative instruments may subject the strategy to greater volatility than investments in traditional securities. Indirect investment in commodities may cause the strategy to face market risk from the value of the underlying asset together with the commodity market risks listed above.

21. Emerging Market Debt Absolute Return

The Emerging Market Debt (EMD) Strategy is a long only, absolute return EMD product which can invest in all sectors of the emerging market debt and currency markets in over 50 countries. The product is managed with the aim of preserving capital and delivering attractive returns when these are available. Historically, the strategy has recorded a low correlation to other EMD products and to other asset classes. The broad investment universe available in EMD presents diverse opportunities for generating returns. The portfolio management team, led by Abdallah Guezour, seeks to add value by actively managing exposure to both external and local debt, as well as local currencies. The management team may at times make investments that provide exposures to debt obligations or currencies of countries other than emerging market countries, including the United States.

The team's approach to portfolio construction considers both risk control and return maximization. Before purchasing a security, the team considers the risk of loss for every security and analyzes it, using fundamental, quantitative, sentiment and technical analysis. In-house research is applied across all EMD countries and debt and currency sectors within those countries. The strategy employs strict diversification rules. Key features of the strategy include:

- Bottom up country selection driven by fundamental analysis of politics, economics and markets
- A quantitative based country risk model
- Use of chart analysis to optimize buy/sell prices
- Use of extensive sentiment analysis, primarily used as a counter-indicator
- Disciplined use of cash when appropriate
- No restriction on credit quality
- Use of a portfolio stop-loss discipline

Risks

All investments involve risks including the risk of possible loss of principal.

The market value of the portfolio may decline as a result of a number of factors, including interest rate risk, credit risk, inflation/deflation risk, mortgage and asset-backed securities risk, U.S. Government securities risk, foreign investment risk, currency risk, derivatives risk, leverage risk and liquidity risk. Frequent trading of the portfolio may result in relatively high transaction costs and may result in taxable capital gains.

Emerging markets pose greater risks than investment in developed markets. These risks include political and economic risks, civil conflicts and war, greater volatility, currency fluctuations, higher transactions costs, delayed settlement, possible foreign controls on

investment, expropriation and nationalization risks, liquidity risks, and less stringent investor protection and disclosure standards of some foreign markets. Events and evolving conditions in certain economies or markets may alter the risks associated with investments tied to countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in countries in emerging markets. These countries may have relatively unstable governments and less-established market economies than developed countries. Emerging markets may face greater social, economic, regulatory and political uncertainties. These risks make investments in emerging markets more volatile and less liquid than in more developed countries.

22. Insurance-Linked Securities

The Insurance-Linked Securities strategy seeks to provide total return primarily through investment in a diversified portfolio of insurance-linked instruments that provide exposure to various insurance risks. Such risks will consist, amongst others, of earthquake, flood, hail, wind or other weather-related risks, events of catastrophic magnitude in aviation, workers compensation, industrial accident, satellite, marine and offshore energy, and life-related risks such as mortality and value of in-force transactions. The strategy seeks to generate its returns with a low correlation to traditional asset classes, such as fixed income securities or equities, as well as non-traditional investments such as hedge funds or commodities. The Insurance-Linked Securities investment team intends to invest into high severity/low frequency perils (e.g. hurricane or earthquake risks) as well as portfolio-based investments or other instruments where frequency and not severity is the value driver, such as tornado transactions. The strategy is actively managed and can make use of financial leverage for investment purposes. The investment team places a strong focus on tail risk management.

The strategy can invest in a broad range of insurance-linked instruments including catastrophe bonds, insurance-linked notes, industry loss warranties, investments in collateralized reinsurance contracts and over-the-counter financial derivatives with (re)insurance risk instruments as the underlying assets.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. Investing in insurance-linked securities carries significant risks and should only be considered by sophisticated investors who understand the nature of these risks. Insurance-linked instruments may incur severe or full losses as a result of insurance events such as natural, man-made, life-related, or other catastrophes. Catastrophes can be caused by various events, including, but not limited to, hurricanes, earthquakes, typhoons, hailstorms, floods, tsunamis, tornados, windstorms, aviation accidents, fires, pandemics, explosions and marine accidents. The incidence and severity of such catastrophes are inherently unpredictable, and an investor's losses from such catastrophes could be material. The secondary market for insurance-linked instruments may experience more limited liquidity than traditional fixed income instruments. This in turn may mean that such instruments are more difficult to value. In situations where a large catastrophe has occurred or appears likely to occur, liquidity for potentially affected insurance-linked instruments may be diminished or completely eliminated.

23. Multi-Strategy, Market Neutral

The strategy follows a multi-strategy market neutral hedge fund approach. The strategy is actively managed by an experienced central team and can make use of financial leverage for investment purposes via a long short approach. The strategy allocates its assets across multiple underlying strategies which will vary over time. These may include, but are not limited to, long/short and long only hedged equity, fixed income and credit, global macro, market neutral and relative value. The strategy aims to deliver attractive, non-market dependant returns which exhibit downside protection. The Adviser aims to allocate assets to a diversified set of underlying strategies and to manage overall risk centrally. The combination of underlying strategies will be diversified across investment styles, market sectors, investment themes and time horizons, with the aim of mitigating the strategy's dependency on any single source to drive returns. Allocations to each underlying strategy are sized to meet the return objective, risk tolerance and guidelines of the overall strategy. The impact of each underlying strategy on the overall strategy's overall risk profile is individually and collectively evaluated with attention given to correlations between investment strategies.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of a portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, real or perceived adverse competitive industry conditions, inflation/deflation risk, mortgage and asset-backed securities risk, US Government securities risk and derivatives risk. The use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in the underlying assets. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. These risks exist to a greater extent in emerging markets than in developed markets. Investments in small- and medium-capitalization companies may involve a higher degree of risk and volatility than investments in larger, more established companies. The risk of default is higher with non-investment grade bonds than with investment grade bonds. Higher yielding bonds may also have an increased potential to erode capital than lower yielding bonds. It may be difficult to deal in these investments because the underlying properties may not be readily saleable which may affect liquidity. Leverage creates an opportunity for greater yield and total return but, at the same time, will increase the exposure to capital risk and interest costs. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment.

To the extent that the strategy allocates assets to a strategy that focuses on one country or region, trading in that geographic area's equities involves certain risks and special consideration not usually associated with investing in securities of established U.S. companies, including risks related to the nature of the market for that region's equities, including the risk that the region's markets may be affected

by market developments in different ways than U.S. securities markets and may be more volatile than U.S. securities markets.

MULTI-ASSET

24. Diversified Growth

The Diversified Growth strategy invests in a broad range of traditional and alternative asset classes. Investment decisions arise from our research process which is comprised of two key elements: 1) longer-term valuation analysis of the risk premia underlying asset classes; and 2) shorter-term tactical analysis comprising cyclical, technical and relative value analysis.

The Diversified Growth team actively manages portfolios by dynamically allocating within and across traditional and alternative asset classes seeking the greatest opportunity. Portfolios may utilize derivative instruments such as exchange traded futures, total return swaps, currency forwards and options. The team uses a flexible approach to implement asset allocation decisions that makes use of both actively-managed security-selection-based strategies and passive instruments such as futures, swaps and other derivatives and ETFs.

25. Alternative Risk Premia

Schroders Alternative Risk Premia is a multi-asset, multi-strategy portfolio that seeks to deliver a return of US 90 Day T-Bill +5% while targeting a volatility of 10% and limiting equity beta to less than 0.2. The strategy invests in alternative return sources which can be defined as compensation for bearing risks that can arise from behavioral, economic or structural sources. Alternative Risk Premia has the ability to improve the risk-return profile of a portfolio of traditional assets due to its diversification characteristics. The strategy is implemented across a multi-asset investment universe comprising investments in equity, fixed income, foreign exchange, commodities and listed options. Alternative Risk Premia is designed to be market neutral and will seek to provide returns via a range of diversified long and short strategies, packaged together and delivered in a highly transparent and cost effective vehicle.

26. Sustainable Dynamic Balanced

A multi-asset approach that helps clients who want to employ an ESG framework but are looking for governance simplicity and asset allocation. The strategy helps clients who want to employ an ESG framework but are looking for governance simplicity and asset allocation expertise. An investor in this strategy benefits from ESG application at both an asset allocation and security selection level.

The investment objective is to deliver a total return through a diversified range of investment strategies with an emphasis on Sustainability. The strategy seeks to limit the overall carbon intensity of the portfolio, with improved sustainability metrics compared to market indices.

The Diversified Growth team is responsible for managing the strategy however they will heavily utilize sustainable or integrated in-house ESG components. In addition, the asset allocation will take into account suitable ESG factors that have a contributory impact. As additional sustainable components become available, we will look to incorporate them over time.

The risk profile of the Fund is comparable to a 65% equity/35% fixed

income portfolio.

27. Multi-Asset Alpha

A growth-oriented Multi-Asset strategy focused on alpha generation. The strategy is seeking to balance the need to concentrate capital on high conviction ideas, with the need to diversify investment exposures to manage concentration risk. The strategy aims to deliver a return in excess of a 60% equity/40% fixed income benchmark, through a combination of dynamic asset allocation and security selection while still offering an attractive risk profile.

The strategy makes use of a range of internally managed active equity and fixed income strategies. Portfolios may employ derivative instruments such as exchange traded futures, total return swaps, currency forwards and options. The Multi-Asset portfolio managers harness the global resource at Schroders to identify disruptive trends and growth opportunities. The strategy is nimble and expansive to capture the investment opportunity, providing greater capacity than narrowly focused opportunities and take advantage of an ever shifting opportunity set.

Risks for Multi-Asset

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of a portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, real or perceived adverse competitive industry conditions, inflation/deflation risk, mortgage and asset-backed securities risk, US Government securities risk and derivatives risk. The use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in the underlying assets. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. These risks exist to a greater extent in emerging markets than in developed markets. Investments in small- and medium-capitalization companies may involve a higher degree of risk and volatility than investments in larger, more established companies. The risk of default is higher with non-investment grade bonds than with investment grade bonds. Higher yielding bonds may also have an increased potential to erode capital than lower yielding bonds. The strategy may invest in property funds and property investment companies. It may be difficult to deal in these investments because the underlying properties may not be readily saleable which may affect liquidity. Leverage creates an opportunity for greater yield and total return but, at the same time, will increase the exposure to capital risk and interest costs. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment.

SYSTEMATIC INVESTMENTS

28. Sustainable Multi-Factor Equity

Schroder Sustainable Multi-Factor Equity (SMFE) is a systematic global equity strategy with a fully integrated approach to sustainable investing.

The strategy's aim is to outperform the MSCI All Country World Index (ACWI) over rolling 3-year periods while attempting to provide investors with a significantly better ESG outcome.

Sustainability is treated as a risk factor and is integrated into our multi-factor strategy alongside value, quality, momentum, and low volatility. The strategy's approach to factor investing enables the investment team to seamlessly integrate a number of sustainability criteria, including SustainEx, our unique proprietary research, which calculates the impact companies have on society and the environment. The Sustainability team has identified a range of activities undertaken by companies that generate social and environmental costs and gains, grouped broadly into five areas: environment, governments, customers, employees, and communities. Additionally, SMFE limits overall carbon intensity to no more than half that of the ACWI. With the rapidly changing field of sustainability and factor-investing, SMFE is a factor-based sustainable solution that can evolve with new information and improved data, unlike strategies which lock investors in a simplistic or fixed approach.

29. Global Multi-Factor Equity

Global Multi-Factor Equity (GMFE) is a systematic global equity strategy that aims to deliver excess return over the MSCI AllCountry World Index on a rolling 3-year basis, while limiting index-relative risk.

The strategy targets a range of equity factors, grouped broadly into the classic styles of value, quality, momentum, small cap and low volatility. The strategy employs a disciplined, systematic investment approach to gain exposure to the targeted factors while minimizing unrewarded risks. On a monthly basis, individual return forecasts are calculated for all stocks in the investment universe using a proprietary set of signals that target our chosen equity factors. By targeting stocks that appear attractive across multiple signals, the team seeks to maximize the likelihood of generating excess returns across a broad range of market environment. To maximize exposure to factors, the strategy utilizes bottom-up portfolio construction for efficiency; the superior returns over top-down approaches are potentially achievable without the draft of unintended, offsetting factor exposures that can be experienced in top-down strategies.

Risks for Systematic Investments

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of a portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, real or perceived adverse competitive industry conditions, inflation/deflation risk, mortgage and asset-backed securities risk, US Government securities risk and derivatives risk. The use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in the underlying assets. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. These risks exist to a greater extent in emerging markets than in developed markets. Investments in small- and medium-capitalization companies may involve a higher degree of risk and volatility than investments in larger, more established companies. The risk of default is higher with non-investment grade bonds than with investment grade bonds.

Higher yielding bonds may also have an increased potential to erode capital than lower yielding bonds. The strategy may invest in property funds and property investment companies. It may be difficult to deal in these investments because the underlying properties may not be readily saleable which may affect liquidity. Leverage creates an opportunity for greater yield and total return but, at the same time, will increase the exposure to capital risk and interest costs. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment.

PORTFOLIO SOLUTIONS

30. U.S. Risk-Managed Equity

The strategy aims to provide exposure to U.S. equities while limiting downside risk by utilizing Schroders' proprietary risk management strategy coupled with a passive investment in index securities. In order to create the long exposure to equities, we purchase primarily ETFs, index mutual funds, and equity futures on either sub-indices or on the Russell 3000 index itself. The weights applied to sub-components are derived through a regression process with the aim of creating a portfolio with low tracking error to the Russell 3000 Index.

The strategy seeks to limit instantaneous losses to 20% of current portfolio value while capturing the majority of equity market gains. Downside is limited through a systematic process of purchasing long-term put options and selling short-term call options to finance the put purchases, i.e., a zero cost collar. The options may reference either the entire index or its sub-components which would then be weighted in the same manner as the underlying portfolio. The team uses intelligent design and systematic trading techniques to ensure the portfolio's target protection of 20% is generally maintained as market prices change over time. The approach also seeks to reduce the path dependency of the outcomes and therefore deliver a more reliable and stable outcome over time.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, derivatives risk, risks related to investments in pooled vehicles, changing interest rates, and real or perceived adverse competitive industry conditions. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment.

31. International Risk-Managed Equity

The strategy aims to provide exposure to non-U.S. equities while limiting downside risk by utilizing Schroders' proprietary risk management strategy coupled with a passive investment in index securities. In order to create the long exposure to international equities, we purchase primarily ETFs, index mutual funds, and equity futures on either sub-indices or on the MSCI ACWI ex-US index itself. The weights applied to sub-components are derived through a regression process with the aim of creating a portfolio with low tracking error to the MSCI ACWI ex-US Index.

The strategy aims to limit the instantaneous equity downside risk (assessed on a daily basis and ignoring currency exposures) to 20% of the current portfolio value. Downside is limited through a systematic process of purchasing long-term put options and selling short-term call options to finance the put purchases, i.e., a zero cost collar. The options may reference either the entire index or its sub-components which would then be weighted in the same manner as the underlying portfolio. The team uses intelligent design and systematic trading techniques to ensure the portfolio's target protection of 20% is generally maintained as market prices change over time. The approach also seeks to reduce the path dependency of the outcomes and therefore deliver a more reliable and stable outcome over time.

The strategy does not hedge currency exposure.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, derivatives risk, risks related to investments in pooled vehicles, changing interest rates, and real or perceived adverse competitive industry conditions. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment.

Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets.

General Risks

Coronavirus Outbreak Risks. The global outbreak of the 2019 novel coronavirus ("COVID-19") continues to affect negatively individual companies, markets, and economies worldwide, including those in which the Adviser invests. The effects of this pandemic to public health and business and market conditions may have a significant negative impact on the performance of accounts managed by the Adviser as well as increase account volatility. The pandemic may continue to exacerbate pre-existing political, social and economic risks to the accounts, and negatively impact broad segments of businesses and populations. Although it has not happened to date, the Adviser's operations may be interrupted, which may have a negative impact on investment performance. In addition, governments, regulatory agencies, or self-regulatory organizations have and may continue to take actions in response to the pandemic that affect the instruments utilized in the management of client accounts, or the issuers of such instruments, in ways that could have a significant negative impact on such accounts' investment performance. These actions include efforts to contain COVID-19's spread, such as border closings and other significant travel restrictions and disruptions, significant disruptions to business operations, supply chains and customer activity, event cancellations and restrictions, service cancellations, reductions and other changes, significant challenges in healthcare service and delivery, and prolonged quarantines. While governments and businesses are beginning to relax pandemic related restrictions, the situation remains fluid and tighter lockdowns may be reimposed at any time. The full impact of the COVID-19 pandemic, or future global health related crises, remains

unknown.

Cyber Security Risk. With the increased use of technologies to conduct business, the Adviser has become more susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events and include but are not limited to, gaining unauthorized access to digital systems, and misappropriating assets or sensitive information, including personally identifiable information or proprietary models or algorithms, corrupting data, or causing operational disruption, including disrupting trading or accounting systems. Cyber security failures or breaches by a third party service provider and the issuers of securities in which the portfolio invests, have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs, including the cost to prevent cyber incidents. While the Adviser has established security protocols designed to detect, protect against, respond to and recover from cybersecurity incidents, there are inherent limitations in such protocols including the possibility that certain threats and vulnerabilities have not been identified or made public due to the evolving nature of such threats.

Derivatives Risk. Certain strategies may use derivatives. Derivatives, including forward currency contracts, futures, options and commodity-linked derivatives and swaps, may be riskier than other types of investments because they may be more sensitive to changes in economic and market conditions, and could result in losses that significantly exceed the account's original investment. Many derivatives create leverage thereby causing the account to be more volatile than it would have been if it had not been exposed to such derivatives. Derivatives also expose the account to counterparty risk (the risk that the derivative counterparty will not fulfill its contractual obligations), including the credit risk of the derivative counterparty. Certain derivatives are synthetic instruments that attempt to replicate the performance of certain reference assets. With regard to such derivatives, the account does not have a claim on the reference assets and is subject to enhanced counterparty risk. Derivatives may not perform as expected, so the account may not realize the intended benefits. When used for hedging, the change in value of a derivative may not correlate as expected with the security being hedged. In addition, given their complexity, derivatives expose the Fund to risks of mispricing or improper valuation.

Foreign Corrupt Practices Act ("FCPA") Risks. Economic sanction laws in the United States and other jurisdictions may significantly restrict or completely prohibit the Adviser from transacting with certain countries, individuals and companies, including among other things, transactions with, and the provision of services to certain foreign countries, territories, entities and individuals.

Foreign Sanctions Risks. In the event that the Adviser determines that an investor is subject to any trade, economic or other sanctions imposed by the United Nations or any other applicable governmental or regulatory authority, the Adviser may take such actions as it determines appropriate to comply with applicable law, including: blocking or freezing accounts or interests therein; where permitted by the applicable sanctions law, requiring an investor in a pooled investment vehicle to redeem from the fund, and delaying the payment of any redemption proceeds, without

interest, until such time as such payment is permitted under applicable law; excluding an investor in a pooled investment vehicle from allocations of net capital appreciation and net capital depreciation and distributions made to other investors; excluding an investor in a pooled investment vehicle from voting on any matter upon which investors are entitled to vote, and excluding the net asset value of such investor's interest in the fund for purposes of determining the investors entitled to vote on or required to take any action in respect of the fund.

Foreign Securities and Emerging Markets Risk. Investments in foreign currencies and foreign issuers are subject to additional risks, including political and economic risks, civil conflicts and war, greater volatility, currency fluctuations, higher transactions costs, delayed settlement, possible foreign controls on investment, expropriation and nationalization risks, liquidity risks, and less stringent investor protection and disclosure standards of foreign markets. In certain markets where securities and other instruments are not traded "delivery versus payment," the account may not receive timely payment for securities or other instruments it has delivered and may be subject to increased risk that the counterparty will fail to make payments when due or default completely. Events and evolving conditions in certain economies or markets may alter the risks associated with investments tied to countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in countries in emerging markets. These countries may have relatively unstable governments and less established market economies than developed countries. Emerging markets may face greater social, economic, regulatory and political uncertainties. These risks make emerging market securities more volatile and less liquid than securities issued in more developed countries.

LIBOR Replacement Risk. The elimination of the London Inter-Bank Offered Rate ("LIBOR") may adversely affect the interest rates on, and value of, certain fixed income investments for which the value is tied to LIBOR. Such investments may include bank loans, derivatives, floating rate securities, and other assets or liabilities tied to LIBOR. On July 27, 2017, the U.K. Financial Conduct Authority announced that it intends to stop compelling or inducing banks to submit LIBOR rates after 2021. On November 30, 2020, the administrator of LIBOR announced its intention to delay the phase out of the majority of the U.S. dollar LIBOR publications until June 30, 2023, with the remainder of LIBOR publications to still end at the end of 2021. There remains uncertainty regarding the future of LIBOR and the nature of any replacement rate. Actions by regulators have resulted in the establishment of alternative reference rates to LIBOR in most major currencies. The U.S. Federal Reserve, based on the recommendations of the New York Federal Reserve's Alternative Reference Rate Committee (comprised of major derivative market participants and their regulators), has begun publishing a Secured Overnight Financing Rate ("SOFR"), which is intended to replace U.S. dollar LIBOR. Alternative reference rates for other currencies have also been announced or have already begun publication. Markets are slowly developing in response to these new rates. Questions around liquidity impacted by these rates, and how to appropriately adjust these rates at the time of transition, remain a concern. The effect of any changes to, or discontinuation of, LIBOR on certain fixed income strategies will vary depending on, among other things, (1) existing fallback or termination provisions in individual contracts and (2) whether, how, and when industry participants develop and adopt new reference rates and fallbacks for both legacy and new

products and instruments. Accordingly, it is difficult to predict the full impact of the transition away from LIBOR until new reference rates and fallbacks for both legacy and new products, instruments and contracts are commercially accepted.

Model Risk. Some strategies may include the use of various proprietary quantitative or investment models. There may be deficiencies in the design or operation of these models, including as a result of shortcomings or failures of processes, people or systems. Investments selected in part models may perform differently than expected as a result of the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models (including, for example, data problems and/or software issues) and there is no guarantee that oversight processes in place to identify and mitigate such issues will work as intended. Moreover, the effectiveness of a model may diminish over time, including as a result of changes in the market and/or changes in the behavior of other market participants. A model's return mapping is based on historical data regarding particular asset classes. There is no guarantee that the use of these models will result in effective investment decisions for clients.

Regulation Risks. Laws and regulations affecting our business change from time to time. We cannot predict the effects, if any, of future legal and regulatory changes on our business or the services we provide. For example, investment advisers that are located in the United Kingdom (including the Adviser) are subject to certain restrictions on investing in an issuer involved in certain cannabis-related operations. In such cases, the Adviser would be required to forego what might otherwise be attractive investment opportunities and, therefore, might underperform vis-à-vis investment advisers that do not operate under similar restrictions.

There have been no disciplinary actions against the Adviser, its officers or directors.

The Adviser is also registered as a Portfolio Manager with the Canadian Securities Commissions in Alberta, British Columbia, Manitoba, Nova Scotia, Ontario, Quebec, Saskatchewan and New Brunswick.

The Adviser is also registered with the National Futures Association as a Commodities Trading Advisor.

The Adviser maintains significant relationships relating to its advisory business with affiliated companies. The Adviser is an affiliate of SIMNA Inc. Substantially all of the investment management activities conducted by the Adviser represent sub-advisory or other delegation agreements pursuant to which SIMNA Inc. has retained the Adviser to perform the investment advisory services that SIMNA Inc. has contracted to provide to its clients. The Adviser will manage accounts invested in certain mandates subject to SIMNA Inc.'s supervision. For these services, SIMNA Inc. will pay the Adviser a portion of the advisory fees it receives from such accounts. Certain directors of the Adviser are also directors of SIMNA Inc.

Schroder Fund Advisors LLC ("SFA") is a wholly owned subsidiary of SIMNA Inc. registered as a broker dealer with FINRA and an exempt market dealer in Alberta, British Columbia, Manitoba, Nova Scotia, Ontario, Quebec, Saskatchewan and New Brunswick. SFA distributes the equity interests of certain pooled investment vehicles that the Adviser sub-advises.

The Adviser is also an affiliate of Schroder Investment Management Ltd ("SIM"), a UK investment adviser and parent of a number of non US registered investment advisers. SIM provides research that the Adviser and its affiliates use in managing accounts. Trading of equity securities on behalf of all advisory clients of the Adviser and its affiliates generally occurs in the geographic region of the issuers whose securities are being purchased and sold. Although individual traders might be supervised locally, all traders have a functional report to SIM. Such persons are required to comply with personal securities transaction and other ethical policies adopted in the jurisdiction where such employees work.

The Adviser sometimes purchases for certain accounts shares of funds for which the Adviser serves as sub-adviser. The Adviser will not assess its advisory fee on the portion of an account that is invested in such funds.

Private funds that the Adviser sub-advises invest in the same securities as those invested on behalf of other clients, including registered investment companies. The private funds' trading methodologies may differ from those of other sub-advised accounts. The Adviser is aware of potential conflicts of interest created in part by the compensation structure of the funds. It has instituted procedures to assure that transactions effected on behalf of the private funds do not adversely impact other clients.

ITEM 9: Disciplinary Information

ITEM 10: Other Financial Industry Activities and Affiliations

The Adviser also is an investment adviser for certain collective investment trusts (“CITs”) for which SEI Trust Company or Wilmington Trust, both of which are unaffiliated with the Adviser, serves as trustee. These CITs are commingled funds available to certain types of employee benefit plans. Where the Adviser has discretion over allocation of pension assets, it may invest the pension’s funds in one or more CITs. In such instances, the Adviser will generally not assess an advisory fee at the CIT level. The fees are generally negotiated at the time the agreement is executed when investments in one or more CITs are contemplated.

ITEM 11: Code of Ethics, Participation in Client Transactions and Personal Trading

The Adviser has adopted a Code of Ethics that sets forth the standards of business conduct that it requires of all its supervised persons. The Code of Ethics addresses the Adviser's and access persons' fiduciary obligations to its clients. The Code also addresses confidentiality of client information and includes the Adviser's Insider Trading Policy and its Personal Securities Transactions Policy, discussed in further detail below. The Code of Ethics also requires all supervised persons to comply with the federal securities laws and to inform the Chief Compliance Officer of suspected violations of the Code. Clients or prospective clients who wish to request a copy of the Code of Ethics may do so by contacting the Chief Compliance Officer at Schroder Investment Management North America Ltd, 1 London Wall Place, EC2Y 5AU, or to SIMNA Ltd Compliance Officer US, c/o Schroder Investment Management North America Inc., 7 Bryant Park, New York, NY 10018, USA.

The Adviser's access persons may, from time to time, buy or sell for themselves securities that the Adviser also buys or sells on behalf of clients. The Adviser imposes restrictions on such transactions in accordance with applicable law and regulations.

All access persons of the Adviser are subject to the provisions of the Code of Ethics regarding personal securities transactions and an Insider Trading Policy. These policies are designed to prevent conflicts of interest and violations of law by persons subject to the Code. In particular, all access persons are generally required to pre-clear their personal securities transactions with a Trader, Senior Fund Manager and Compliance. In this way, personal securities transactions can be monitored or, if necessary, prohibited or delayed so as not to conflict with a client transaction. The Adviser has also imposed upon access persons a mandatory 60 day holding period on transactions in certain financial instruments.

From time to time and in accordance with the terms of the Adviser's Code of Ethics, there are instances when the Adviser is precluded from trading in certain securities for its advisory clients' accounts. These instances may arise if the Adviser receives material non-public information ("Inside Information") from an issuer or otherwise. The Adviser's parent maintains a stop list, which consists of securities for which one or more persons at the Adviser or its affiliates may hold Inside Information. Employees of the Adviser are not permitted to trade in those securities.

ITEM 12: Brokerage Practices

The Adviser selects brokers or execution forums to try to obtain the overall best execution for its clients. The Adviser does not execute trades for clients through affiliated broker-dealers. Its traders route orders where they expect to obtain the most favorable overall price and efficient execution. Traders do not operate under constraints concerning their choice of brokers other than on the basis of their credit-worthiness or client restrictions.

The Adviser uses a number of brokerage firms. Some are full service firms that may execute on the Adviser's behalf and others are electronic crossing networks, automated trading firms or execution-only firms. A significant percentage of the orders executed are routed for execution to brokerage firms or commodity merchants outside the US. The Adviser deals with brokerage firms that it deems capable of providing best price and execution and is financially stable. All brokers are approved by a Credit Committee operated globally for the firm. The Committee reviews the brokerage firm when trading begins and at least once a year. Where appropriate the Adviser establishes credit limits for the counterparties.

1. Research Commissions

The Adviser pays for the cost of research from its own resources, rather than using commissions from clients' transactions. Therefore clients do not bear any direct research cost.

The Adviser establishes maximum commission rates for equity trading by type of security and reviews those rates periodically based on industry standards. The Adviser reviews both commission rates and overall commissions to monitor whether trades are being executed within guidelines.

2. Trade Aggregation and Allocation

When the Adviser buys or sells securities for multiple clients, it ordinarily aggregates all client transactions to obtain more favorable prices, and efficient execution. Each individual aggregated transaction may operate to the advantage or disadvantage of the client. Clients participating in an aggregated order will receive an average price and a pro-rata share of the transaction costs. There may be variable costs relating to aggregate trades imposed directly by the broker-dealer or custodian for an account that are not shared with other clients. Some clients may not be able to participate in aggregate trades because of regulatory or client-imposed restrictions. In those instances, trades are placed in a manner calculated to achieve the best overall execution for all clients.

When the Adviser does not aggregate client orders, traders may not be able to negotiate a single price for each client order and the prices may be less favorable than those achieved through aggregation and Commissions and transaction costs will likely not be uniform for all accounts. The Adviser may not aggregate orders for all clients for reasons including the following:

- A client may direct that the Adviser use a specific type of broker such as the use of minority-owned broker dealers);

- A client may prohibit the use of one or more broker-dealers, sometimes for regulatory reasons;
- A client may require that the Adviser use a particular brokerage firm for some or all trades; or
- Some offshore markets may prohibit trade aggregation.

The Adviser also maintains procedures for allocating initial public offerings (“IPOs”) for its accounts. Accounts that are similarly managed will generally aggregate their expressions of interest orders.

Allocations of the shares in the IPO are made in a fair and equitable manner. The Adviser sometimes excludes accounts from participating in an IPO based on client restrictions, such as broker restrictions.

Where the issue is oversubscribed the Adviser allocates among eligible accounts on a pro-rata basis. In the interests of fairness to all participating accounts where necessary these allocations are adjusted taking into account the relative size of the accounts involved.

If the Adviser receives an allocation in an IPO that results in de minimis allocations for some accounts then the allocation is reallocated in accordance with our allocation policy which allows the reallocation of de minimis lot sizes and minimum economic size allocations.

The Adviser may manage accounts that have significant investment by affiliates of the Adviser, as seed capital or as capital investments. In circumstances where the interest in an account on behalf of an affiliate of the Adviser exceeds 25%, the Adviser places restrictions on the trading of those accounts. Such accounts may be included in aggregated trades but only when its participation has been determined prior to the order. Allocation of partially executed orders is in accordance with our allocation policy.

For Fixed Income where a partial allocation is required, the policy is to allocate pro-rata (in relation to the pre trade order size per portfolio) across participating portfolios, taking into account board lot sizes and minimum pieces. There may be instances where clients are disadvantaged against another in when allocating bonds with minimum pieces and lot sizes due to the Adviser aiming to not leave a client with an uneconomical allocation.

The Adviser may provide to wrap program sponsors a model portfolio where SIMNA Inc. has entered into such an arrangement. A financial services company that receives such a model uses that model to place orders for its clients based on the model. The sponsor of the program will generally buy or sell the same securities that the Adviser buys and sells for its clients. Because the sponsor places all trades for clients in model programs, these trades would not be aggregated with trades that Adviser places for its clients using similar strategies to those used in the model delivery programs. The Adviser transmits its model after it places trades for client accounts. Trading generated by model programs could under some circumstances cause prices for a given security to increase and could adversely affect trading for client accounts.

The Adviser does not have discretion to trade securities on behalf of

accounts in model programs. Trades for discretionary clients will likely be placed while models for the programs of other financial services companies are still being formulated into orders by the sponsoring firms. Under most circumstances, the timing will effectively confer priority on orders placed by the Adviser for its discretionary accounts.

If the Adviser determines that this priority is unfairly disadvantaging the model programs, it may attempt to communicate models simultaneously with placing orders for discretionary client accounts. The Adviser will not delay orders for its discretionary accounts in order to confer priority on a model program. The Adviser generally gives priority in the communication of each of its' models among the various program sponsors on a rotating basis.

3. Client Restrictions on Brokers

A client may direct the Adviser in writing to use a particular broker-dealer. Such restrictions on broker use can adversely affect best execution. Where a client restricts all or most trading to a particular broker-dealer, that client cannot benefit when traders buy an aggregate block for other accounts at a favorable price. The Adviser also may not be able effectively to negotiate commission rates with that client's preferred brokerage firm.

The client also will be unable to obtain allocations of new issues of securities if their designated broker cannot independently obtain them. The Adviser will only do business with broker-dealers that it believes can meet their financial obligations from trading. The Adviser ordinarily will not accept an instruction to trade with a broker-dealer that is not credit-worthy.

Clients sometimes ask to send trades to a particular broker-dealer in recognition of services/payments provided to the client by the broker or dealer. A client who chooses to designate the use of a particular broker or dealer on a "restricted" basis, should consider whether such a designation may result in certain costs or disadvantages to the client, either because the client may pay higher commissions on some transactions than might otherwise be attainable by the Adviser or may receive less favorable execution of some transactions, or both. Prospective clients should consider the possible costs or disadvantages of such an arrangement with the value of the services provided. The Adviser reserves the right to refuse such requests where it believes that it cannot achieve best execution.

4. Cross Trading

The Adviser will, from time to time, simultaneously raise client orders to buy and sell a particular security, for different clients. In such circumstances the Advisor will ensure that such trading is in line with law and regulation subject to the trade and to the client.

5. Transactions with Clients

Ordinarily, accounts in which affiliates of the Adviser have an interest in excess of 25% will not buy securities from, or sell them to, client accounts. The Adviser will not arrange such trades for types of clients such as registered investment companies where there is a regulatory prohibition on such trades. In rare circumstances, the Adviser may engage in transactions with clients where the Adviser believes that

the client account will benefit – for example to provide liquidity during periods of market turmoil – and only at prices that the Adviser believes is fair. If transactions of this nature are undertaken, the Adviser will obtain prior written agreement from the client following disclosure of the nature of the interest that the Adviser or its affiliates has in the transaction and the reasons for undertaking the transaction.

The Adviser assigns product managers to each team. The product manager reviews the portfolio characteristics and acts as the liaison with clients. The events that might trigger additional reviews can include change in client objectives; unusual investment environments; or a change in investment strategy. The Adviser uses an automated system that allows its portfolio compliance function to review trades daily to confirm that the trades meet regulatory requirements and client guidelines.

The Adviser does not market its products in the US and does not retain solicitors to market or identify clients on its behalf. SIMNA Inc. will pay a portion of its advisory fee to the third party for introducing or servicing accounts. SIMNA Inc. may enter such arrangements but must comply with SEC Rule 206(4)-3.

The Adviser does not take or retain custody of client funds or securities. Clients retain their own custodians and the Adviser does not make custodial recommendations.

The Adviser generally manages investments on a discretionary basis. Under a discretionary arrangement, portfolio managers have the authority to determine which securities to buy and sell, consistent with the client's investment guidelines. In some instances, however, there are restrictions imposed by clients on investments in specific industries or companies.

The Adviser provides model portfolios to sponsors of third party wrap programs. In those instances, the Adviser only has discretion over the model. The sponsoring firm raises all orders for the underlying accounts after determining how to implement the model for its individual clients. The Adviser does not include the assets in model portfolio programs as part of its assets under management as set forth in Item 4 above.

The Adviser has entered into trade delegation agreements under which orders it raises for client accounts may be routed to the trading desk of affiliated advisers for execution. In such instances, those orders typically are aggregated with orders for the affiliated adviser's clients or executed sequentially subject to a written order priority procedure.

ITEM 13: Review of Accounts

ITEM 14: Client Referrals and Other Compensation

ITEM 15: Custody

ITEM 16: Investment Discretion

ITEM 17: Voting Client Securities

The Adviser treats the voting of proxies as an important part of its management of client assets. It votes proxies in a manner that it deems most likely to protect and enhance the longer term value of the security as an asset to the account.

The Adviser has a Proxy Committee consisting of investment professionals and other officers which is responsible for ensuring compliance with its proxy voting policy. That committee includes input from all offices including affiliated advisers. The actual voting of proxies is carried out by Schroder Investment Management Ltd, the UK affiliate of the Adviser. When voting proxies, the Adviser and its affiliates follow the Environmental, Social & Governance Policy (the "Policy"). The Policy sets forth positions on recurring issues and criteria for addressing non-recurring issues. The Proxy Committee exercises oversight to assure that proxies are voted in accordance with the Policy and that any votes inconsistent with the Policy are documented.

The Adviser uses proxy research from third party service providers. It considers their recommendations for voting on particular proxy proposals. The Adviser bears ultimate responsibility for proxy voting decisions. Occasionally, proxy voting proposals will raise conflicts between the Adviser's interests and those of its clients. Those conflicts are managed in accordance with the procedures set out in the Policy.

If the Adviser receives a proxy relating to an issuer that raises a material conflict of interest, the proxy is voted after review by the Global Head of Equities. The proxy will be voted as follows:

- if a proposal or aspect of the meeting business is specifically addressed by the Policy, the Adviser will vote or act in accordance with the Policy unless the Adviser considers it is in the best interests of clients to depart from the Policy. In that case or if the proposal or meeting business is not specifically covered by the Policy, the Adviser may vote or act as it determines to be in the best interest of clients, provided that such vote or action would be against the Adviser's own interest in the matter.
- if the Adviser believes it should vote in a way that may also benefit, or be perceived to benefit, its own interest, then the Adviser will either (a) vote in accordance with the recommendations of a third party (which will be the supplier of our proxy voting processing and research service); or (b) obtain approval of the decision from the Adviser's Head of Equities: the rationale of such vote will be recorded in writing; or (c) in exceptional cases, inform the client(s) of the conflict of interest and obtain consent to vote as recommended by the Adviser. If the third-party recommendation is unavailable, we will not vote.

A copy of the entire Proxy Voting Policy and information as to specific votes are available to clients upon request. Requests should be made to your Client Service Representative.

The Adviser is a subsidiary of a public company in the UK, Schroders plc. Schroders plc is listed on the London Stock Exchange. The shareholder reports for Schroders plc are available on the internet at <http://ir.schroders.com/>. Clients or prospective clients may also obtain copies of Schroders plc reports by contacting their Client Service Representative.

SIMNA Ltd is not required to make notice filings as the Adviser generally manages portfolios for SIMNA Inc. pursuant to delegation arrangements. The Adviser does not directly advertise, solicit clients or distribute products in the US.

ITEM 18: Other Financial Information

ITEM 19: Requirements for State- Registered Advisers

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Schroders

Schroder Investment Management North America Inc.

Advisory Brochure

Issued in March 2022

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Item 1: Cover Page

Schroder Investment Management North America Inc. (the “Adviser”) is the United States affiliate of Schroders plc., a global asset management company. The Adviser is registered with the Securities and Exchange Commission (the “Commission”) as an investment adviser. The Adviser is also registered as a commodity trading advisor and a commodity pool operator under the Commodity Exchange Act, as amended (the “CEA”), with the Commodity Futures Trading Commission (the “CFTC”) and is a member of the National Futures Association. This brochure provides information about the products and services that the Adviser provides. It also contains a description of the Adviser’s business practices and highlights risks and conflicts that might arise. Supplementary brochures are available that describe the qualifications of the investment personnel in more detail for specific investment strategies.

The information presented in this brochure was prepared by the Adviser, which is solely responsible for the content. Neither the Commission nor any State securities regulator has approved or verified the information contained in this brochure, and the mere fact of registration with the Commission in no way implies that the adviser has any particular level of skill or training to carry out its business.

PURSUANT TO AN EXEMPTION FROM THE COMMODITY FUTURES TRADING COMMISSION IN CONNECTION WITH ACCOUNTS OF QUALIFIED ELIGIBLE PERSONS, THIS BROCHURE OR ACCOUNT DOCUMENT IS NOT REQUIRED TO BE, AND HAS NOT BEEN, FILED WITH THE COMMODITY FUTURES TRADING COMMISSION. THE COMMISSION DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN A TRADING PROGRAM OR UPON THE ADEQUACY OR ACCURACY OF COMMODITY TRADING ADVISOR DISCLOSURE. CONSEQUENTLY, THE COMMODITY FUTURES TRADING COMMISSION HAS NOT REVIEWED OR APPROVED THIS TRADING PROGRAM OR THIS BROCHURE OR ACCOUNT DOCUMENT.

If you have any questions about the content of this brochure, please contact us at the telephone number or e-mail address provided above. For specific questions about particular advisory services or products described in this brochure, you can find additional contact information at this worldwide website: <http://www.schroders.com/us/contact-us>.

Additional information about Schroder Investment Management North America Inc. is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: Statement of Material Changes

This brochure is the twenty-third amendment to the Firm’s Advisory Brochure. This version includes information regarding:

1. Updates to Items 4, 5 and 8 to reflect changes to certain strategies, fees and risk disclosures and the introduction of the Global Climate Leaders and Global Sustainable Food and Water strategies.

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Item 4: Advisory Business

The Adviser is an affiliate of Schroders plc., a London Stock Exchange-listed financial services company. The Adviser is indirectly owned in its entirety by that public company. Trustees of certain settlements made by members of the Schroder family hold in excess of 25% of the voting shares of Schroders plc. Schroders has been in business since 1804. The Adviser registered with the Securities and Exchange Commission in 1980.

The Adviser manages assets for domestic and foreign clients in strategies focusing on US equity and US fixed income securities, including US tax exempt securities. Those strategies are:

- US Small Cap
- US Small/Mid Cap
- US Mid Cap
- US Core Plus
- Municipal Bonds Intermediate and Short Term
- Global Credit (Corporate)
- Global High Yield
- Emerging Market Debt Multi-Sector (Relative Return)
- Value Core
- Value Sustainable Core
- Value Short Duration
- Value Intermediate Duration
- Value Long Duration
- Value Long Credit
- Value Opportunistic
- Value Opportunistic Investment Grade
- Value Tax Aware Opportunistic
- Securitized Products & Asset-Based Finance

The Adviser also markets strategies focusing on non-US equity and fixed income securities as well as multi asset, systematic investments, quantitative and alternative strategies. For these strategies, the Adviser delegates portfolio management of the account to an affiliated adviser Schroder Investment Management North America Ltd (“SIMNA Ltd”). SIMNA Ltd is regulated by the Financial Conduct Authority in the United Kingdom and is also registered with the Securities and Exchange Commission as an investment adviser¹.

Our non-US strategies include:

- Global/International Equity
- Global/International Alpha
- International Alpha ADR
- Global/International Small Cap
- Emerging Markets Equity
- Emerging Markets Equity Alpha
- Frontier Markets Equity
- Emerging Markets Equity Impact
- Global Emerging Markets Small Cap
- Global Climate Change
- Global Climate Leaders

- Global Sustainable Growth
- Global Disruption
- Global Energy Transition
- Global Sustainable Food & Water
- Healthcare Innovation
- US Large Cap Equity
- Swiss Equities
- Asian Equities
- Indian Equities
- Global Strategic Bond

The quantitative equity strategies are:

- Global Core
- International (ex-US) Value
- Global Value
- Global Quality
- Global Blend
- Global ESG
- Emerging Markets
- Emerging Markets Synergy

The multi-asset strategies are:

- Diversified Growth
- Alternative Risk Premia
- Sustainable Dynamic Balanced
- Multi-Asset Alpha

The Systematic Investments strategies are:

- Sustainable Multi-Factor Equity
- Global Multi-Factor Equity

The Adviser also offers alternative investment strategies including:

- Commodities Total Return
- Emerging Market Debt (Absolute Return)
- Insurance-Linked Securities
- Multi-Strategy, Market Neutral

The Adviser also offers Portfolio Solutions strategies including:

- Risk-Managed US Equities
- Risk-Managed International Equities

Finally the Adviser also markets strategies focusing on Japanese equities. For these strategies, the Adviser delegates portfolio management of the account to an affiliated adviser – Schroder Investment Management (Japan) Ltd (“SIM Japan”). SIM Japan is regulated by the Financial Services Agency in Japan and registered with the Securities and Exchange Commission as an investment adviser on February 20, 2020. The strategies that are marketed to US clients are:

- Japanese Equity All Cap
- Japanese Equity Small Cap
- Japanese Equity Micro Cap

- Japan REIT

The Adviser primarily manages separate accounts on a discretionary basis for institutions, endowments, foundations, pension funds, government retirement plans, insurance companies and, as sub-adviser, to registered investment companies sponsored by other advisers². The specific guidelines for these types of accounts are generally the subject of negotiation with clients. Clients may provide restrictions that differ from the Adviser's usual style of managing for a particular strategy. Some strategies – particularly fixed income – may have more latitude for accepting deviations from the ordinary management style of a strategy.

The Adviser also serves as the manager and general partner of private investment partnerships or funds. The Adviser also sub-advises funds that are registered with the SEC under the Investment Company Act of 1940. When investment management services are offered through US registered funds or private investment vehicles, any sales of those products directly to investors are conducted through an affiliated broker-dealer named Schroder Fund Advisors LLC ("SFA"). SFA is registered with the Financial Industry Regulatory Authority ("FINRA"). The FINRA license is a limited one. Other than fund sales, SFA does not execute securities transactions on behalf of clients of the Adviser.

The Adviser also acts as the investment adviser to The Swiss Helvetia Fund, which is a closed-end investment product. Common shares of this Fund are only available for purchase/sale on the New York Stock Exchange at the current market price. The Adviser delegates portfolio management of this Fund to SIMNA Ltd.

The Adviser also manages some strategies for offshore affiliated advisers. This includes management of some offshore funds in Luxembourg. Not all of those strategies are available in the US. The Adviser has also registered as a Portfolio Manager in several Canadian provinces: Alberta, British Columbia, Manitoba, Nova Scotia, Ontario, Quebec and Saskatchewan.

The Adviser does not sponsor a wrap fee program and does not actively manage accounts in wrap fee programs sponsored by others. It does provide model portfolios to wrap-fee program sponsors but all orders for the program's accounts are raised by the wrap fee program sponsor. Each sponsor exercises investment discretion and executes each client's portfolio transaction based on such sponsor's own judgement. The Adviser does not provide model portfolios based on the individual needs of any one client.

The table below shows the assets under management. The top lines show the total assets under management for all investment mandates in which the Adviser is the named investment manager or general partner. The total is broken down according to the assets that are managed by the Adviser and the assets that have been delegated to our affiliated advisers, SIMNA Ltd. and SIM Japan.

¹As is the case with the Adviser, the mere fact that SIMNA Ltd is registered with the SEC does not imply that SIMNA Ltd personnel necessarily possess any particular level of skill or training.

²In a sub-advisory arrangement, the investment adviser appointed by the board of the fund delegates to another advisor the actual selection of securities for the fund, typically on a discretionary basis. Other responsibilities for operation of the fund – such as pricing, marketing and preparing information for the fund board – are retained by the principal adviser.

As of December 31, 2021	Assets		# of Accts
Owned by SIMNA Inc.	\$ 114,939,000,000	USD	277
Delegated to SIMNA Inc.	\$ 58,434,000,000	USD	130
Total SIMNA	\$173,374,000,000	USD	407
Managed by SIMNA Inc.	\$ 90,183,000,000	USD	315
Managed by SIMNA Ltd.	\$ 83,107,000,000	USD	91
Managed by SIM Japan	\$ 84,000,000	USD	1
	\$ 173,374,000,000	USD	407

Item 5: Fees and Compensation

The Adviser generally offers investment advisory services on a discretionary basis for institutions and pooled vehicles. It occasionally offers services on a non-discretionary advisory basis for certain clients.

The prospectus of each registered fund advised or sub-advised by the Adviser sets forth the applicable fees and expenses. With respect to unregistered private funds managed by the Adviser, the applicable fees and expenses are set forth in the relevant offering or governing documents, or in certain cases, in a separate fee agreement between the Adviser and an investor in a private fund.

The strategies available and the current standard fee structures for separate accounts are as follows:

U.S. EQUITIES

US Small Cap Core

Separate Account

Management fee – 0.65% on first \$50 million and 0.60% thereafter

Minimum account size: \$10 million

US Small/Mid Cap

Separate Account

Management fee – 0.65% on first \$50 million, 0.60% on next \$100 million, and 0.55% thereafter

Minimum account size: \$10 million

US Mid Cap

Separate Account

Management fee – 0.65% on first \$50 million, 0.60% on next \$100 million, and 0.55% thereafter

Minimum account size: \$10 million

FIXED INCOME

US Core Aggregate

Separate Account

Management fee – 0.25% on first \$100 million, 0.20% on the next \$100 million, and 0.15% thereafter

Minimum account size: \$40 million

US Core Plus

Separate Account

Management fee – 0.30% on the first \$100 million, 0.25% on the next \$100 million, and 0.20% thereafter

Minimum account size: \$40 million

Municipal Bonds: Intermediate & Short-Term*Separate Account*

Management fee – 0.3375% on first \$30 million, 0.225% on the next \$70 million, 0.1125% on the next \$400 million, 0.09% for the next \$500 million, and .072% thereafter

Minimum account size: \$30 million

Global Credit (Corporate)*Separate Account*

Management fee – 0.35% on first \$100 million, 0.25% on the next \$100 million, and 0.20% thereafter

Minimum account size: \$100 million

High Yield: Global*Separate Account*

Management fee – 0.50% on first \$100 million, 0.45% on the next \$100 million, and 0.40% thereafter

Minimum account size: \$100 million

Emerging Market Debt Multi-Sector (Relative Return)*Separate Account*

Management fee – 0.60% on first \$100 million, 0.50% on the next \$100 million, 0.40% on the next \$300 million, and 0.35% thereafter

Minimum account size: \$100 million

Value Core, Value Short Duration, Value Intermediate Duration, Value Long Duration, Value Long Credit, Value Opportunistic, Value Opportunistic Investment Grade, Value Sustainable Core*Separate Account*

Management fee – 0.325% on first \$50 million, 0.25% on the next \$50 million, 0.125% on the next \$400 million, 0.1% for the next \$500 million, and .08% thereafter

Minimum account size: \$50 million

Value Tax-Aware, Value Tax Aware Opportunistic*Separate Account*

Management fee – 0.2925% on first \$50 million, 0.225% on the next \$50 million, 0.1125% on the next \$400 million, 0.09% for the next \$500 million, and .072% thereafter

Minimum account size: \$50 million

Securitized Products & Asset-Based Finance*Separate Account*

Securitized Index Constrained

Management fee – 0.175% on the first \$250 million, 0.15% on the next \$250 million, 0.1125% on the next \$500 million, and .09% thereafter

Minimum account size: \$250 million

Separate Account

Securitized Index IG

Management fee – 0.30% on first \$250 million, 0.25% on the next \$250 million, 0.175% on the next \$500 million, and 0.15% thereafter

Minimum account size: \$250 million

Separate Account

Securitized Credit IG

Management fee – 0.375% on first \$250 million, 0.325% on the next \$250 million, 0.25% on the next \$500 million, and 0.20% thereafter

Minimum account size: \$250 million

Separate Account

Securitized Credit Unconstrained

Management fee – 0.55% on first \$250 million, 0.50% on the next \$250 million, 0.45% on the next \$500 million, and 0.40% thereafter

Minimum account size: \$250 million

Separate Account

Opportunistic Securitized

Management fee – 0.65% on first \$350 million, 0.60% on the next \$250 million, 0.55% on the next \$200 million, and 0.50% thereafter

Minimum account size: \$350 million

Separate Account

Commercial Mortgage Loan

Management fee – 0.40% base fee

Minimum account size: \$300 million

Opportunistic Credit

This strategy is available only through a pooled investment vehicle.

NON-U.S. EQUITIES & FIXED INCOME

Global/International Equity

Separate Account

Management fee – 0.50% on first \$100 million, 0.40% on next \$100 million, and 0.35% thereafter

Minimum account size: \$50 million

Global/International Alpha

Separate Account

Management fee – 0.60% on first \$100 million, 0.50% on next \$100 million, and 0.45% thereafter

Minimum account size: \$50 million

International Alpha ADR

Offered only through model delivery to wrap-fee program sponsors

Global/International Small Cap

Separate Account

Management fee – 0.95% on all assets

Minimum account size: \$100 million

Emerging Markets Equity

Separate Account

Management fee – 1.00% on first \$100 million, 0.80% on the next \$100 million, and 0.65% thereafter

Minimum account size: \$100 million

Frontier Markets Equity

Separate Account

Management fee – 1.35% on first \$100 million and 1.10% thereafter

Minimum account size: \$100 million

Emerging Markets Equity Alpha

Separate Account

Management fee – 1.00% on first \$100 million, 0.80% on the next \$100 million, and 0.65% thereafter
Minimum account size: \$100 million

Emerging Markets Equity Impact

Separate Account

Management fee – 1.00% on first \$100 million, 0.80% on the next \$100 million, and 0.65% thereafter
Minimum account size: \$50 million

Global Emerging Markets Small Cap

Separate Account

Management fee – 1.35% on first \$100 million and 1.10% thereafter
Minimum account size: \$75 million

Global Climate Change

Separate Account

Management fee – 0.70% on first \$100 million, 0.60% on the next \$100 million, and 0.55% thereafter
Minimum account size: \$50 million

Global Climate Leaders

Separate Account

Management fee – 0.65% on first \$100 million, 0.60% on the next \$100 million, and 0.55% thereafter
Minimum account size: \$50 million

Global Sustainable Growth

Separate Account

Management fee – 0.65% on first \$100 million, 0.60% on the next \$100 million, and 0.55% thereafter
Minimum account size: \$50 million

Global Disruption

Separate Account

Management fee – 0.70% on first \$100 million, 0.60% on the next \$100 million, and 0.55% thereafter
Minimum account size: \$50 million

Global Energy Transition

Separate Account

Management fee – 0.70% on first \$100 million, 0.60% on the next \$100 million, and 0.55% thereafter
Minimum account size: \$50 million

Global Sustainable Food and Water

Separate Account

Management fee – 0.70% on first \$100 million, 0.60% on the next \$100 million, and 0.55% thereafter
Minimum account size: \$50 million

Healthcare Innovation

Separate Account

Management fee – 0.70% on first \$100 million, 0.60% on the next \$100 million, and 0.55% thereafter
Minimum account size: \$50 million

US Large Cap Equity

Separate Account

Management fee – 0.50% on first \$100 million, 0.40% on the next \$100 million, and 0.35% thereafter
Minimum account size: \$50 million

Swiss Equities

This strategy is available only through a pooled investment vehicle.

Asian Equities

Separate Account

Management fee – 0.90% on first \$100 million, 0.80% on the next \$100 million, and 0.75% thereafter

Minimum account size: \$100 million

Indian Equities

Separate Account

Management fee – 0.75% on first \$100 million, 0.65% on the next \$100 million, and 0.60% thereafter

Minimum account size: \$50 million

Japanese Equities

Separate Account

Management fee – 0.70% on first \$100 million, 0.60% on the next \$100 million, and 0.55% thereafter

Minimum account size: \$50 million

Global Strategic Bond

Separate Account

Management Fee – 1.00% on all assets + performance fee

Minimum account size: \$50 million

QUANTITATIVE EQUITY PRODUCTS (QEP)

Global Core

Separate Account

Management fee: 0.25% on the first \$200 million, and 0.15% thereafter

Minimum account size: Typically \$200 million

International (ex-US) Value

Separate Account

Management fee: 0.70% on first \$100 million, 0.55% on the next \$100 million, and 0.40% thereafter

Minimum account size: Typically \$100 million

Global Value

Separate Account

Management fee: 0.70% on first \$100 million, 0.55% on the next \$100 million, and 0.40% thereafter

Minimum account size: Typically \$150 million

Global Quality

Separate Account

Management fee: 0.70% on first \$100 million, 0.55% on the next \$100 million, and 0.40% thereafter

Minimum account size: Typically \$150 million

Global Blend

Separate Account

Management fee: 0.70% on first \$100 million, 0.55% on the next \$100 million, and 0.40% thereafter

Minimum account size: Typically \$150 million

Global / International ESG

Separate Account

Management fee: 0.70% on first \$100 million, 0.55% on the next \$100 million, and 0.40% thereafter

Minimum account size: Typically \$150 million

Emerging Markets

Separate Account

Management fee: 0.75% on first \$200 million and 0.60% thereafter
Minimum account size: Typically \$150 million

Emerging Markets Synergy

Separate Account

Management fee: 0.75% on first \$200 million and 0.60% thereafter
Minimum account size: Typically \$150 million

MULTI-ASSET

Diversified Growth

Separate Account

Management fee – 0.55% on first \$200 million, 0.475% on the next \$300 million, 0.425% on the next \$500 million, 0.40% on the next \$500 million, and 0.375% thereafter
Minimum account size: \$300 million

Alternative Risk Premia

Separate Account

Management fee – 0.65% on first \$250 million, 0.60% on the next \$250 million, and 0.55% thereafter
Minimum account size: \$250 million

Sustainable Dynamic Balanced

This strategy is available only through a pooled investment vehicle.

Multi-Asset Alpha

Separate Account

Management fee – 0.55% on first \$200 million, 0.475% on the next \$300 million, 0.425% on the next \$500 million, 0.40% on the next \$500 million, and 0.375% thereafter
Minimum account size: \$300 million

SYSTEMATIC INVESTMENTS

Sustainable Multi-Factor Equity

Separate Account

Management fee – 0.20%
Minimum account size: Typically \$200 million

Global Multi-Factor Equity

Separate Account

Management fee – 0.20%
Minimum account size: \$200 million

ALTERNATIVES

Commodities Total Return

Separate Account

Management fee: 0.70% on the first \$100 million; 0.60% on the next \$100 million; and 0.50% thereafter, plus a relative performance fee of 20% of outperformance over the Bloomberg Commodity TR Index (subject to watermark)
Minimum account size: \$100 million

Emerging Market Debt (Absolute Return)

Separate Account

Management fee: 0.70% on the first \$100 million; 0.60% on the next \$100 million; and 0.50% thereafter.
Minimum account size: \$100 million

Insurance-Linked Securities

This strategy is available only through a pooled investment vehicle.

Multi-Strategy, Market Neutral

This strategy is available only through a pooled investment vehicle.

PORTFOLIO SOLUTIONS

U.S. Risk-Managed Equities

Separate Account

0.20% on 1st \$250mm

0.15% on balance

\$150,000 per annum minimum fee

Fees are assessed on notional exposure rather than the assets under management

International Risk-Managed Equities

Separate Account

0.20% on 1st \$250mm

0.15% on balance

\$150,000 per annum minimum fee

Fees are assessed on notional exposure rather than the assets under management

The Adviser sometimes negotiates and agrees to fees on a different basis where the circumstances warrant it. The Adviser sometimes agrees to a lower fee, for example, where the amounts managed significantly exceed the minimum investment or where the client has multiple existing accounts. Fee proposals made by the Adviser in connection with Request for Proposals ("RFPs") sometimes vary from the published fee schedule. Some clients have fees based on a different fee schedule which was in effect at the time agreements were originally executed. Fees sometimes are higher for clients who seek specialized mandates that vary significantly from the standard strategies managed for other clients. The Adviser may waive the minimum account size.

With respect to the wrap-fee programs on which the Adviser provides model portfolios, the Adviser receives an investment management fee which is paid to the Adviser by the program's sponsor. The investment management fee is calculated as a percentage of assets under management and is generally payable quarterly.

The Adviser collects fees paid by clients for which the Adviser is providing portfolio management services. For separate accounts and for investments in funds that do not have fund-level advisory fees, clients may select to have the Adviser bill the client for fees incurred, or the client may instead agree to instruct its custodian to deduct advisory fees directly from the client's account.

Advisory clients incur other expenses apart from the advisory fee. These expenses typically include custody fees, brokerage commissions, taxes and other transaction fees. Funds and partnerships will have other expenses that include but are not limited to legal and accounting fees. Fund and partnership fees are shared by all participants in the vehicle.

The Adviser may also use non-affiliated money market funds as temporary investment vehicles for certain of its advisory accounts. Investing in money market funds for client accounts will incur a separate advisory fee paid to the manager of the money market fund. The client is responsible for that fee unless otherwise agreed or prohibited by law.

Neither the Adviser nor any of its employees accept compensation for the sale of securities or other investment services or products from third parties such as issuers or intermediaries. Please review Item 12 for disclosures about our brokerage practices and research provided by brokers.

Item 6: Performance-based fees and Side-by-Side Management

The Adviser sometimes enters into agreements for performance-based fee with qualified clients. Some private funds also have fees calculated in part or in whole on performance.

There are instances in which a portfolio manager is managing accounts in the same strategy that have differences in the fee paid by different accounts. This would include the management “side-by-side” of accounts with performance based and non-performance based fee, including where the Adviser has made an investment in certain funds that also include a performance fee. Managers have a potential conflict of interest arising from the fee difference among accounts, including the possible incentive to favor accounts for which the Adviser receives performance based fees. Performance based fee arrangements may provide more of an incentive than asset based only fee arrangement for portfolio managers to make investments that may present a greater potential return but also present a greater risk of loss. Side-by-side management of accounts with different fee structures may also create an incentive for portfolio managers to allocate scarce investment opportunities to accounts that pay higher fees and those that pay performance based fees. To address these types of conflicts, the Adviser has adopted policies and procedures pursuant to which allocation decisions may not be influenced by fee arrangements, and investment opportunities are allocated in a manner that the Adviser believes is consistent with its fiduciary obligations to each client.

Accounts in the same strategy are included in a single composite for the purposes of performance presentations for that strategy. Trades for accounts in the same strategy are generally carried out as aggregated trades. In such trades, each account gets an average price and shares pro rata in the transaction cost. Where trades are done in the aggregate, a portfolio manager cannot favor one account over the other. In addition, a performance committee consisting of investment and compliance staff oversees these composites including a review of any account that is an “outlier.” An outlier would be any account that deviated significantly from the performance of the composite as a whole. Portfolio managers are required to explain whenever account performance is significantly different than composite results. The Adviser believes that the outlier review would identify accounts that needed further analysis if a manager unduly favored one account in the same strategy.

Item 7: Types of Clients

The Adviser provides investment management services predominantly to institutions, endowments, foundations, pension funds, government retirement plans, and insurance companies and, as sub-adviser, to registered investment companies sponsored by other advisers. These clients and prospects are usually sophisticated investors.

The Adviser does offer municipal bond strategies through separate accounts and markets to high net worth clients in addition to institutions. The high net worth clientele generally consists of individuals, trusts, family offices, endowments, pension funds and private investment funds. The Adviser also sub-advises mutual funds open to retail investors but the Adviser almost exclusively markets to institutional clients and fund of funds products, who may have direct investments in the funds. As noted, the Adviser provides model portfolios to wrap-fee program sponsors, whose clients typically are in the high net worth category.

The Adviser manages private institutional vehicles including trusts and partnerships and offers those only on a private placement basis. In order to invest in private vehicles, prospective clients generally must be “qualified purchasers” as defined under Section 2(a) (51) of the Investment Company Act of 1940.

The Adviser reserves the right not to enter into an advisory agreement with any person or institution for any legally acceptable reason.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

EQUITIES

1. Small Cap, Small/Mid Cap and Mid Cap Strategies

The US Small Cap, Small/Mid Cap and Mid Cap investment strategies use a bottom-up, fundamental and research based approach. Bob Kaynor, the portfolio manager, and a team of analysts work to identify companies that have compelling business models, strong management teams and attractive valuation levels. Research resources include company management, industry competitors, company filings, media and suppliers. Portfolios are diversified by type of company, with approximately 50-70% of the portfolio invested in what the Adviser believes are mispriced growth opportunities, 20-50% in “steady Eddies” (companies with stable and dependable earnings and revenue characteristics), and 0-10% in turnarounds. The strategies are flexible core investment styles; they aim to adapt to changing market dynamics throughout the economic cycle. The portfolios in the Small Cap strategy generally hold 100-130 stocks; the portfolios in the Small/Mid Cap strategy generally hold 90-120 stocks; and the portfolios in the Mid Cap strategy generally hold 60-80 stocks. The Small Cap strategy has as its benchmark The Russell 2000 Index; the Small/Mid Cap strategy has its benchmark the Russell 2500 Index; and the Mid Cap strategy has its benchmark the Russell MidCap Index. The Mid Cap strategy is also offered through model delivery to wrap-fee program sponsors. This version of the strategy differs slightly in that it, among other things, typically holds 50-70 stocks (as compared with 60-80 for a separate account) and excludes certain types of investments (e.g., IPOs, non-US securities, ETFs, futures, etc.).

Risks

All investments involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, volatile political conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investments in small and medium capitalization companies generally carry a greater risk than is customarily associated with larger capitalization companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies, and less liquidity.

2. International and Global Small Cap

The International and Global Small Companies strategy has a core investment style with a growth bias. It is managed by a team led by Luke Biermann (SIMNA Ltd) for International Small Cap and Luke Biermann and Bob Kaynor (SIMNA Inc.) for Global Small Cap. The investment strategy uses a bottom-up, fundamental, research-based approach. The portfolio managers and analysts seek to identify those companies that have compelling business models, strong management teams, attractive valuation levels and favorable long-term growth prospects. The team invests in undervalued stocks where it identifies catalysts for appreciation. In normal market conditions, the portfolio of approximately 125-175 stocks (approximately 200-250 for Global Small Cap) is diversified by region, country and type of company. It contains companies that typically exhibit solid return and growth characteristics, stronger than average balance sheets and cash flow attributes, and valuations broadly similar to or below those

of the universe. The focus is on companies' long-term growth prospects with an investment horizon of approximately three years. The team seeks to manage risk at the security and country level.

The portfolio managers pick stocks within a regional framework. The team reviews an entire portfolio, monitors the overall sector positioning and attempts to ensure that the balance of risks and return is within expectations. The team also determines how to distribute the portfolio among regions, placing emphasis on regions with the most attractive prospects for smaller companies.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, volatile political conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, enhanced risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Investments in small capitalization companies generally carry greater risk than is customarily associated with larger capitalization companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies, and less liquidity.

3. Global and International Equities

The Global and International Equity strategies offers a high conviction, fundamental research-driven approach, aimed at delivering strong outperformance over the longer term within the context of a risk management framework. The portfolio management team at SIMNA Ltd works to identify those companies which will deliver positive earnings surprise (we term this 'positive growth gap'). The strategies focus on selecting the best investment ideas that are identified by a team of locally based equity analysts and global sector specialists.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Products with high turnover may experience higher transaction costs.

4. Emerging Markets Equity and Frontier Markets Equity

The Emerging Market Equity strategy, which is managed by SIMNA Ltd, provides diversified exposure to a range of developing countries around the world. Developing economies are generally growing at a faster rate than developed economies, which leads to the opportunity for premium returns but potentially with higher risk attached. Ideas may be generated from many sources including our ongoing program of company engagement, analysts' core coverage requirement, macroeconomic assessments, and our experienced investment professionals. In addition, we employ a system of quantitative style screens to flag potential new investment ideas. The investable universe is primarily defined by the MSCI Emerging Markets Index, which covers 25 countries and approximately 1400 stocks (index data as at 31st December 2021).

The Frontier Markets Equity strategy provides diversified exposure to a range of frontier market countries around the world. Frontier markets are at an even earlier stage of development than the emerging markets and offer some of the fastest rates of the economic growth in the world. This leads to the opportunity for premium returns, although there can be potentially higher

risk attached. The primary investable universe is defined by the MSCI Frontiers Index which covers 28 countries and approximately 80 stocks, although the investment team will also invest in the wider frontier markets universe (index data as at 31st December 2021).

Key characteristics of both strategies are summarized below:

- 50% of alpha generation is targeted from country allocation and 50% from stock decisions
- Country decisions are guided by a proprietary quantitative country model together with judgment overlay
- Fundamental in-house research with integrated ESG analysis, carried out by a large team of analysts drives stock selection
- Risk management is applied in a proactive and disciplined fashion and includes tracking error targets and stop-loss reviews
- Team based approach organized around a matrix structure

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation.

Emerging markets pose greater risks than investments in developed markets. These risks include political and economic risks, civil conflicts and war, greater volatility, currency fluctuations, higher transactions costs, delayed settlement, possible foreign controls on investment, expropriation and nationalization risks, liquidity risks, and less stringent investor protection and disclosure standards of some foreign markets. Events and evolving conditions in certain economies or markets may alter the risks associated with investments tied to countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in countries in emerging markets. These countries may have relatively unstable governments and less-established market economies than developed countries. Emerging markets may face greater social, economic, regulatory and political uncertainties. These risks make investments in emerging market more volatile and less liquid than in more developed countries.

5. Emerging Market Equity Alpha

The Emerging Market Equity Alpha strategy, which is managed by SIMNA Ltd, provides exposure to the team's top graded stocks from developing countries around the world. Developing economies are generally growing at a faster rate than developed economies, which leads to the opportunity for premium returns but potentially with higher risk attached. Idea generation is driven by various sources including our ongoing program of company engagement, analysts' core coverage requirement, macroeconomic assessments, and our experienced investment professionals. In addition, we employ a system of quantitative style screens to flag potential new investment ideas. The investable universe is primarily defined by the MSCI Emerging Markets Index, which covers 25 countries and approximately 1400 stocks (index data as at 31st December 2021), plus selected companies from the wider emerging and frontier markets universe.

Key characteristics of the strategy are summarized below:

- Alpha generation is targeted through bottom-up fundamental stock selection, driven by in-house research with integrated ESG analysis, carried out by a large team of analysts
- Proactive and disciplined risk management including tracking error targets and stop-loss reviews is applied to produce a concentrated, high conviction portfolio of 30-50 stocks with no systematic style bias

- Team based approach organized around a matrix structure

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation.

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6. Emerging Market Equity Impact

The Global Emerging Markets Impact Strategy invests in companies that intentionally and materially contribute to having a positive impact to society in line with the UN sustainable development goals (SDGs), including in 5 key areas: climate change, health and wellness, responsible consumption, sustainable infrastructure and inclusion. The strategy is driven by fundamental bottom-up stock analysis conducted by fund managers and analysts globally. Each company in a portfolio must have a positive societal return, be managed in a sustainable way and be an attractive investment from a financial perspective. The strategy invests in a concentrated portfolio of 30-50 publicly listed equities within Emerging markets with a low turnover given the long term horizon of investments. The investable universe is primarily defined by the MSCI Emerging Markets Index, which covers 25 countries and approximately 1400 stocks (Index data as at 31st December 2021).

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation.

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political uncertainties. These risks make investments in emerging market more volatile and less liquid than in more developed countries.

7. Global Emerging Markets Small Cap

The Global Emerging Markets Small Cap strategy provides diversified exposure to the smaller companies of emerging markets. The strategy is largely index unconstrained, with the primary investable universe being the MSCI Emerging Markets Small Cap Index, which covers 25 countries and approximately 1,800 stocks (index data as of December 31, 2021), although the strategy also aims to find good investments in medium-sized emerging companies and opportunistically in frontier market stocks. The strategy is managed by the Emerging Markets Equities team.

Idea generation is driven by a combination of factor screens and a global network of analysts and portfolio managers. Stocks on the focus list are assessed and selected after a thorough assessment of their fundamentals and business model. The strategy follows a proactive approach to risk management. Key characteristics are summarized:

- Alpha generation is primarily targeted through bottom-up fundamental stock selection, driven by in-house research with integrated ESG analysis, carried out by a large team of analysts
- Proactive and disciplined risk management is in place at the stock, country and sector level to produce a portfolio of 60-120 stocks with no systematic style bias although low quality stocks will tend to be avoided
- Team based approach organized around a matrix structure

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Investments in small capitalization companies generally carry greater risk than is customarily associated with larger capitalization companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies, and less liquidity.

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8. Global Climate Change

Schroders' Global Climate Change is a thematic global equity strategy which seeks to maximize excess returns by investing in companies whose long-term business outlook in our opinion, is significantly impacted by efforts to mitigate or adapt to climate change. Within the broad theme we have identified five sub-themes within which we believe climate change investment opportunities are most apparent - energy efficiency; low carbon leaders; clean energy; sustainable transport; and environmental resources. The strategy excludes companies that report significant ownership of fossil fuel reserves (e.g. oil, coal, gas, tar-sands, shale-gas) from our investable universe.

The strategy is managed at SIMNA Ltd by portfolio managers Simon Webber and Isabella Hervey-Bathurst. The portfolio managers are directly responsible for all decisions made within the strategy and have a detailed knowledge of all companies in which investments are made. The portfolio is benchmark-unconstrained, typically resulting in a high conviction portfolio of approximately 50-80 stocks.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets.

9. Global Climate Leaders

Schroders' Global Climate Leaders is a thematic global equity strategy which is positioned as a Net Zero (or Paris Agreement) aligned global portfolio of best ideas from the Schroders Global Equity team and Global Climate Change investment team. Climate Leaders are companies that have ambitious targets to decarbonize, consistent with achieving a 1.5 degree scenario under the Paris Agreement on Climate Change or better. The strategy seek invest in the most attractive companies from a universe of approximately the top 5-10% of listed companies with respect to climate change alignment, as defined by their ambitions and the seriousness of their interim targets and delivery on these, based on the team's appraisal.

The strategy is managed at SIMNA Ltd by portfolio managers Simon Webber and Isabella Hervey-Bathurst. The portfolio managers are directly responsible for all decisions made within the strategy and have a detailed knowledge of all companies in which investments are made. The portfolio is benchmark-unconstrained, typically resulting in a high conviction portfolio of approximately 50-80 stocks.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets.

10. Global Sustainable Growth

The Global Sustainable Growth invests in issuers that the investment team believes are truly responsible companies that are managed for the long term, with stakeholder interests at heart, which offer the potential for capital growth. We believe that ultimately good corporate citizenship is an important driver of long term earnings durability and alpha generation. The strategy is managed with reference to material environmental, social and governance factors. This means issues such as climate change, environmental performance, labor standards or board composition may be considered in the assessment of companies. The strategy may invest in companies of any market capitalization.

The strategy is managed at SIMNA Ltd by portfolio managers Katherine Davidson and Charles Somers. The portfolio managers are directly responsible for all decisions made within the strategy and have a detailed knowledge of all companies in which investments are made. The portfolio is benchmark-unconstrained, typically resulting in a high conviction portfolio of 30-50 stocks.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Investments in small capitalization companies generally carry greater risk than is customarily associated with larger capitalization companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies, and less liquidity.

11. Global Disruption

The strategy seeks to exploit disruptive impact within and across industries on a global basis. Disruption is a persistent feature affecting the operating environment in many industries, occurring primarily due to the introduction of new technology, innovation, different service models, or the creation of new markets. The strategy aims to identify beneficiaries of disruption: typically, but not exclusively, the disruptors themselves. If a disruptive force gains traction in an industry or sub-sector, there is usually a dramatic change in the operating performance both of incumbents and disruptor(s).

The strategy's philosophy is based on the disciplined application of the Disruptive Innovation theme leading to a clear relationship between disruption and expectations for the forward-looking operating and financial performance of the stocks in the portfolio. Fundamental research forms the basis of our investment decisions, with an emphasis on medium to long-term returns. The strategy combines top-down analysis of the thematic drivers driving the sector with bottom-up stock research. Proprietary analysis seeks to understand the drivers of earnings growth within the context of major global sector dynamics and trends. The manager focuses on growth drivers which will support earnings growth ahead of market consensus. The portfolio provides exposure across the market cap spectrum, recognizing the disruptive influence of emerging technologies developed by smaller companies. The strategy incorporates an explicit sub component of the portfolio designated an 'incubator'. The incubator portion comprises 10 - 20 less liquid, smaller cap stocks considered early stage disruptors or adaptors.

The portfolio is built bottom-up and stocks weighted on the basis of the manager's expectations for the trajectory of earnings growth; fundamental risk; valuation; and conviction. Environmental, Social and Governance (ESG) analysis is fully integrated into stock research and portfolio construction. The manager seeks to deliver a high conviction portfolio comprising 75-100 names exhibiting under-appreciated growth potential. Stock weights reflect the portfolio manager's assessment of risk-adjusted return and degree of conviction in the particular investment idea. The strategy is managed at SIMNA Ltd by portfolio manager Alex Tedder.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Investments in small capitalization companies generally carry greater risk than is customarily associated with larger capitalization companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies, and less liquidity.

12. Global Energy Transition

The strategy will aim to provide investors with a focused thematic exposure to the best performing companies involved in new clean energy systems, as the world transitions to lower-carbon energy. It will target Global Resource emerging technologies and strategic industries integral to the global shift to cleaner energy, seeking opportunities across key value chains, including renewable energy, energy storage and electric vehicles. It will also selectively offer exposure to the underlying materials and technologies required for the transformation to take place. The strategy will not invest in companies principally involved in fossil fuels or nuclear energy. Crucially, the focus will be kept on the energy system and the associated technologies needed to enable its change. This means the strategy will only invest in companies involved in the production and distribution of clean energy, the management of energy consumption, or the production of materials and technologies required to facilitate these activities. A detailed revenue-based screen is run to find any company that reports exposure to energy transition technologies in its accounts. This broad list of companies is then screened again to produce a more concise 'focus list'. First, each company is assigned a 'primary technology' based on reported revenue exposure and principal market activity. A set of quantitative filters are then applied to identify the best-in-class companies within each technology group. At the company level, the focus is on finding businesses with high returns on invested capital, a clear path to free cash flow generation and a desire to distribute returns to equity holders. Balance sheet management is important given that many clean energy technologies are in the early stages of their development and are subject to new industry risks. The portfolio is typically managed between 30 and 50 stocks. The strategy is managed at SIMNA Ltd by portfolio manager Mark Lacey.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Investments in small capitalization companies generally carry greater risk than is customarily associated with larger capitalization companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies, and less liquidity. The returns on a portfolio of securities that excludes companies principally involved in fossil fuels or nuclear energy may trail the returns on a portfolio of securities that includes such companies. Trading in a portfolio focused on energy companies involves certain risks and special considerations not usually associated with investing in a more diverse portfolio, including risks related to the nature of the market for energy equities, including the risk that the energy issuers may be affected by market developments in different ways than issuers in other industries and may be more volatile than issuers in other industries.

13. Global Sustainable Food and Water

The strategy will aim to provide investors with focused thematic exposure to the best performing companies involved in sustainable food and water as the world transitions to make the system more sustainable whilst improving food security. It will target emerging technologies and strategic industries integral to the changing food and water system, seeking opportunities across key value chains, including water management, agricultural equipment, agricultural inputs, food production and processing, packaging, distribution, food and water retail, and recycling. As well as focusing on the wider food and water value chain, the strategy will have a sustainability overlay. In practice this mean we will only invest in companies that are meaningfully addressing five core negative externalities (climate change and GHG emissions, biodiversity, water intensity and management, pollution and waste and wellbeing and health) associated with food and water, thus helping to alter the global food system so that it is more sustainable and encouraging of a healthy global population. The portfolio is typically managed between 40 and 60 stocks. The strategy is managed at SIMNA Ltd by portfolio manager Mark Lacey.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Investments in small capitalization companies generally carry greater risk than is customarily associated with larger capitalization companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies, and less liquidity. Trading in a portfolio focused on companies which help the transition towards the sustainable provision of food and water involves certain risks and special considerations not usually associated with investing in a more diverse portfolio, including risks related to the nature of the market for water management, agricultural equipment, agricultural inputs, food production, processing, packaging and distribution, food and water retail and recycling. equities, including risks related to the nature of the market for these equities, may be affected by market developments in different ways than issuers in other industries and may be more volatile than issuers in other industries.

14. Healthcare Innovation

The strategy's investment objective is to achieve capital growth by investing in companies within sub-sectors ranging from large pharma and biotechnology to health insurance as well as food and leisure products, offering investors the potential to invest in an array of companies with very different return and growth profiles. The strategy is positioned to benefit from the structural growth in demand for healthcare provision and medical treatments, supported by demographic trends, improving standards of living and, technological advancements. Our philosophy is based on the belief that companies which surprise the market by delivering earnings above those anticipated by market consensus (we term this 'a positive growth gap') will produce strong and consistent outperformance over time. In the healthcare sector, we believe three structural themes will drive positive growth gap: 1. Product Innovation: We believe innovation in medical treatments (drugs, medicines and medical devices) will continue to drive positive earnings growth. 2. Health Service Innovation: We believe increasing scrutiny in healthcare costs will drive innovation and shift market share to the most efficient service providers. 3. Demographics: The population is aging globally & healthcare utilization typically rises with age.

The investment approach leverages the insights gained from proprietary local research. Four regionally-based healthcare analysts examine companies on a stock-by-stock basis, supplementing the research of the Portfolio Manager providing an idea pool of interesting healthcare-related companies. The breadth of our capabilities enable us to tap into a large universe of stocks spanning a diverse range of industries and across the market cap spectrum. The team combines top-down analysis of the healthcare sub-sectors with bottom-up stock research of companies within these sub-sectors, providing broad sector exposure. Fundamental research forms the basis of each investment decision as we strive to let stock selection drive the risk budget and portfolio allocations and thus country weightings are largely a by-product of bottom-up stock selection.

The portfolio is typically managed between 50 and 80 stocks. The strategy is managed at SIMNA Ltd by portfolio manager John Bowler.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions,

illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Investments in small capitalization companies generally carry greater risk than is customarily associated with larger capitalization companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies, and less liquidity. Trading in a portfolio focused on healthcare companies involves certain risks and special considerations not usually associated with investing in a more diverse portfolio, including risks related to the nature of the market for healthcare equities, including the risk that the healthcare issuers may be affected by market developments in different ways than issuers in other industries and may be more volatile than issuers in other industries.

15. US Large Cap Equities

The US Large Cap Equity strategy offers a high conviction, fundamental research-driven approach, aimed at delivering strong outperformance over the longer term within the context of a risk management framework. The portfolio management team, led by portfolio manager Frank Thormann at SIMNA Ltd, works to identify those companies which will deliver positive earnings surprise (we term this 'positive growth gap'). The strategies focus on selecting the best investment ideas that are identified by a team of locally based equity analysts and global sector specialists.

Risks

All investments involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, volatile political conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions.

16. QEP Strategies

The Global unconstrained strategies, which include a Value, Quality and Blend approach, are index unconstrained, and diversified. The portfolio management team, located at SIMNA Ltd, applies a proprietary investment analysis based on an evaluation of a number of valuation metrics such as dividends, cash-flow, earnings, and asset-based measures as well as quality metrics such as profitability, stability, financial strength, sales growth and governance. The team starts with a universe of over 10,000 stocks of all sizes across both developed and emerging markets.

It assigns a value and quality rank for each stock and typically focuses on the top third of the respective rank for each strategy. Stock position sizes determined by the evaluation of a company's fundamental risk as well as other considerations such as market impact costs, liquidity considerations, country risk and environmental, social and governance issues. Companies with better fundamentals and/or lower risk will receive higher weights in portfolios. The portfolios are diversified over many hundreds of stocks, which helps seek attractive opportunities but also reduces stock specific risk and avoids concentrations at the stock, sector or region levels. The universe is adjusted for our International strategy, which targets investments in stocks listed outside of the US, and for the Emerging Market strategy, which targets investments in stocks listed in Emerging Markets. For the Global ESG strategy, the team invests on the basis of valuations, business quality and ESG considerations. This strategy is active in all areas of ESG: exclusions, integration, ongoing research and engagement.

The team sells securities when stocks fall out of the top of the relevant value and quality universe, if their fundamentals have deteriorated or if it is taking advantage of investments that the team considers more attractive or that provide better diversification to the portfolio. The investment process may result in frequent trading of portfolio securities.

The Global Core strategy adopts a similar stock evaluation scheme as the unconstrained strategies but restrictions are in place at the stock, sector and region level governing how far portfolio weights can deviate from benchmark weights, with the objective of delivering a portfolio with low index relative risk.

The Emerging Markets Synergy strategy is a core EM offering, analyzing a universe of 5,000 stocks across emerging market countries, with a portfolio biased towards value and quality, and constructed to be highly diversified, typically containing over 250 stocks. The investment process also incorporates ESG considerations in several different ways: integration, research and engagement, and potential exclusions. The strategy is managed jointly by the Schroders' Global Emerging Markets (GEM) and QEP investment teams. In an effort to reduce stock-specific risks within the largest stocks in the MSCI emerging market index, we build a portfolio which takes active positions in liquid stocks with an average daily volume (ADV) of more than US\$150 million and an index weight of more than 0.5% up to +/-2%. This sleeve is managed by the fundamental Emerging Markets Equity team at Schroders based on their fundamental analysis of these stocks. The remainder of the portfolio is managed by the QEP Investment team via their usual approach, using their scalable quantitative tools to identify suitable opportunities from a Value and Quality perspective.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Products with high turnover may experience higher transaction costs. Investments in small and medium capitalization companies generally carry a greater risk than is customarily associated with larger capitalization companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies, and less liquidity.

17. Swiss Equities

The Swiss-based investment team manages a bottom-up, fundamentally driven ESG-integrated investment philosophy and process with a bias towards value, quality and small caps - three empirically proven factors that can deliver outperformance. Our strategy aims to exploit inefficiencies of the Swiss equity market. Inefficiencies can either be stock specific, related to the above mentioned three style factors or both. The team's approach is fundamental, bottom-up and judgmental, not simply quantitative. The integration of ESG occurs in a similar manner. Rather than only seeking optimized exposure to value, quality and small and mid-cap equities or environmental, social and governance aspects, we examine each investment opportunity on its own fundamental merits and its contribution to the overall risk/return characteristics of the portfolio.

The universe of Swiss equities contains over 200 stocks. Those that do not have sufficient free float, where the market capitalization is too small and/or where the investment case is deemed to be questionable are excluded from further in-depth analysis. The remaining more than 100 stocks are covered by the team. Each stock is attributed a fair value, which is determined by a discounted free cash flow model, where applicable, which is also backed up by classical value style analysis. The outcome of the screening and research process is a matrix that plots over 100 stocks in a matrix with two axis: value and quality.

The strategy is managed with reference to material environmental, social and governance factors. This means issues such as climate change, environmental performance, labor standards or board composition that could impact a company's value may be considered in the assessment of companies.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic

instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation.

Trading in Swiss Equities involves certain risks and special consideration not usually associated with investing in securities of established U.S. companies, including risks related to the nature of the market for Swiss equities, including the risk that the Swiss markets may be affected by market developments in different ways than U.S. securities markets and may be more volatile than U.S. securities markets.

18. Asian Equities

The Asia ex Japan Equities strategies in general use a disciplined and repeatable active fundamental approach with a focus on companies that grow shareholder value in the long term. We focus on companies that grow shareholder value in the long term. The experienced investment team is led by Alex McDougall with professionals located in six cities within Asia. We believe that excellence in proprietary research that is conducted by an extensive team of experienced analysts located close to the companies that we invest in is critical to investment success. This proprietary research provides our specialized portfolio managers an in-depth understanding of the various investment opportunities, giving them the confidence to implement their stock picks with strong conviction, which in turn leads to long-term sustainable alpha generation.

The Asian Equities strategies includes a strategy which focuses on China A Shares as well as an All China strategy that focuses on onshore and offshore China equities. The China A strategy seeks to meet its investment objective by investing in equities of Chinese companies listed and traded on Chinese stock exchanges, predominantly the Shenzhen and Shanghai Stock Exchanges. The All China strategy seeks to meet its investment objective by investing in equities of Chinese companies listed and traded onshore on Chinese stock exchanges, as well as offshore stock exchanges including those in Hong Kong and the US.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interests rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Products with high turnover may experience higher transaction costs.

Trading in Asian Equities involves certain risks and special consideration not usually associated with investing in securities of established U.S. companies, including risks related to the nature of the market for Asian equities, including the risk that the Asian markets may be affected by market developments in different ways than U.S. securities markets and may be more volatile than U.S. securities markets. Investing in the securities markets in mainland China is subject to the risks of investing in emerging markets generally and the risks specific to the mainland China market.

Emerging markets pose greater risks than investments in developed markets. These risks include political and economic risks, civil conflicts and war, greater volatility, currency fluctuations, higher transactions costs, delayed settlement, possible foreign controls on investment, expropriation and nationalization risks, liquidity risks, and less stringent investor protection and disclosure standards of some foreign markets. Events and evolving conditions in certain economies or markets may alter the risks associated with investments tied to countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in countries in emerging markets. These countries may have relatively unstable governments and less-established market economies than developed countries. Emerging markets may face greater social, economic, regulatory and political uncertainties. These risks make investments in emerging market more volatile and less liquid than in more developed countries.

19. Indian Equities

The Indian Equities strategy in general uses a disciplined and repeatable active fundamental approach with a focus on companies that grow shareholder value in the long term. The strategy utilizes research provided by Axis Asset Management Company Limited (Axis AMC) in India. We believe a fundamental investment approach focused on identifying such sustainable businesses while controlling risk is the best way to deliver returns in the Indian equity market over the long term. The experienced Schroders' investment team is led by Alex McDougall with professionals located primarily in Hong Kong and Singapore in Asia. The Axis AMC team is based in Mumbai, India. We believe that excellence in proprietary research that is conducted by an extensive team of experienced analysts located close to the companies that we invest in is critical to investment success. This proprietary research provides our portfolio managers an in-depth understanding of the various investment opportunities, giving them the confidence to implement their stock picks with strong conviction, which in turn leads to long-term sustainable alpha generation. There are no market capitalization restrictions on the securities that can be held.

The Indian Equities strategy seeks to meet its investment objective by investing primarily in equity and equity related securities of Indian companies or companies which have a substantial business exposure to India.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets. Products with high turnover may experience higher transaction costs.

Trading in Indian Equities involves certain risks and special consideration not usually associated with investing in securities of established U.S. companies, including risks related to the nature of the market for Indian equities, including the risk that Indian markets may be affected by market developments in different ways than U.S. securities markets and may be more volatile than U.S. securities markets.

Emerging markets pose greater risks than investments in developed markets. These risks include political and economic risks, civil conflicts and war, greater volatility, currency fluctuations, higher transactions costs, delayed settlement, possible foreign controls on investment, expropriation and nationalization risks, liquidity risks, and less stringent investor protection and disclosure standards of some foreign markets. Events and evolving conditions in certain economies or markets may alter the risks associated with investments tied to countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in countries in emerging markets. These countries may have relatively unstable governments and less-established market economies than developed countries. Emerging markets may face greater social, economic, regulatory and political uncertainties. These risks make investments in emerging market more volatile and less liquid than in more developed countries.

20. Japanese Equities

The Japanese Equity investment strategies use a bottom-up, fundamental and research based approach. Ken Maeda, Head of Japanese Equities, and the team of five fund managers including Ken, eight sector analysts, and three small cap specialists work to identify companies with long term earnings growth prospects and attractive or reasonable valuation levels. Comprehensive and detailed research is the key driver of our process and our fundamental research activities include meeting with company management. The team manages several strategies including Core, other specialists strategies, and Small cap/Micro cap, and the portfolios in each strategy are actively managed by the responsible fund managers. Each strategy has slightly different

portfolio characteristics, but share the consistent investment philosophy and common features focusing on companies' long term value which is also assessed through ESG (Environment, Social, and Governance) factors. Our disciplined portfolio management and risk control are embedded in all strategies the team manages, which we believe benefits achieving superior risk adjusted returns for clients.

Risks

All investments involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, volatile political conditions, prospects of stocks in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. Investments in small and medium capitalization companies generally carry a greater risk than is customarily associated with larger capitalization companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies, and less liquidity. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation.

Trading in Japanese Equities involves certain risks and special consideration not usually associated with investing in securities of established U.S. companies, including risks related to the nature of the market for Japanese equities, including the risk that the Japanese markets may be affected by market developments in different ways than U.S. securities markets and may be more volatile than U.S. securities markets.

FIXED INCOME

1. US Multi-Sector

A. Core Plus

The Core Plus strategy seeks to maximize total return by investing across the full maturity and investment grade spectrum of US fixed income sectors and securities. The strategy permits up to a 20% allocation, respectively, to high yield and non-dollar securities. Emerging market debt securities may also be utilized in the strategy, but are incorporated into the total 20% allocation to the plus sectors. The investment team, led by Lisa Hornby, focuses on active sector rotation and security selection – supported by extensive proprietary fundamental, technical and quantitative research. The team makes investment decisions on a relative-value basis. Key features include:

- Risk management central to investment philosophy, process and implementation
- Sector and security selection are the key drivers of alpha
- Portfolio duration is tightly controlled within +/- 10% range of benchmark duration

Risks

All investments involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including interest rate risk, credit risk, inflation/deflation risk, mortgage and asset-backed securities risk, U.S. Government securities risk, foreign investment risk, currency risk, derivatives risk, leverage risk and liquidity risk. Frequent trading of the portfolio may result in relatively high transaction costs and may result in taxable capital gains.

B. Value Strategies (Core, Short Duration, Intermediate Duration Long Duration, Long Credit Opportunistic, Opportunistic Investment Grade, Sustainable Core, Tax-Aware and Tax-Aware Opportunistic)

Schroders Value seeks to generate total return by investing primarily in investment grade bonds denominated in USD. The difference in management between portfolios is the application of value management to a portfolio's specific duration, currency, tax situation and investment guidelines.

The Schroder Value strategy is value-driven, and is based on the premise that pricing inefficiencies exist in the market and our ability to identify those leads to superior investment performance. The strategy focuses on identifying primarily investment grade bonds or sectors whose valuations have become dislocated from the underlying fundamentals primarily due to technical reasons and believe purchasing undervalued bonds and selling them once they are fully-priced rewards investors. Our sector and security weightings are made independent from the benchmark and our positioning reflects our value approach, as well as the attractiveness of the opportunities relative to the broad market.

The Schroder Value strategy does not believe that the general level of interest rates can be reliably forecast, so it does not invest based on a view of future changes in interest rates. A portfolio's duration is defined by the duration of the specific investment assignment. For the Opportunistic strategy, the duration profile may vary over time depending on Schroders' strategic assessment of market and economic conditions and other factors. Sector allocation and individual security decisions are made independent of sector and security weightings in the benchmark. The Opportunistic strategy can be limited to investment grade instruments or include an allocation to high yield instruments.

The team also uses a similar approach for its Tax-Aware strategy. That strategy may be managed using only investment grade securities or as a strategy that permits up to a 20% allocation, respectively, to high yield and non-dollar securities. Emerging market debt securities may also be utilized in the strategy, but are incorporated into the total 20% allocation to the plus sectors.

Strategies are also offered in Sterling-denominated accounts.

Risks

All investments involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including interest rate risk, credit risk, inflation/deflation risk, mortgage and asset-backed securities risk, U.S. Government securities risk, foreign investment risk, currency risk, derivatives risk, leverage risk and liquidity risk. Frequent trading of the portfolio may result in relatively high transaction costs and may result in taxable capital gains. The Schroders Value strategy investment process does at times involve frequent trading in securities, which may result in relatively high transaction costs and may result in taxable capital gains.

C. Municipal Bonds

The municipal bond strategy uses fundamental analysis and bottom-up security selection of municipal bonds with a goal of delivering maximum after-tax yield and income with high levels of credit quality.

Key features of the approach include:

- Research-driven process
- Diversified portfolios
- Relative-value security selection
- Focus on high-quality, higher-yielding issues
- Duration-neutral approach

Risks

All investments involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including volatility of the municipal bond market, interest rate risk, credit risk, liquidity risk and inflation/deflation risk.

2. Global Credit

A. Global Corporate Bond

The Global Corporate Bond strategy focuses on individual security selection and industry weightings. The strategy relies on the fundamental research done by the Adviser's analysts and its own internal quantitative tools and valuation screens. Potential investments are evaluated on a relative value basis. The team seeks the most attractive trade-off between risk and reward. Key features include:

- Research-driven, themes-based investment process
- Analysts rigorously evaluate issuers for fundamental value, relative value and volatility
- Relative value approach to decision making with opportunistic management in changing markets
- Risk management is embedded in the investment process

B. Global High Yield

The Global High Yield strategy seeks to generate total return by investing across the full maturity spectrum of below investment grade corporate bonds denominated in various currencies. The strategy may invest up to 30% in investment grade corporate bonds and government securities. The strategy typically does not invest in equities or leveraged loans.

The team considers issuer and issue selection and industry allocation. The team has a tilt toward credit quality that typically contributes excess returns relative to the benchmark. Positions in three other areas are also actively managed: geographic country exposure, duration and curve positioning, and liquidity. Key characteristics of the strategy include:

- Research-driven, themes-based investment process
- Analysts rigorously evaluate issuers for fundamental value, relative value and volatility
- Relative value approach to decision making with opportunistic management in changing markets
- Risk management is embedded in the investment process

Risks for Global Credit

High yield risk - companies that are highly leveraged, less creditworthy or financially distressed. These investments (known as junk bonds) are considered to be speculative and are subject to greater risk of loss, greater sensitivity to interest rate and economic changes, valuation difficulties, and potential illiquidity.

All investments involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including interest rate risk, credit risk, inflation/deflation risk, U.S. Government securities risk, foreign investment risk, currency risk, derivatives risk, leverage risk and liquidity risk. Frequent trading of the portfolio may result in relatively high transaction costs and may result in taxable capital gains.

3. Emerging Market Debt Multi-Sector (Relative Return)

Schroders Emerging Market Debt Relative is a relative return multi-sector strategy that integrates sovereign dollar debt, local currency rates and currency, and emerging market corporate debt in an actively managed, strategic asset allocation framework. This approach aims to capture the opportunity set in EM fixed income while managing these four alpha sources in an integrated

manner with the goal of achieving the highest risk-adjusted returns available. The strategy uses an integrated approach to the main sectors of EM fixed income:

- The strategy is less benchmark-constrained, which provides the flexibility to pursue the most attractive investment opportunities available
- Multi-Sector approach emphasizes key risk factors, stress testing and global scenario analysis for the portfolio as a whole and for each sector
- Portfolio construction uses an intrinsic rating process; corporate relative value recommendations, and global scenario analysis

Risks

All investments involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including interest rate risk, credit risk, inflation/deflation risk, mortgage and Asset-backed securities risk, U.S. Government securities risk, foreign investment risk, currency risk, derivatives risk, leverage risk and liquidity risk. Frequent trading of the portfolio may result in relatively high transaction costs and may result in taxable capital gains.

Emerging markets pose greater risks than investments in developed markets. These risks include political and economic risks, civil conflicts and war, greater volatility, currency fluctuations, higher transactions costs, delayed settlement, possible foreign controls on investment, expropriation and nationalization risks, liquidity risks, and less stringent investor protection and disclosure standards of some foreign markets. Events and evolving conditions in certain economies or markets may alter the risks associated with investments tied to countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in countries in emerging markets. These countries may have relatively unstable governments and less-established market economies than developed countries. Emerging markets may face greater social, economic, regulatory and political uncertainties. These risks make investments in emerging market more volatile and less liquid than in more developed countries.

4. Global Strategic Bond

The Global Strategic Bond strategy seeks to maximize risk adjusted returns by investing across the full maturity and spectrum of Global Fixed Income and Currency markets and securities. The investment team, led by Paul Grainger, focuses on generating alpha through exploiting opportunities in duration, yield curve, country allocation, currency, credit beta, credit sector and credit idiosyncratic strategies – supported by extensive proprietary fundamental, technical and quantitative research. Key features include:

- An unconstrained non benchmarked approach to investing in Fixed Income and currency markets
- A strong focus on portfolio construction
- A globally integrated investment framework enabling the team to invest in opportunities across the regional spectrum

Risks

All investments involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including interest rate risk, credit risk, inflation/deflation risk, mortgage and asset-backed securities risk, Government securities risk, political and foreign investment risk, currency risk, derivatives risk, leverage risk, counterparty risk and liquidity risk. Frequent trading of the portfolio may result in relatively high transaction costs and may result in taxable capital gains.

5. Securitized Products & Asset-Based Finance

The Securitized Products strategies seek to generate total return relative to a benchmark, or absolute return, through exploiting sector, security or pricing inefficiencies across the continuum of global securitized assets and collateralized loans. The strategies range from those benchmarked against higher quality indexes such as the Bloomberg Barclays US MBS Index, to those that are unconstrained with respect to credit. Certain strategies can invest in private debt and loans. Some strategies can utilize borrowing and can also hedge credit risk.

The strategies are based on a research-oriented, value-driven approach to identify opportunities by participating in sectors where capital provision is inefficient. It begins with a top-down examination of the fundamentals and technical factors across sectors using macro-economic, sector and in-depth trend-oriented research of the mortgage and real estate landscape. This is combined with a detailed risk profiling analysis that groups securities across sectors into similar liquidity, volatility and structural leverage profiles. This bottom-up analysis incorporates an in-depth quantitative assessment and modeling of each bond over a wide variety of economic scenarios and is the foundation for our relative value decisions. This assessment is further enhanced with a qualitative analysis of several other key factors such as counterparty and servicer capabilities and risk. We believe this comprehensive approach is the ideal process to capture value in the securitized market.

Risks

All investments involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including interest rate risk, financing risk, inflation/deflation risk, mortgage and asset-backed securities risk, Government securities risk, political and foreign investment risk, currency risk, derivatives risk, leverage risk, counterparty risk, concentration risk and liquidity risk. Frequent turnover of the portfolio may result in relatively high transaction costs and may result in taxable capital gains.

6. Opportunistic Credit

The Opportunistic Credit strategies are focused on generating attractive income and flexible opportunistic return focused on asset-secured lending and global securitized credit.

The strategies seek to provide attractive returns with low correlation to traditional asset classes and low interest rate sensitivity. The strategy employs a research driven approach to exploit specific market inefficiencies due to regulation and structural changes. The strategies can invest substantial assets in below investment grade and non-rated securities, and may also invest in loans and derivatives and use leverage.

Risks

All investments involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including interest rate risk, financing risk, inflation/deflation risk, mortgage and asset-backed securities risk, Government securities risk, foreign investment risk, currency risk, derivatives risk, leverage risk, counterparty risk, concentration risk and liquidity risk. Frequent turnover of the portfolio may result in relatively high transaction costs and may result in taxable capital gains. The risk of default is higher with non-investment grade bonds than with investment grade bonds. Higher yielding bonds may also have an increased potential to erode capital than lower yielding bonds. Leverage creates an opportunity for greater yield and total return but, at the same time, will increase the exposure to capital risk and interest costs. Private commercial mortgage or related commercial real estate loans may be subject to prepayment and extension risks, real estate risk, as well as heightened delinquency and foreclosure risks. In addition, the performance of commercial real estate loans will be dependent on the performance of the commercial real estate backing such loans, which in turn will depend on commercial rental or occupancy rates as well as the management skills of the borrower or third party management firm overseeing the property. The loans in the portfolio are expected to be highly illiquid with limited trading market.

MULTI-ASSET

1. Diversified Growth

The Diversified Growth strategy invests in a broad range of traditional and alternative asset classes. Investment decisions arise from our research process which is comprised of two key elements: 1) longer-term valuation analysis of the risk premia underlying asset classes; and 2) shorter-term tactical analysis comprising cyclical, technical and relative value analysis.

The Diversified Growth team actively manages portfolios by dynamically allocating within and across traditional and alternative asset classes seeking the greatest opportunity. Portfolios may employ derivative instruments such as exchange traded futures, total return swaps, currency forwards and options. The team uses a flexible approach to implement asset allocation decisions that makes use of both actively-managed security-selection-based strategies and passive instruments such as futures, swaps and other derivatives and ETFs.

2. Alternative Risk Premia

Schroders Alternative Risk Premia is a multi-asset, multi-strategy portfolio that seeks to deliver a return of US 90 Day T-Bill +5% while targeting a volatility of 10% and limiting equity beta to less than 0.2. The strategy invests in alternative return sources which can be defined as compensation for bearing risks that can arise from behavioral, economic or structural sources. Alternative Risk Premia has the ability to improve the risk-return profile of a portfolio of traditional assets due to its diversification characteristics. The strategy is implemented across a multi-asset investment universe comprising investments in equity, fixed income, foreign exchange, commodities and listed options. Alternative Risk Premia is designed to be market neutral and will seek to provide returns via a range of diversified long and short strategies, packaged together and delivered in a highly transparent and cost effective vehicle.

3. Sustainable Dynamic Balanced

A multi-asset approach that helps clients who want to employ an ESG framework but are looking for governance simplicity and asset allocation. The strategy helps clients who want to employ an ESG framework but are looking for governance simplicity and asset allocation expertise. An investor in this strategy benefits from ESG application at both an asset allocation and security selection level.

The investment objective is to deliver a total return through a diversified range of investment strategies with an emphasis on Sustainability. The strategy seeks to limit the overall carbon intensity of the portfolio, with improved sustainability metrics compared to market indices.

The Diversified Growth team is responsible for managing the strategy; however, they will heavily utilize sustainable or integrated in-house ESG components. In addition, the asset allocation will take into account suitable ESG factors that have a contributory impact. As additional sustainable components become available, we will look to incorporate them over time.

The risk profile of the Fund is comparable to a 65% equity/35% fixed income portfolio.

4. Multi-Asset Alpha

A growth-oriented Multi-Asset strategy focused on alpha generation. The strategy is seeking to balance the need to concentrate capital on high conviction ideas, with the need to diversify investment exposures to manage concentration risk. The strategy aims to deliver a return in excess of a 60% equity/40% fixed income benchmark, through a combination of dynamic asset allocation and security selection while still offering an attractive risk profile.

The strategy makes use of a range of internally managed active equity and fixed income strategies. Portfolios may employ derivative instruments such as exchange traded futures, total return swaps, currency forwards and options. The Multi-Asset portfolio managers harness the global resource at Schroders to identify disruptive trends and growth opportunities. The strategy is nimble and expansive to capture the investment opportunity, providing greater capacity than narrowly focused opportunities and take advantage of an ever shifting opportunity set.

Risks for Multi-Asset

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of a portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, real or perceived adverse competitive industry conditions, inflation/deflation risk, mortgage and asset-backed securities risk, US Government securities risk and derivatives risk. The use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in the underlying assets. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. These risks exist to a greater extent in emerging markets than in developed markets. Investments in small- and medium-capitalization companies may involve a higher degree of risk and volatility than investments in larger, more established companies. The risk of default is higher with non-investment grade bonds than with investment grade bonds. Higher yielding bonds may also have an increased potential to erode capital than lower yielding bonds. The strategy may invest in property funds and property investment companies. It may be difficult to deal in these investments because the underlying properties may not be readily saleable which may affect liquidity. Leverage creates an opportunity for greater yield and total return but, at the same time, will increase the exposure to capital risk and interest costs. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment.

SYSTEMATIC INVESTMENTS

1. Sustainable Multi-Factor Equity

Schroder Sustainable Multi-Factor Equity (SMFE) is a systematic global equity strategy with a fully integrated approach to sustainable investing. The strategy's aim is to outperform the MSCI All Country World Index (ACWI) over rolling 3-year periods while attempting to provide investors with a significantly better ESG outcome.

Sustainability is treated as a risk factor and is integrated into our multi-factor strategy alongside value, quality, momentum, and low volatility. The strategy's approach to factor investing enables the investment team to seamlessly integrate a number of sustainability criteria, including SustainEx, our unique proprietary research, which calculates the impact companies have on society and the environment. The Sustainability team has identified a range of activities undertaken by companies that generate social and environmental costs and gains, grouped broadly into five areas: environment, governments, customers, employees, and communities. Additionally, SMFE limits overall carbon intensity to no more than half that of the ACWI. With the rapidly changing field of sustainability and factor-investing, SMFE is a factor-based sustainable solution that can evolve with new information and improved data, unlike strategies which lock investors in a simplistic or fixed approach.

2. Global Multi-Factor Equity

Global Multi-Factor Equity (GMFE) is a systematic global equity strategy that aims to deliver excess return over the MSCI All Country World Index on a rolling 3-year basis, while limiting index-relative risk.

The strategy targets a range of equity factors, grouped broadly into the classic styles of value, quality, momentum, small cap and low volatility. The strategy employs a disciplined, systematic investment approach to gain exposure to the targeted factors

while minimizing unrewarded risks. On a monthly basis, individual return forecasts are calculated for all stocks in the investment universe using a proprietary set of signals that target our chosen equity factors. By targeting stocks that appear attractive across multiple signals, the team seeks to maximize the likelihood of generating excess returns across a broad range of market environment. To maximize exposure to factors, the strategy utilizes bottom-up portfolio construction for efficiency; the superior returns over top-down approaches are potentially achievable without the draft of unintended, offsetting factor exposures that can be experienced in top-down strategies.

Risks for Systematic Investments

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of a portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, real or perceived adverse competitive industry conditions, inflation/deflation risk, mortgage and asset-backed securities risk, US Government securities risk and derivatives risk. The use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in the underlying assets. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. These risks exist to a greater extent in emerging markets than in developed markets. Investments in small- and medium-capitalization companies may involve a higher degree of risk and volatility than investments in larger, more established companies. The strategy may invest in property funds and property investment companies. It may be difficult to deal in these investments because the underlying properties may not be readily saleable which may affect liquidity. Leverage creates an opportunity for greater yield and total return but, at the same time, will increase the exposure to capital risk and interest costs. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment.

ALTERNATIVES

1. Commodities Total Return

The Schroders Commodities Total Return Strategy aims to provide capital growth in excess of the Bloomberg Commodity Total Return index over a 3-5-year investment cycle by investing in commodity related investments worldwide. The Strategy is actively managed on an unconstrained basis by SIMNA Ltd. The London based team comprises of three dedicated commodity fund managers, who report to Abdallah Guezour (Head of EMD and Commodities). The investment opportunity set includes more than 60 commodities traded on a wide variety of exchanges around the world.

The strategy is:

- Designed to give investors an actively managed diversified exposure to commodities but with considerable downside risk protection
- Invested in futures, swaps and cash
- Research driven and actively managed
- Managed with a long bias but can short any commodity opportunistically as well as use cash as a defense asset
- Able to invest in agriculture, energy and metals on an unconstrained basis
- Permitted to be up to 75% long in any of the three sectors of energy, metals and agriculture but a maximum of 25% short in any of these sectors

Risks

Commodities investment carries significant risks and should only be considered by sophisticated investors who understand the nature of these risks, which include geopolitical, supply, demand and currency exchange rate risks. The Strategy will invest principally in commodity-related derivative instruments, including exchange futures and over the counter swaps on

commodities. Investments in commodity-linked derivative instruments may subject the strategy to greater volatility than investments in traditional securities. Indirect investment in commodities may cause the strategy to face market risk from the value of the underlying asset together with the commodity market risks listed above.

2. Emerging Market Debt (Absolute Return)

The Emerging Market Debt (EMD) Strategy is a long-only absolute return EMD product which can invest in all sectors of the emerging market debt and currency markets in over 50 countries. The product is managed with the aim of preserving capital and delivering attractive returns when these are available. Historically, the strategy has recorded a low correlation to other EMD products and to other asset classes. The broad investment universe available in the EMD range presents diverse opportunities for generating returns. The portfolio management team, which is part of SIMNA Ltd and is led by Abdallah Guezour, seeks to add value by actively managing exposure to both external and local debt, as well as local currencies. The management team may at times make investments that provide exposures to debt obligations or currencies of countries other than emerging market countries, including the United States.

The team's approach to portfolio construction considers both risk control and return maximization. Before purchasing a security, the team considers the risk of loss for every security and analyzes it, using fundamental, quantitative, sentiment and technical analysis. In house research is applied across all EMD countries and debt and currency sectors within those countries. The strategy employs strict diversification rules. Key features of the strategy include:

- Bottom up country selection driven by fundamental analysis of politics, economic and markets
- A quantitative based country risk model
- Use of chart analysis to optimize buy/sell prices
- Use of extensive sentiment analysis, primarily used as a counter-indicator
- Disciplined use of cash when appropriate
- No restriction on credit quality
- Use of a portfolio stop-loss discipline

Risks

All investments involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including interest rate risk, credit risk, inflation/deflation risk, mortgage and asset-backed securities risk, U.S. Government securities risk, foreign investment risk, currency risk, derivatives risk, leverage risk and liquidity risk. Frequent trading of the portfolio may result in relatively high transaction costs and may result in taxable capital gains.

Emerging markets pose greater risks than investments in developed markets. These risks include political and economic risks, civil conflicts and war, greater volatility, currency fluctuations, higher transactions costs, delayed settlement, possible foreign controls on investment, expropriation and nationalization risks, liquidity risks, and less stringent investor protection and disclosure standards of some foreign markets. Events and evolving conditions in certain economies or markets may alter the risks associated with investments tied to countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in countries in emerging markets. These countries may have relatively unstable governments and less-established market economies than developed countries. Emerging markets may face greater social, economic, regulatory and political uncertainties. These risks make investments in emerging market more volatile and less liquid than in more developed countries.

3. Insurance-Linked Securities

The Insurance-Linked Securities strategy seeks to provide total return primarily through investment in a diversified portfolio of insurance-linked instruments that provide exposure to various insurance risks. Such risks will consist, amongst others, of earthquake, flood, hail, wind or other weather-related risks, events of catastrophic magnitude in aviation, workers

compensation, industrial accident, satellite, marine and offshore energy, and life-related risks such as mortality and value of in-force transactions. The strategy seeks to generate its returns with a low correlation to traditional asset classes, such as fixed income securities or equities, as well as non-traditional investments such as hedge funds or commodities. The Insurance-Linked Securities investment team intends to invest into high severity/low frequency perils (e.g. hurricane or earthquake risks) as well as portfolio-based investments or other instruments where frequency and not severity is the value driver, such as tornado transactions. The strategy is actively managed and can make use of financial leverage for investment purposes. The investment team places a strong focus on tail risk management.

The strategy can invest in a broad range of insurance-linked instruments including catastrophe bonds, insurance-linked notes, industry loss warranties, investments in collateralized reinsurance contracts and over-the-counter financial derivatives with (re)insurance risk instruments as the underlying assets.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. Investing in insurance-linked securities carries significant risks and should only be considered by sophisticated investors who understand the nature of these risks. Insurance-linked instruments may incur severe or full losses as a result of insurance events such as natural, man-made, life-related, or other catastrophes. Catastrophes can be caused by various events, including, but not limited to, hurricanes, earthquakes, typhoons, hailstorms, floods, tsunamis, tornados, windstorms, aviation accidents, fires, pandemics, explosions and marine accidents. The incidence and severity of such catastrophes are inherently unpredictable, and an investor's losses from such catastrophes could be material. The secondary market for insurance-linked instruments experiences more limited liquidity than traditional fixed income instruments. This in turn may mean that such instruments are more difficult to value. In situations where a large catastrophe has occurred or appears likely to occur, liquidity for potentially affected insurance-linked instruments may be diminished or completely eliminated.

4. Multi-Strategy, Market Neutral

The strategy follows a multi-strategy market neutral hedge fund approach. The strategy is actively managed by an experienced central team and can make use of financial leverage for investment purposes via a long short approach. The strategy allocates its assets across multiple underlying strategies which will vary over time. These may include, but are not limited to, long/short and long only hedged equity, fixed income and credit, global macro, market neutral and relative value. The strategy aims to deliver attractive, non-market dependent returns which exhibit downside protection. The Adviser aims to allocate assets to a diversified set of underlying strategies and to manage overall risk centrally. The combination of underlying strategies will be diversified across investment styles, market sectors, investment themes and time horizons, with the aim of mitigating the strategy's dependency on any single source to drive returns. Allocations to each underlying strategy are sized to meet the return objective, risk tolerance and guidelines of the overall strategy. The impact of each underlying strategy on the overall strategy's overall risk profile is individually and collectively evaluated with attention given to correlations between investment strategies.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of a portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of stocks in the portfolio, changing interest rates, real or perceived adverse competitive industry conditions, inflation/deflation risk, mortgage and asset-backed securities risk, US Government securities risk and derivatives risk. The use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in the underlying assets. Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. These risks exist to a greater extent in emerging markets than in developed markets. Investments in small- and medium-capitalization companies may involve a higher degree of risk and volatility

than investments in larger, more established companies. The risk of default is higher with non-investment grade bonds than with investment grade bonds. Higher yielding bonds may also have an increased potential to erode capital than lower yielding bonds. It may be difficult to deal in these investments because the underlying properties may not be readily saleable which may affect liquidity. Leverage creates an opportunity for greater yield and total return but, at the same time, will increase the exposure to capital risk and interest costs. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment.

To the extent that the strategy allocates assets to a strategy that focuses on one country or region, trading in that geographic area's equities involves certain risks and special consideration not usually associated with investing in securities of established U.S. companies, including risks related to the nature of the market for that region's equities, including the risk that the region's markets may be affected by market developments in different ways than U.S. securities markets and may be more volatile than U.S. securities markets.

PORTFOLIO SOLUTIONS

1. U.S. Risk-Managed Equity

The strategy aims to provide exposure to U.S. equities while limiting downside risk by utilizing Schroders' proprietary risk management strategy coupled with a passive investment in index securities. In order to create the long exposure to equities, we purchase primarily ETFs, index mutual funds, and equity futures on either sub-indices or on the Russell 3000 index itself. The weights applied to sub-components are derived through a regression process with the aim of creating a portfolio with low tracking error to the Russell 3000 Index.

The strategy seeks to limit instantaneous losses to 20% of current portfolio value while capturing the majority of equity market gains. Downside is limited through a systematic process of purchasing long-term put options and selling short-term call options to finance the put purchases, i.e., a zero cost collar. The options may reference either the entire index or its sub-components which would then be weighted in the same manner as the underlying portfolio. The team uses intelligent design and systematic trading techniques to ensure the portfolio's target protection of 20% is generally maintained as market prices change over time. The approach also seeks to reduce the path dependency of the outcomes and therefore deliver a more reliable and stable outcome over time.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, derivatives risk, risks related to investments in pooled vehicles, changing interest rates, and real or perceived adverse competitive industry conditions. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment.

2. International Risk-Managed Equity

The strategy aims to provide exposure to non-U.S. equities while limiting downside risk by utilizing Schroders' proprietary risk management strategy coupled with a passive investment in index securities. In order to create the long exposure to international equities, we purchase primarily ETFs, index mutual funds, and equity futures on either sub-indices or on the MSCI ACWI ex-US index itself. The weights applied to sub-components are derived through a regression process with the aim of creating a portfolio with low tracking error to the MSCI ACWI ex-US Index.

The strategy aims to limit the instantaneous equity downside risk (assessed on a daily basis and ignoring currency exposures) to 20% of the current portfolio value. Downside is limited through a systematic process of purchasing long-term put options

and selling short-term call options to finance the put purchases, i.e., a zero cost collar. The options may reference either the entire index or its sub-components which would then be weighted in the same manner as the underlying portfolio. The team uses intelligent design and systematic trading techniques to ensure the portfolio's target protection of 20% is generally maintained as market prices change over time. The approach also seeks to reduce the path dependency of the outcomes and therefore deliver a more reliable and stable outcome over time.

The strategy does not hedge currency exposure.

Risks

All investments, domestic and foreign, involve risks including the risk of possible loss of principal. The market value of the portfolio may decline as a result of a number of factors, including adverse economic and market conditions, derivatives risk, risks related to investments in pooled vehicles, changing interest rates, and real or perceived adverse competitive industry conditions. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment.

Investing overseas involves special risks including among others, risks related to political or economic instability, foreign currency (such as exchange, valuation, and fluctuation) risk, market entry or exit restrictions, illiquidity and taxation. Emerging markets pose greater risks than investments in developed markets.

General Risks

Coronavirus Outbreak Risks. The global outbreak of the 2019 novel coronavirus ("COVID-19") continues to affect negatively individual companies, markets, and economies worldwide, including those in which SIMNA invests. The effects of this pandemic to public health and business and market conditions may have a significant negative impact on the performance of accounts managed by the Adviser as well as increase account volatility. The pandemic may continue to exacerbate pre-existing political, social and economic risks to the accounts, and negatively impact broad segments of businesses and populations. Although it has not happened to date, the Adviser's operations may be interrupted, which may have a negative impact on investment performance. In addition, governments, regulatory agencies, or self-regulatory organizations have and may continue to take actions in response to the pandemic that affect the instruments utilized in the management of client accounts, or the issuers of such instruments, in ways that could have a significant negative impact on such accounts' investment performance. These actions include efforts to contain COVID-19's spread, such as border closings and other significant travel restrictions and disruptions, significant disruptions to business operations, supply chains and customer activity, event cancellations and restrictions, service cancellations, reductions and other changes, significant challenges in healthcare service and delivery, and prolonged quarantines. While governments and businesses are beginning to relax pandemic related restrictions, the situation remains fluid and tighter lockdowns may be reimposed at any time. The full impact of the COVID-19 pandemic, or future global health related crises, remains unknown.

Cyber Security Risk. With the increased use of technologies to conduct business, the Adviser has become more susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events and include, but are not limited to, gaining unauthorized access to digital systems and misappropriating assets or sensitive information, including personally identifiable information or proprietary models or algorithms, corrupting data, or causing operational disruption, including disrupting trading or accounting systems. Cyber security failures or breaches by a third party service provider and the issuers of securities in which the portfolio invests, have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs, including the

cost to prevent cyber incidents. While the Adviser has established security protocols designed to detect, protect against, respond to and recover from cybersecurity incidents, there are inherent limitations in such protocols including the possibility that certain threats and vulnerabilities have not been identified or made public due to the evolving nature of such threats.

Derivatives Risk. Certain strategies may use derivatives. Derivatives, including forward currency contracts, futures, options and commodity-linked derivatives and swaps, may be riskier than other types of investments because they may be more sensitive to changes in economic and market conditions, and could result in losses that significantly exceed the account's original investment. Many derivatives create leverage thereby causing the account to be more volatile than it would have been if it had not been exposed to such derivatives. Derivatives also expose the account to counterparty risk (the risk that the derivative counterparty will not fulfill its contractual obligations), including the credit risk of the derivative counterparty. Certain derivatives are synthetic instruments that attempt to replicate the performance of certain reference assets. With regard to such derivatives, the account does not have a claim on the reference assets and is subject to enhanced counterparty risk. Derivatives may not perform as expected, so the account may not realize the intended benefits. When used for hedging, the change in value of a derivative may not correlate as expected with the security being hedged. In addition, given their complexity, derivatives expose the Fund to risks of mispricing or improper valuation.

Foreign Corrupt Practices Act ("FCPA") Risks. Economic sanction laws in the United States and other jurisdictions may significantly restrict or completely prohibit the Adviser from transacting with certain countries, individuals and companies, including among other things, transactions with, and the provision of services to certain foreign countries, territories, entities and individuals.

Foreign Sanctions Risks. In the event that the Adviser determines that an investor is subject to any trade, economic or other sanctions imposed by the United Nations or any other applicable governmental or regulatory authority, the Adviser may take such actions as it determines appropriate to comply with applicable law, including: blocking or freezing accounts or interests therein; where permitted by the applicable sanctions law, requiring an investor in a pooled investment vehicle to redeem from the fund, and delaying the payment of any redemption proceeds, without interest, until such time as such payment is permitted under applicable law; excluding an investor in a pooled investment vehicle from allocations of net capital appreciation and net capital depreciation and distributions made to other investors; excluding an investor in a pooled investment vehicle from voting on any matter upon which investors are entitled to vote, and excluding the net asset value of such investor's interest in the fund for purposes of determining the investors entitled to vote on or required to take any action in respect of the fund.

Foreign Securities and Emerging Markets Risk. Investments in foreign currencies and foreign issuers are subject to additional risks, including political and economic risks, civil conflicts and war, greater volatility, currency fluctuations, higher transactions costs, delayed settlement, possible foreign controls on investment, expropriation and nationalization risks, liquidity risks, and less stringent investor protection and disclosure standards of foreign markets. In certain markets where securities and other instruments are not traded "delivery versus payment," the account may not receive timely payment for securities or other instruments it has delivered and may be subject to increased risk that the counterparty will fail to make payments when due or default completely. Events and evolving conditions in certain economies or markets may alter the risks associated with investments tied to countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in countries in emerging markets. These countries may have relatively unstable governments and less established market economies than developed countries. Emerging markets may face greater social, economic, regulatory and political uncertainties. These risks make emerging market securities more volatile and less liquid than securities issued in more developed countries.

LIBOR Replacement Risk. The elimination of the London Inter-Bank Offered Rate ("LIBOR") may adversely affect the interest rates on, and value of, certain fixed income investments for which the value is tied to LIBOR. Such investments

may include bank loans, derivatives, floating rate securities, and other assets or liabilities tied to LIBOR. On July 27, 2017, the U.K. Financial Conduct Authority announced that it intends to stop compelling or inducing banks to submit LIBOR rates after 2021. On November 30, 2020, the administrator of LIBOR announced its intention to delay the phase out of the majority of the U.S. dollar LIBOR publications until June 30, 2023, with the remainder of LIBOR publications to still end at the end of 2021. There remains uncertainty regarding the future of LIBOR and the nature of any replacement rate. Actions by regulators have resulted in the establishment of alternative reference rates to LIBOR in most major currencies. The U.S. Federal Reserve, based on the recommendations of the New York Federal Reserve's Alternative Reference Rate Committee (comprised of major derivative market participants and their regulators), has begun publishing a Secured Overnight Financing Rate ("SOFR"), which is intended to replace U.S. dollar LIBOR. Alternative reference rates for other currencies have also been announced or have already begun publication. Markets are slowly developing in response to these new rates. Questions around liquidity impacted by these rates, and how to appropriately adjust these rates at the time of transition, remain a concern. The effect of any changes to, or discontinuation of, LIBOR on certain fixed income strategies will vary depending on, among other things, (1) existing fallback or termination provisions in individual contracts and (2) whether, how, and when industry participants develop and adopt new reference rates and fallbacks for both legacy and new products and instruments. Accordingly, it is difficult to predict the full impact of the transition away from LIBOR until new reference rates and fallbacks for both legacy and new products, instruments and contracts are commercially accepted.

Model Risk. Some strategies may include the use of various proprietary quantitative or investment models. There may be deficiencies in the design or operation of these models, including as a result of shortcomings or failures of processes, people or systems. Investments selected in part by models may perform differently than expected as a result of the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models (including, for example, data problems and/or software issues) and there is no guarantee that oversight processes in place to identify and mitigate such issues will work as intended. Moreover, the effectiveness of a model may diminish over time, including as a result of changes in the market and/or changes in the behavior of other market participants. A model's return mapping is based on historical data regarding particular asset classes. There is no guarantee that the use of these models will result in effective investment decisions for clients.

Regulation Risks. Laws and regulations affecting our business change from time to time. We cannot predict the effects, if any, of future legal and regulatory changes on our business or the services we provide. For example, investment advisers that are located in the United Kingdom (including our affiliate SIMNA Ltd) are subject to certain restrictions on investing in an issuer involved in certain cannabis-related operations. In such cases, SIMNA Ltd would be required to forego what might otherwise be attractive investment opportunities and, therefore, might underperform vis-à-vis investment advisers that do not operate under similar restrictions.

Item 9: Disciplinary Information

There have been no disciplinary actions against the Adviser, its officers or directors.

Item 10: Other Financial Industry Activities and Affiliations

The Adviser is registered with the National Futures Association as a Commodity Trading Advisor and Commodity Pool Operator.

The Adviser is also registered as a Portfolio Manager with the Canadian Securities Commissions in Alberta, British Columbia, Manitoba, Nova Scotia, Ontario, Quebec and Saskatchewan.

The Adviser maintains significant relationships relating to its advisory business with affiliated companies.

Schroder Investment Management North America Ltd ("SIMNA Ltd") provides sub-advisory services on fund and separate account mandates for strategies as described in Item 4. SIMNA Ltd is regulated by the Financial Conduct Authority in the United Kingdom and registered with the SEC. SIMNA Ltd is also registered in Canada as a Portfolio Manager with the Securities Commissions in Alberta, British Columbia, Manitoba, Nova Scotia, Ontario, Quebec and Saskatchewan. The Adviser oversees the management by SIMNA Ltd, but the overseas investment teams carry out day to day management of delegated accounts. SIMNA Ltd receives a portion of the advisory fees that the Adviser receives as compensation.

Schroder Investment Management (Japan) Limited provides sub-advisory services on fund and separate account mandates for strategies as described in Item 4. SIM Japan is regulated by the Financial Services Agency in Japan and is registered with the SEC. The Adviser oversees the management by SIM Japan, but the Tokyo-based investment teams carry out day to day management of delegated accounts. SIM Japan receives a portion of the advisory fees that the Adviser receives as compensation.

Schroder Fund Advisors LLC ("SFA") is a wholly owned subsidiary registered as a broker dealer with FINRA and an exempt market dealer in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland, Nova Scotia, Ontario, Quebec and Saskatchewan. SFA distributes equity interests of certain pooled investment vehicles that the Adviser and its affiliates advise. SFA may solicit existing qualified clients to invest into those vehicles.

Schroders Capital Management US Inc. ("Schroders Capital Private Equity") is an affiliate of the Adviser. Schroders Capital Private Equity is an asset manager investing in private equity globally and offers specialized investment solutions which allow the firm's clients to access select private market segments through primary, secondary and direct/co-investments. There is a combined sales effort to market and sell Schroders Capital Private Equity's products; however, Schroders Capital Private Equity's investment management team operates independently of the Adviser's investment teams.

The Adviser has delegated some back office functions to Schroder Investment Management Ltd. ("SIM"). SIM is a London-based investment manager regulated by the Financial Conduct Authority and not registered with the SEC. It provides finance, clearance and settlement and IT system support for the Adviser.

The Adviser sometimes purchases for certain accounts shares of funds for which the Adviser serves as the investment manager. The Adviser will not assess its advisory fee on the portion of an account that is invested in such funds.

An affiliate of the Adviser owns 20% of A10 Capital, a full service commercial real estate (CRE) lending platform specializing in mid-market CRE loans. Where permitted by applicable regulation, Adviser may purchase loans originated by A10 in accounts managed in the Global and US Securitized Credit, Securitized Credit Long/Short and Loan Opportunities strategies. A10 (like other loan originators) collects sourcing and servicing fees that are deducted from the loan interest payments made by borrowers prior to those interest payments being remitted to client accounts. The Adviser is potentially commercially incentivized to favor loans originated by A10.

Private investment funds organized by the Adviser invest in the same securities as those invested in behalf of other clients, including registered investment companies. The private investment funds' trading methodologies are generally different than that of other accounts and may include short selling and the aggressive use of leverage. At times, the private investment funds may be selling short securities held long in other portfolios. The Adviser is aware of potential conflicts of interest created in part by the compensation structure of the funds. It has instituted procedures to assure that transactions effected on behalf of the private funds do not adversely impact other clients.

The Adviser is the investment manager for the Schroder Capital Management Collective Trust. The Trust consists of commingled funds available to ERISA/Public Sector pension plans. Where the Adviser has discretion over allocation of pension assets, it may invest the pension's funds in the Trust. In such instances, the Adviser will generally not assess an advisory fee at the trust level. The fees are generally negotiated at the time the agreement is executed when investments in the Trust are contemplated. The day to day management of the Trust has been delegated to SIMNA Ltd.

The Adviser also is the investment adviser for certain collective investment trusts ("CITs") for which SEI Trust Company or Wilmington Trust, both of which are unaffiliated with the Adviser, serves as trustee. These CITs are commingled funds available to certain types of employee benefit plans. Where the Adviser has discretion over allocation of pension assets, it may invest the pension's funds in one or more CITs. In such instances, the Adviser will generally not assess an advisory fee at the CIT level. The fees are generally negotiated at the time the agreement is executed when investments in one or more CITs are contemplated. The day to day management of some of the CITs has been delegated to SIMNA Ltd.

Item 11: Code of Ethics, Insider Trading Policy, Participation in Client Transactions and Personal Trading

The Adviser has adopted a Code of Ethics that sets forth the standards of business conduct that it requires of all its supervised persons. The Code of Ethics addresses the Adviser's and its access persons' fiduciary obligations to its clients. The Code also addresses confidentiality of client information and includes the Adviser's Insider Trading Policy and its Policy on Personal Securities Transactions, discussed in further detail below. The Code of Ethics also requires all supervised persons to comply with the federal securities laws and to inform the Chief Compliance Officer of suspected violations of the Code. Clients or prospective clients who wish to request a copy of the Code of Ethics may do so by contacting the Chief Compliance Officer at Schroder Investment Management North America Inc., 7 Bryant Park, New York, NY 10018-3706.

The Adviser's officers, directors and employees may, from time to time, buy or sell for themselves securities that the Adviser also buys or sells on behalf of clients. The Adviser imposes restrictions on such transactions in accordance with applicable law and regulations. All directors, officers, employees and supervised persons of the Adviser are subject to the provisions of a Code of Ethics regarding personal securities transactions and an Insider Trading Policy. These policies are designed to prevent conflicts of interest and violations of law by persons subject to the Code. In particular, all directors, officers and employees are required to pre-clear their personal transactions through a rules-based automated personal trade dealing system. In this way, all personal securities transactions can be monitored or, if necessary, prohibited or delayed so as not to conflict with a client transaction. The Adviser has also imposed upon employees a mandatory 60 day holding period on transactions in covered securities, including registered investment companies it advises or sub advises.

From time to time and in accordance with the terms of the Adviser's Code of Ethics, there are instances when the Adviser is precluded from trading in certain securities for its advisory clients' accounts. These instances may arise if the Adviser receives material non-public information ("Inside Information") from an issuer or otherwise. The Adviser's parent maintains a stop list, which consists of securities for which one or more persons at the Adviser or its affiliates may hold Inside Information. Employees of the Adviser are not permitted to trade in those securities in their personal accounts. It is a violation of United States federal law and a serious breach of the Adviser's policies for any employee to trade in, or recommend trading in, the securities of an issuer, for his/her personal gain or on behalf of the firm or its clients, while in possession inside information which may come into his/her possession either in the course of performing his/her duties, or through a breach of any duty of trust and confidence.

Further, it is a violation of anti-fraud provisions of the Advisers Act for employees who are or become aware of transactions being considered for clients or are aware of the portfolio holdings in the reportable funds to which the Adviser (or an affiliate) acts an adviser to disclose such information to a party who has “no need to know” or to trade on such information for personal gain by, among other things, front-running or market timing.

Item 12: Brokerage Practices

The Adviser selects brokers or execution forums to try to obtain the overall best execution for its clients. The Adviser does not execute trades for clients through affiliated broker-dealers. Its traders route orders where they expect to obtain the most favorable overall price and efficient execution. Traders do not operate under constraints concerning their choice of brokers other than on the basis of their creditworthiness or client restrictions.

The Adviser uses a number of brokerage firms. Some are full service firms that may execute on the Adviser’s behalf and others are electronic crossing networks, automated trading firms or execution-only firms. The Adviser deals with brokerage firms that it deems capable of providing best price and execution and is financially stable. All brokers are approved by a Credit Committee operated globally for the firm. The Committee reviews the brokerage firm when trading begins and at least once a year. Where appropriate the Adviser establishes credit limits for the counterparties.

1. Research Commissions

The Adviser places trades for equity securities with broker-dealers that provide research. The Adviser may pay higher total commissions on equity trades when executing trades that include a provision for research. The Adviser’s Brokerage Committee proposes, reviews, and approves total commissions and the split of the commissions between the portion that compensates the broker-dealer for execution or research. US law permits the use of commissions to pay for research, and the Adviser programs are in compliance with the applicable regulatory requirements. Fixed income trades do not include a provision for research.

Schroder entities that are subject to MiFID II such as SIMNA Ltd, have committed to pay the full cost of research for clients of those entities. Therefore, client accounts that have day to day management delegated by the Adviser to SIMNA Ltd will not have any of their commissions used to pay for research. Similarly, client accounts delegated to the Adviser by an affiliate subject to MiFID II will also not have their commissions used to pay for research. Client accounts that contract with the Adviser and whose day to day management is performed by the Adviser will continue to participate in the soft dollar programs described herein. The allocation of research costs paid by the Adviser and its affiliates on behalf clients subject to MiFID and those paid through the soft dollar program are reviewed at least annually.

Accounts managed by SIM Japan do not utilize Research Commissions as Japanese law does not permit the use of commissions to pay for research.

The Adviser may have an incentive to choose a broker-dealer based on receiving research or brokerage services. However, the trading desk trades where it believes it will obtain best execution and the receipt of research does not factor in the traders’ decision. The Adviser tries to establish programs at the broker-dealers where its traders execute orders. The Adviser periodically reviews where the trading desk is trading and establishes or changes programs at its top broker-dealers.

The Adviser considers best price and efficient execution as the paramount considerations in choosing where to trade for clients. The Adviser establishes maximum commission rates for equity trading by type of security and reviews those rates periodically based on industry standards. The Adviser reviews both commission rates and overall commissions to monitor whether trades are being executed within guidelines. For trades placed through some electronic crossing networks and automated trading systems, the commission rates may include total commissions that are above the minimum rate that broker-dealer provides for execution-only. Additional commissions may be paid in light of research services provided, typically provision of third party research and services from other broker-dealers or service providers. Research may constitute a larger portion of the total commission paid to electronic crossing networks or automated trading systems than a similar commission paid to a full service broker-dealer that charges higher execution rates as a result of committing its own capital or providing other execution services.

The research products and services provided by broker-dealers through soft dollar arrangements benefit the Adviser and may benefit other clients of the Adviser. The Adviser may use the products and services in formulating investment advice for any and all advisory clients, including clients other than those that paid commissions to the broker-dealers on a particular transaction. As such, research generated by a particular client's trade may not benefit that particular client's account.

The Adviser's research programs make research payments under the safe harbor in Section 28(e) of the Exchange Act. The Adviser may obtain research through a variety of media including through verbal security analysis and opinion in these programs. The services the Adviser receives in its programs may include third party reports or services, seminars, computer software and certain related hardware for arranging and processing research data, portfolio evaluation services and brokerage services. Analysis of economic, political and market factors is also provided. The Adviser seeks research services that complement or expand on its internal research.

When the Adviser delegates day to day management for a client account to SIMNA Ltd, trades for that account will ordinarily be placed by SIMNA Ltd.'s trading desk and no research commissions will be generated. The Adviser makes a good faith determination regarding the allocation of research costs borne by the Adviser and its affiliates and the costs borne by the clients participating in the soft dollar programs. This allocation is generally done on the basis of assets under management in a particular strategy that are subject to MiFID II relative to the assets under management in that strategy are not subject to MiFID II. Periodic reviews of the cost allocation are made by the Adviser.

Portfolio managers periodically evaluate the value of the research products and services provided by brokerage firms. Broker-dealers providing general research services are ranked as to their usefulness. The Adviser may also request a broker-dealer to provide a specific research product or service which may be proprietary to the broker-dealer or produced by a third party. The Adviser does not agree with any broker-dealer to direct a specific or minimum amount of commissions. It makes no commitment to compensate the broker-dealer if commissions fall short of covering the target level of commission for the specific research service. Although not obligated to do so, the Adviser may, at its discretion, voluntarily pay the balance due in cash from its own resources.

The Adviser may subscribe to investment research services that have a "mixed use", i.e., a part of the service is used in the investment decision making process and a part is used for non-research purposes.

The Adviser's Brokerage Committee oversees its commission practices. The Committee includes representatives of the equity investment teams, trading, operations and compliance. The Committee reviews issues including: which broker-dealers the trading desk uses, soft dollar and other research programs, commission rates, the eligibility of services received and changes in research programs. Because of the nature of the markets, most bond transactions are executed "over-the-counter" on a net basis. Therefore, execution ability dominates the decision for the selection of broker-dealers on bond transactions.

With respect to fixed income transactions, the Adviser does not have any soft dollar arrangements with broker-dealers and does not direct client trades to particular broker-dealers in exchange for research or other soft dollar benefits. However, the Adviser may receive or have access to research generally made available by a broker-dealer to its clients.

2. Trade Aggregation and Allocation

When the Adviser buys or sells securities for multiple clients, it ordinarily aggregates all client transactions to obtain more favorable prices, and efficient execution. Clients participating in an aggregated order will receive an average price and a pro-rata share of the transaction costs. There may be variable costs relating to aggregate trades imposed directly by the broker-dealer or custodian for an account that are not shared with other clients. Some clients may not be able to participate in because of regulatory or client-imposed restrictions. In those instances, trades are placed in a manner calculated to achieve the best overall execution for all clients.

When the adviser does not aggregate client orders traders may not be able to negotiate a single price for each client order and the prices may be less favorable than those achieved through aggregation. Commissions and transaction costs likely will not be uniform for all accounts. The adviser may not aggregate orders for all clients for reasons including the following:

- A client may direct that the Adviser use a specific type of broker such as the use of minority-owned broker dealers);
- A client may prohibit the use of one or more broker-dealers, sometimes for regulatory reasons;
- A client may require that the Adviser use a particular brokerage firm for some or all trades; or
- Some offshore markets may prohibit trade aggregation.

The Adviser also maintains procedures for allocating initial public offerings (“IPOs”) for its accounts. Accounts that are similarly managed will generally aggregate their expressions of interest orders.

Allocations of the shares in the IPO are made in a fair and equitable manner. The Adviser sometimes excludes accounts from participating based on a client restriction, such as broker restrictions.

The Adviser allocates among eligible accounts on a pro-rata basis unless allocating a pro-rata would cause the participating account to receive only a de minimis amount such as a small odd lot. If an account could only receive a de minimis allocation, the Adviser will eliminate that account from the trade. If more than one portfolio manager indicates interest in an IPO, the allocation is first made to each portfolio manager based on the indications of interest and then allocated pro rata to each portfolio manager’s accounts. If the Adviser receives an allocation in an IPO too small to meaningfully aggregate, it will allocate to managers on an alternating basis. The Adviser then allocates to accounts for each manager in accordance with the policy set forth above. The Chief Compliance Officer must approve any allocation made other than on a pro-rata basis.

The Adviser may manage accounts that have significant investment by affiliates of the Adviser, as seed capital or as capital investments. In circumstances where the interest in an account on behalf of an affiliate of the Adviser exceeds 25%, the Adviser places restrictions on the trading of those accounts. Such accounts may be included in aggregated trades but only when its participation has been determined prior to the order, and the account may receive no more than a pro-rata allocation of securities.

Trades in municipal bonds often are for small lots that cannot be allocated across all accounts. The Adviser generally allocates among client accounts based on one or more of the following criteria:

- Client guidelines, including state specific needs;
- Cash availability;
- Duration needs;

- Sector needs, and
- Client restrictions, including issuer limitations, ratings, etc.

Trades in other fixed income mandates are generally allocated pro rata for accounts managed against the same or similar benchmarks. Transactions may be otherwise allocated to (i) equalize sector weightings relative to other portfolios with similar mandates; (ii) when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, and (iv) with respect to sale allocations, allocations may be given to accounts low in cash. Any allocation that is made other than on a pro-rata basis is subject to monitoring and review by Compliance. Allocations are generally made prior to trade placement. Block trades that are placed without a prior allocation are allocated promptly thereafter and in any event not later than the close of trading on that day. There may be instances where a client is disadvantaged relative to another when allocating bonds with minimum pieces and lot sizes, due to the Adviser attempting to not leave such client with an uneconomical allocation, such as a position below minimum lot size.

The Adviser has entered into one or more arrangements to provide non-discretionary model portfolios to wrap program sponsors. These wrap program sponsors typically use the model portfolios provided by the Adviser to construct portfolios for their own underlying clients. Under these arrangements, because the wrap program sponsor places all trades for its own underlying clients, these trades are not aggregated with trades that Adviser places for its discretionary clients.

Under most circumstances, the Adviser transmits model portfolios to wrap program sponsors after it places trades for discretionary clients using similar strategies to those used in the wrap program sponsors' model delivery programs. As a consequence, trading by wrap program sponsors may be subject to price movements, particularly with large orders or where the securities are thinly traded, which may result in a wrap program sponsors' clients receiving prices that are less favorable than the prices obtained by the Adviser trading the same securities for its discretionary clients. Alternatively, trading generated by a wrap program sponsor's model delivery program could, under some circumstances, impact prices for a given security that adversely affects trading for the Adviser's discretionary clients.

When communicating updates to model portfolios to wrap program sponsors, the Adviser generally gives priority on a rotating basis (fixed or randomized). The trade rotation used by the Adviser when delivering model portfolio holdings to sponsors will differ depending on the particular facts and circumstances. The Adviser may communicate updates to each program sponsor within the rotation with little or no delay. As a result, different wrap program sponsors may trade the same securities in the same markets at the same time, which could adversely impact execution prices received by each wrap program sponsor's model delivery program.

When the Adviser determines that a trade is large relative to the liquidity of the security, the Adviser may wait until a wrap program sponsor confirms that its trading is complete before moving on to the next wrap program sponsor in the trade rotation. In this scenario, trades by wrap program sponsors early in the rotation may move the market, causing trades by wrap program sponsors later in the rotation to receive less favorable prices. Information leakage and signaling (where other market participants use trading information potentially to their or their clients' advantage) could also impact execution prices, as could timing differences resulting in wrap program sponsors that are later in the rotation realizing less favorable execution prices.

3. Client Restrictions on Brokers

A client may direct the Adviser in writing to use a particular broker-dealer. A client who chooses to designate the use of a particular broker or dealer on a "restricted" basis, should consider whether such a designation may result in certain costs or disadvantages to the client. Such restrictions on broker use can adversely affect best execution, and prospective clients should consider the possible costs or disadvantages of such an arrangement with the value of the

services provided. Where a client restricts all or most trading to a particular broker-dealer, that client cannot benefit when traders buy an aggregate block for other accounts at a favorable price. The Adviser also may not be able to effectively negotiate commission rates with that client's preferred brokerage firm. The client also will be unable to obtain allocations of new issues of securities if their designated broker cannot independently obtain them. The Adviser generally will not enter a client order with a directed broker until after executing such order for its other client accounts if such other order is with a different broker providing best execution. Certain fixed income accounts may experience sequencing delays in order to meet client directed brokerage requests which may impact the Adviser's ability to achieve best execution on behalf of such clients. For fixed income clients who have requested directed brokerage, the clients may lose certain benefits, such as volume discounts that the Adviser may have obtained for its non-directed accounts in a combined order. The Adviser will only do business with broker dealers that it believes can meet their financial obligations from trading. The Adviser ordinarily will not accept an instruction to trade with a broker-dealer that is not credit-worthy.

4. Cross Trading

The Adviser will, from time to time, recommend that a client sell a particular security while at the same time recommend that a different client buy the same security. Where permitted by applicable regulatory restrictions, the Adviser may "cross" the same security between client accounts. This is done at an independently determined market price and without incurring brokerage commissions, although customary custodian fees and transfer fees may be incurred, none of which will be received by the Adviser. In the case of "cross trades" involving registered investment companies, the Adviser will only effect such transactions in compliance with Rule 17a-7 under the Investment Company Act. The Adviser does not receive any additional compensation as a result of such transactions and only engages in such transactions when it is in the best interest of its clients to do so. There are no "cross trades" with respect to trades in the Japanese equity strategies as Japanese law prohibits "cross trading."

5. Transactions with Clients

Ordinarily, accounts in which affiliates of the Adviser have an interest in excess of 25% will not buy securities from, or sell them to, client accounts. The Adviser will not arrange such trades for types of clients such as registered investment companies where there is a regulatory prohibition on such trades. In rare circumstances, the Adviser may engage in transactions with clients where the Adviser believes that the client account will benefit – for example to provide liquidity during periods of market turmoil – and only at prices that the Adviser believes are fair. If transactions of this nature are undertaken, the Adviser will obtain prior written agreement from the client following disclosure of the nature of the interest that the Adviser or its affiliates has in the transaction and the reasons for undertaking the transaction.

Item 13: Review of Accounts

Portfolio managers review all transactions in client accounts on a daily basis. The Adviser also assigns product managers to each team. The product manager reviews the portfolio characteristics and act as the liaison with clients. Portfolio managers or product managers approve client reports before the Adviser sends them to clients. Additional reviews take place when necessary. The events that might trigger additional reviews can include changes in client objectives; unusual investment environments; or a change in investment strategy. The Adviser uses an automated system that allows its compliance function to review trades daily to confirm that the trades meet regulatory requirements and client guidelines.

Item 14: Client Referrals and Other Compensation

The Adviser compensates affiliated persons for client solicitations and does occasionally enter into solicitation agreements with unaffiliated third parties. For affiliated persons, compensation is done on a discretionary basis. Assets raised are taken into account in determining discretionary bonuses. For unaffiliated persons, the Adviser will pay a portion of its advisory fee to the third party for introducing or servicing accounts. All such arrangements must comply with SEC Rule 206(4)-3. Among other requirements, the Adviser must ensure that the third party provides a written disclosure statement that sets forth the terms of the arrangement. The costs of any such referral fees would be paid entirely by the Adviser and therefore would not result in any additional charges to the client.

SIMNA has entered into a solicitation agreement with Hartford Funds Management Company (“HFMC”) pursuant to which HFMC will refer, offer and provide marketing support services with respect to certain strategies that the Adviser offers through separately-managed account or unified managed account platforms. SIMNA pays HFMC a fee based on the Adviser’s assets under management in each of the sponsor programs in which it participates. At this time, this is the only solicitation arrangement that the Adviser has with unaffiliated third parties.

Item 15: Custody

The Adviser does not take or retain custody of client funds or securities. Clients retain their own custodians and the Adviser does not make custodial recommendations. However, the Adviser and certain affiliates do act as general partner to some private institutional partnerships and therefore is deemed to have custody under Rule 206(4)-2 under the Advisers Act. The partnerships are audited and the audit reports delivered to investors in the partnerships in compliance with Rule 206(4)-2. The Adviser has authority to deduct fees for some clients.

Item 16: Investment Discretion

The Adviser generally manages investments on a discretionary basis. Under a discretionary arrangement, portfolio managers have the authority to determine which securities to buy and sell on the client’s behalf and at the client’s risk, consistent with the client’s investment guidelines. In some instances, however, there are restrictions imposed by clients on investments in specific industries or companies.

The Adviser provides model portfolios to sponsors of third party wrap programs. In those instances, the Adviser only has discretion over the model. The sponsoring firm raises all orders for the underlying accounts after determining how to implement the model for its individual clients. The Adviser does not include the assets in model portfolio programs as part of its assets under management as set forth in Item 4 above.

The Adviser has entered into trade delegation agreements under which (i) orders from offshore affiliates route orders in US securities to the Adviser’s trading desk for execution and (ii) orders it raises for client accounts in foreign securities are routed to the trading desk of affiliated advisers for execution. In such instances, those orders typically are aggregated with orders for the Adviser’s clients or executed sequentially subject to a written order priority procedure.

Item 17: Voting Client Securities

The Adviser treats the voting of proxies as an important part of its management of client assets. It votes proxies in a manner that it deems most likely to protect and enhance the longer term value of the security as an asset to the account.

The Adviser has a Proxy Committee consisting of investment professionals and other officers which is responsible for ensuring compliance with its proxy voting policy. That committee includes input from all offices including affiliated advisers. The actual voting of proxies is carried out by Schroder Investment Management Ltd., the UK affiliate of the Adviser. When voting proxies, the Adviser and its affiliates follow the Environmental, Social and Governance Policy (the "Policy"). The Policy sets forth positions on recurring issues and criteria for addressing non-recurring issues. The Proxy Committee exercises oversight to assure that proxies are voted in accordance with the Policy and that any votes inconsistent with the Policy are documented.

The Adviser uses proxy research from third party service providers. It considers their recommendations for voting on particular proxy proposals. The Adviser bears ultimate responsibility for proxy voting decisions. Occasionally, proxy voting proposals will raise conflicts between the Adviser's interests and those of its clients. Those conflicts are managed in accordance with the procedures set out in the Policy.

If the Adviser receives a proxy relating to an issuer that raises a material conflict of interest, the proxy is voted after review by the Global Head of Equities. The proxy will be voted as follows:

- If a proposal or aspect of the meeting business is specifically addressed by the Policy, the Adviser will vote or act in accordance with the Policy unless the Adviser considers it is in the best interests of clients to depart from the Policy. In that case or if the proposal or meeting business is not specifically covered by the Policy, the Adviser may vote or act as it determines to be in the best interest of clients, provided that such vote or action would be against the Adviser's own interest in the matter.
- If the Adviser believes it should vote in a way that may also benefit, or be perceived to benefit, its own interest, then the Adviser will either (a) vote in accordance with the recommendations of a third party (which will be the supplier of our proxy voting processing and research service); or (b) obtain approval of the decision from the Adviser's Head of Equities: the rationale of such vote will be recorded in writing; or (c) in exceptional cases, inform the client(s) of the conflict of interest and obtain consent to vote as recommended by the Adviser. If the third-party recommendation is unavailable, we will not vote.

A copy of the entire Proxy Voting Policy and information as to specific votes are available to clients upon request. Requests should be made to your Client Service Representative.

Item 18: Other Financial Information

The Adviser is a subsidiary of a public company in the UK, Schroders plc. Schroders plc. is listed on the London Stock Exchange. The shareholder reports for Schroders plc. are available on the internet at <http://ir.schroders.com/>. Clients or prospective clients may also obtain copies of Schroders plc. reports by contacting their Client Service Representative.

Item 19: Requirements for State-Registered Advisers

The Adviser makes notice filings with each State and may register some of its employees as advisory representatives in States that so require.



Global, International and US Large Cap Equities Supplement

March 2022

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This brochure supplement provides information about The Schroder International Equities team. This document supplements the Schroder Investment Management North America Limited ("SIMNA Ltd") brochure. You should have received a copy of that brochure previously or with this supplement. Please contact Schroder Client Services at clientserviceny@us.schroders.com or +44 (0)20 7658 2729 if you did not receive SIMNA Ltd's brochure or if you have any questions about the contents of this supplement.



Alex Tedder

Head/CIO of Global/International and US Equities, Portfolio Manager

- Based in London, UK
- Re-joined Schroders in August 2014, having commenced his investment career at Schroders in 1990
- In 1994 he moved to Deutsche Asset Management Ltd, where he worked in various capacities including Managing Director and Head of International Equities / Portfolio Manager. He was lead manager of the Deutsche International Select Equity Fund (MGINX) from inception in May 1995. He also previously served as co-manager of DWS International Fund, DWS Worldwide 2004 Fund, Deutsche Global Select Equity Fund and Dean Witter European Growth Fund
- From 2006 to 2014 Alex worked at American Century Investments in New York, latterly as Senior Vice President and Senior Portfolio Manager (Global and Non-US Large Cap Strategies). He was lead manager of the American Century International Growth Fund (TWIEX) from July 2006 to March 2014
- A dual citizen of UK and Switzerland, Alex was educated at Winchester College (UK) and University of Freiburg/Fribourg, Switzerland, where he obtained a Masters' Degree in Economics and Business Administration

There are no legal or disciplinary events to report.

Mr. Tedder is employed by Schroder Investment Management Limited, which is the parent company of Schroder Investment Management North America Limited, and may undertake investment management duties for both companies. There is no material conflict.

Mr. Tedder receives compensation exclusively from Schroder Investment Management Limited. He receives economic benefits for the management of client portfolios and co-mingled funds.

ITEM 2:
Educational background and business experience

ITEM 3:
Disciplinary information

Other business activities

ITEM 5:
Additional compensation

ITEM 6: Supervision

The Global & International Equities Team has multiple layers of supervision. Alex Tedder provides overall team leadership. The Investment team reports to the Co-Head of Investment and Global Head of Equities, Rory Bateman.

Schroders has implemented an Investment Risk Management Framework which seeks to ensure that funds are managed in a manner that is consistent with their performance objectives and corresponding risk profiles as sold to investors.

As part of this framework, an Equity Investment Risk Committee meeting is held on at least a quarterly basis. This committee comprises representatives from Investment, Group Risk and the Investment Directors, Gavin Marriott and John Chisholm, where appropriate.

The role of the Committee is to:

- validate the appropriateness and completeness of the parameters established and the underlying assumptions and data sets used to calculate exposures; and
- review risk and performance reports (including, where appropriate counterparty and liquidity risk reports) to confirm that portfolios are being managed in a manner that is consistent with their performance objectives, corresponding risk profiles and Group principles.

The Product Manager is best positioned to respond to inquiries about portfolio management.

In addition, the Portfolio Compliance Team monitors compliance with portfolio restrictions. The Head of Portfolio Compliance is Yakub Suida.

Subject	Name	Title	Telephone
Investment	John Chisholm	Investment Director	+1 (212) 632 2950
Business	Rory Bateman	Co-Head of Investment and Global Head of Equities	+44 (0)20 7658 2710
Portfolio Compliance	Yakub Suida	Head of Portfolio Compliance	+44 (0)20 7658 6646

Not applicable.

ITEM 7: Requirements for state-registered advisers



Simon Webber
International Equities Portfolio Manager

- Year of Birth – 1973
- Joined Schroders in 1999
- Investment career commenced in 1999
- Fund manager for Global & International Equity and Global Climate Change Equity, based in London
- He joined Schroders in 1999, initially as a research analyst in the Global Technology Team. In 2001 he became a portfolio manager on the US desk, specialising in technology and industrials. In 2002 he assumed analytical responsibilities for the US telecoms, media & software sectors. In 2004 he joined the Global and International Equities team as a Global Sector Specialist and has covered multiple sectors including autos, utilities, telecoms and consumer discretionary. He has managed the Global Climate Change strategy since its launch in 2007. In 2009 he became a portfolio manager for EAFE mandates and in 2013 was promoted to lead portfolio manager
- CFA 1¹
- BSc (Hons) in Physics, University of Manchester

There are no legal or disciplinary events to report.

Mr. Webber is employed by Schroder Investment Management Limited, which is the parent company of Schroder Investment Management North America Limited, and may undertake investment management duties for both companies. There is no material conflict.

ITEM 2:
Educational background and business experience

ITEM 3:
Disciplinary information

ITEM 4:
Other business activities

ITEM 5:
Additional compensation

¹The CFA Institute is a global not-for-profit association of investment professionals. It awards the CFA designation to those completing the CFA Program, a graduate-level, self study program that covers broad curriculum and professional conduct standards. Candidates must pass three sequential examinations.

ITEM 6: Supervision

The Global & International Equities Team has multiple layers of supervision. Alex Tedder provides overall team leadership. The Investment team reports to the Co-Head of Investment and Global Head of Equities, Rory Bateman.

Schroders has implemented an Investment Risk Management Framework which seeks to ensure that funds are managed in a manner that is consistent with their performance objectives and corresponding risk profiles as sold to investors.

As part of this framework, an Equity Investment Risk Committee meeting is held on at least a quarterly basis. This committee comprises representatives from Investment, Group Risk and the Investment Directors, Gavin Marriott and John Chisholm, where appropriate.

The role of the Committee is to:

- validate the appropriateness and completeness of the parameters established and the underlying assumptions and data sets used to calculate exposures; and
- review risk and performance reports (including, where appropriate counterparty and liquidity risk reports) to confirm that portfolios are being managed in a manner that is consistent with their performance objectives, corresponding risk profiles and Group principles.

The Product Manager is best positioned to respond to inquiries about portfolio management.

In addition, the Portfolio Compliance Team monitors compliance with portfolio restrictions. The Head of Portfolio Compliance is Yakub Suida.

Subject	Name	Title	Telephone
Investment	John Chisholm	Investment Director	+1 (212) 632 2950
Business	Rory Bateman	Co-Head of Investment and Global Head of Equities	+44 (0)20 7658 2710
Portfolio Compliance	Yakub Suida	Head of Portfolio Compliance	+44 (0)20 7658 6646

Not applicable.

ITEM 7: Requirements for state-registered advisers

ITEM 2: Educational background and business experience



James Gautrey International Equities Portfolio Manager

- Joined Schroders in 2001
- Investment career commenced in 2001
- Currently Portfolio Manager for EAFE portfolios, based in London
- James was appointed to his Portfolio Manager role in September 2014. He was a Global Sector Specialist on the Global and International Equities Team since 2006
- From 2002 he worked as a Pan European research analyst covering technology, telecoms and support services
- James initially joined Schroders as a graduate in 2001 working with senior management and client directors
- BSc in Economics, University College London

There are no legal or disciplinary events to report.

Mr. Gautrey is employed by Schroder Investment Management Limited, which is the parent company of Schroder Investment Management North America Limited, and may undertake investment management duties for both companies. There is no material conflict.

Mr. Gautrey receives compensation exclusively from Schroder Investment Management Limited. He receives economic benefits for managing client portfolios.

ITEM 3: Disciplinary information

ITEM 4: Other business activities

ITEM 5: Additional compensation

ITEM 6: Supervision

The Global & International Equities Team has multiple layers of supervision. Alex Tedder provides overall team leadership. The Investment team reports to the Co-Head of Investment and Global Head of Equities, Rory Bateman. Schroders has implemented an Investment Risk Management Framework which seeks to ensure that funds are managed in a manner that is consistent with their performance objectives and corresponding risk profiles as sold to investors.

As part of this framework, an Equity Investment Risk Committee meeting is held on at least a quarterly basis. This committee comprises representatives from Investment, Group Risk and the Investment Directors, Gavin Marriott and John Chisholm, where appropriate.

The role of the Committee is to:

- validate the appropriateness and completeness of the parameters established and the underlying assumptions and data sets used to calculate exposures; and
- review risk and performance reports (including, where appropriate counterparty and liquidity risk reports) to confirm that portfolios are being managed in a manner that is consistent with their performance objectives, corresponding risk profiles and Group principles.

The Product Manager is best positioned to respond to inquiries about portfolio management.

In addition, the Portfolio Compliance Team monitors compliance with portfolio restrictions. The Head of Portfolio Compliance is Yakub Suida.

Subject	Name	Title	Telephone
Investment	John Chisholm	Investment Director	+1 (212) 632 2950
Business	Rory Bateman	Co-Head of Investment and Global Head of Equities	+44 (0)20 7658 2710
Portfolio Compliance	Yakub Suida	Head of Portfolio Compliance	+44 (0)20 7658 6646

Not applicable

ITEM 7: Requirements for state-registered advisers



FACTS

WHAT DOES SCHRODERS DO WITH YOUR PERSONAL INFORMATION?

Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and income
- account balances and account transactions
- assets and investment experience

When you are *no longer* our customer, we continue to share your information as described in this notice.

How?

All financial companies need to share clients' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their clients' personal information; the reasons Schroders chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Schroders share?	Can you limit this sharing?
For our everyday business purposes — such as to process your transactions, maintain your account(s), or respond to court orders and legal investigations	Yes	No
For our marketing purposes — to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We Don't Share
For our affiliates' everyday business purposes — information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes — information about your creditworthiness	No	We Don't Share
For nonaffiliates to market to you	No	We Don't Share

Questions?

For inquiries, call Institutional Client Service at (212) 641-3800 or email clientserviceny@schroders.com

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Schroders

Environmental,
Social and Governance
Policy for Listed Assets

December 2020



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Schroders' ESG Definition and Philosophy

Defining ESG

ESG investment covers the range of investment activities which recognise the relationship between companies and the societies and environments in which they operate, and between companies and the shareholders which control them.

ESG integration explicitly and systematically includes analysis of a range of risks and opportunities related to environmental, social and governance (ESG) drivers.

In principle, this leads to a broader assessment of the environment in which companies operate and their performance in managing different stakeholders, giving a fuller understanding of future opportunities and risks than traditional financial analysis alone.

Screening excludes companies involved in controversial activities. We recognise that many investors have concerns over specific activities to which they do not want their investment exposed. Where appropriate,

we work with them to define the criteria used to avoid investment in companies operating in those industries and maintain that exclusion on an ongoing basis.

Sustainable investment is an approach in which a company's sustainability practices are paramount to the investment decision and in which ESG analysis forms a cornerstone of the investment process. Sustainable products look for sustainability leaders with a superior sustainability profile relative to their peers. As a result they are longer term with their investment horizon, and step away from opportunities that may appear attractive in valuation terms but have challenges on an aspect of ESG.

Impact investment intends to achieve specific, positive social and environmental benefits while also delivering a financial return. This is not the same as impact measurement, which looks at how companies' activities affect the world both positively and negatively.

Schroders' Philosophy

At Schroders, we see ourselves as long-term stewards of our clients' capital, and this philosophy leads us to focus on the long-term prospects for the assets in which we invest. It is central to our investment process to analyse each investment's ability to create, sustain and protect value to ensure that it can deliver returns in line with our clients' objectives. Where appropriate we also look to engage and to vote with the objective of improving performance in these areas.

We believe the responsibility of investors includes protecting the interests of our clients from the impacts of financial and non-financial risks. Assessing and engaging on sustainability is becoming more important to investment processes.

In our view, ESG and industrial trends are intrinsically linked. Companies face

competitive pressures from a wider range of sources, on a larger scale and at a faster pace than ever before. Investors no longer have a choice over whether to seek exposure to ESG risks and opportunities; all companies and portfolios will be impacted.

This is why we have committed to integrate ESG across all of our investment teams by the end of 2020.

The policies outlined in this document apply to ESG integrated strategies, spanning equities, fixed income, multi-asset and alternatives. They incorporate what we have learnt from over twenty years of integrating ESG analysis across asset classes and geographies across the Schroders group. Given our commitment to integration and the growing data supporting effective implementation, we expect our approaches to continue to evolve.

Integration

We seek to integrate ESG considerations into our research and overall investment decisions across investment desks and asset classes. We recognise that different asset classes, portfolio strategies and investment universes require different lenses to most effectively strengthen decision-making.

We measure and track levels of ESG integration using an internal accreditation framework. Schroders' Sustainability Accreditation is our approach to formally recognising investment teams who have successfully integrated ESG into investment decisions.

The accreditation process starts with a collaborative effort between the Sustainable Investment team and the investment team to map out the end-to-end investment process from idea generation to portfolio construction, and ensuring ESG is integrated systematically and meaningfully into the relevant steps.

Our approach is pragmatic – we want to integrate ESG into established investment processes rather than create separate processes, which run the risk of becoming an after thought or a box ticking exercise. It is also robust; teams should be able to articulate and demonstrate how relevant issues are identified, investments are examined, portfolio decisions are influenced and how they monitor and manage emerging ESG risks. The Sustainable Investment team provides research, proprietary tools, and support to implement these steps.

The accreditation documents are reviewed and refreshed; over time investment teams are expected to have improved levels of ESG integration.

Our integration approach spans the breadth of the investment process, from identifying trends, analysing securities, constructing portfolios, through to engagement, voting and reporting. We believe that the investment decision makers must own true ESG integration. Below we outline how our fund managers, analysts and Sustainable Investment team work together to integrate ESG into each team's investment processes:

- The Sustainable Investment team works directly with the investment teams and provides ongoing advisory services to ensure that ESG is integrated in a relevant way for the asset class, investment philosophy, and market,

taking into account rapidly evolving best practices. This does not remove accountability remaining with each investment team to ensure ESG is integrated in its research, analysis and decision making processes.

- Our ESG analysts - like our investment analysts - have a sector focus. This enables them to gain a deeper understanding of sector-specific ESG issues and work in tandem with our investment analysts and portfolio managers to identify and assess ESG risks and opportunities, as well as incorporate consideration of these factors into their company models where appropriate. Regular sector updates are distributed to analysts across the capital structure to ensure that they are kept apprised of the latest developments.
- Our Sustainable Investment team produce regular multi-sector and multi-region thematic research to ensure investors keep abreast of the latest ESG trends, and how they can impact valuation and risk.
- Our Sustainable Investment team has produced a number of proprietary tools to help our analysts and fund managers identify, understand and manage ESG risks and opportunities. We outline these tools in the section below. The Sustainable Investment team provides on-going training to investors to ensure that they are aware of developments in this rapidly evolving area of interest. The team also creates training content which is available to investors on the in-house L&D system. Investors have ESG training included in their personal objectives.
- Our equity and fixed income analysts analyse relevant ESG risks and opportunities for securities under their coverage within their research notes. Our Sustainable Investment team provide support by adding sector views and reviews of research notes for some teams periodically to highlight where ESG analysis can be enhanced and to promote best practice.
- Each quarter the Sustainable Investment team screens desk portfolios against third-party ESG ratings from specialist ESG research providers and these ratings are distributed to investment desks. We do not believe that third-party ESG research views are the definitive view of a company's ESG performance but it provides a catalyst for further research and discussions

Our proprietary tools

Our Sustainable Investment team has developed a number of proprietary ESG tools to help our fund managers and analysts identify, understand and manage ESG risks and opportunities. CONTEXT and SustainEx, our flagship tools currently available for equity and corporate credit, are outlined below.

- **CONTEXT** looks at logical and wide ranging data to assess how a company's relationship with its stakeholders (customers, suppliers, regulators, environment, employees, communities) and calculates a score for each company. The score will vary across investment strategies - CONTEXT is interactive and highly customisable, enabling analysts to select the most material ESG factors for each sector, weight their importance and apply relevant metrics. Analysts are then able to compare companies based on the metrics selected, their own company assessment scores or adjusted rankings

(by size, sector or region). The unique features of the tool give analysts the flexibility to make company specific adjustments to reflect their specialist knowledge.

- **SustainEx** is our award-winning impact measurement tool. It scientifically combines measures of both the harm companies can do and the good they can bring to arrive at an aggregate measure of each firm's social and environmental impact, allowing investors to target their ESG investments effectively. It quantifies the extent to which companies are in credit or deficit with the societies to which they belong, and the risks they face if the costs they externalise are pushed into companies' own costs.

Company Analysis

We believe that analysing exposure to and management of ESG factors, in addition to traditional financial analysis, will enhance our understanding of a company's fair value and its ability to deliver long-term returns

We pay particular focus to ensuring that stakeholder relationships across the board (suppliers, customers, employees, communities, the environment, regulators, fixed income and equity providers) are managed in a sustainable manner

Sovereign Analysis

The social and environmental backdrop facing countries and their governments is changing quickly. As pressures become more acute, the financial importance of effectively managing social and environmental change is rising. Identifying and understanding relevant ESG issues and assessing how challenges are being met, help with our long term analysis of Sovereign risk.

The thematic research and tools constructed by the Sustainable Investment team are available for investment teams. These have been developed to ensure that data relating to countries' ESG performance is easily accessible. The Sustainable Investment team also work with the Economics team seeking to quantify how these long term challenges may impact their regional forecasts.

Structured Credit and SPV Analysis

We believe an in-depth understanding of collateral cash flow and the impact of the securitised loan's structure is the foundation of generating returns in a market where size and complexity leads to exploitable inefficiency. The consideration of ESG factors provides a more holistic assessment of the quality of the collateral and the sustainability of the cash flows. Broadly speaking, ESG integration for securitised assets has always been present in some respects, however, post financial crisis there has been stronger documentation on the quality of the loan origination process and regulation has brought several elements of lending more apace with ESG. However, we have developed a more holistic sustainability assessment framework based on five principal pillars: ; lawfulness, fairness, purposeful, contractual and sustainable.

Also, fundamentally embedded within our research is a review of governance, fair lending / predatory lending, and the health of the loan for the consumer. Counterparty considerations are a part of the asset consideration and governance. Additionally, we have developed proprietary analytics consisting of asset specific models, surveillance and forecast/ trend analysis to assist in assessing the sustainability of investment ideas. Our investment process begins with the identification of fundamental and technical factors that drive performance for both the overall securitised market and specific sectors. The fundamental framework incorporates the five principal pillars of our sustainability analysis.

Insurance Linked Securities

Insurance Linked Securities (ILS) are primarily linked to the (re-) insurance of natural catastrophe, mortality and pandemic risk, extreme events that can cause severe disruption to individuals' lives and the communities they live in. A fundamental concept of insurance is to provide financial security and protection against unforeseen events by spreading the cost of events impacting a few across a broader community of insureds. The larger the pool of risk sharers (policyholders), the lower the cost of risk transfer. Reinsurance and ILS help to broaden the pool of potential risk sharers to make the transfer of risk more efficient. ILS can help reduce the cost of purchasing protection against adverse fortuitous events for individuals. In addition, the performance of ILS is positively correlated with the experience of the policyholders. When nothing happens,

we make a return. When disaster strikes, the proceeds generated by the payments under ILS help families and communities rebuild their lives.

By nature, certain types of ILS products, e.g. catastrophe bonds, in themselves are already exposed to social and environmental trends such as climate change. We follow and examine social and environmental trends we believe will emerge over the investment horizon and consider their potential impact on returns. For example, we adjust Natural Catastrophe models to reflect our own views on the frequency and severity of extreme weather events. In non-weather related ILS we seek to avoid investing in risks that may contain ethical or social concerns (for example where investment returns are dependent on the outcome of insurance lottery jackpots).

Convertible Bonds

Convertible bonds are hybrid securities that entitle the investor to convert a bond into a certain number of associated shares. They combine the protection of a fixed income investment with the potential return of a stock. The blend of individual elements that make up a convertible bond - bond, equity and right of conversion - produces an asset class that has unique risk-return characteristics. If the price of the underlying share is relatively low, the convertible bond has more of the characteristics of a bond; for example, the risk of loss is reduced in difficult times. In contrast, if the share price rises, the price of the convertible bond also increases and it is more like an equity.

The unique characteristics of this asset class means that ESG analysis is done on a security by security basis, requires a degree of flexibility and draws on a range of tools. Traditional fixed income ESG analysis focus on material issues that will impact over the duration of the instrument and are likely to be seen as credit events, impacting the balance sheet. Examples include behaviours or risks that might lead to an issuer losing their "license to operate" such as major litigation or an environmental disaster. For convertible bonds we will also include an assessment of the longer term ESG issues which will impact the equity valuation at the time of conversion. Material additional ESG issues from this analysis are more likely to manifest themselves in the profit and loss statement, impacting top line growth, operating margins, investment levels and tax rates.

Active Ownership

Effective and responsible active ownership has long been part of Schroders' approach. It is essential to question and challenge companies about issues that we perceive may affect their value. As such, engagement and voting is integral to our investment process.

Share interests carry ownership rights and exercising those rights is an integral part of our overall investment process. The overriding principles in exercising these are to enhance returns for clients and to work in their best interests. Credit fixed income instruments less frequently have voting rights attached to them, but we will exercise the same processes in instances where these do arise.

Companies should act in the best interests of their owners, and must also have due regard for other stakeholders including lenders, employees, communities, customers, suppliers, regulators and the environment in order to have sustainable business models.

Our Stewardship Code Statement outlines our approach in this area in more detail for all of our international holdings. For Australia (SIMAL) and Japan there are local statements which apply for locally managed assets. All codes are publically available.

Purpose

Companies are at the centre of our framework and we monitor their abilities to navigate stakeholder relationships. Schroders firmly believe companies that are well governed, operate transparently, responsibly and sustainably will support the long-term health of the company and increase stakeholder value.

When engaging our purpose is to seek additional understanding, share our expectations or, where necessary, to seek change that will protect and enhance the value of investments for which we are responsible. The following four attributes are critical to the success of our engagement approach:

- 1 Knowledge:** We leverage the knowledge of our analysts and portfolio managers to really understand which sustainability issues matter to a company's long-term performance.
- 2 Relationships:** We have built strong, long-standing relationships with the companies in which we invest, with our engagement history dating back to the year 2000.
- 3 Impact:** The insight gained through engagement can directly influence the investment case
- 4 Incentive:** We have the power to reduce or even sell out of a holding if engagement is unsuccessful, or the option to avoid investing at all.

We focus on issues material to the value of the company's shares or debt instruments. These include a full range of stakeholder issues from employees, customers, and communities to the environment, suppliers regulators. The governance structure and management quality that oversee these stakeholder relationships are also a key focus for our engagement discussions. These issues may be identified through our thematic research, company level-investment research, stakeholder scores within our proprietary tools or responding to controversies.

We prioritise our engagement activities based on the materiality of the issue and our exposure to the individual company, which is based on the absolute amount invested or percentage owned on an instrument.

Process

Our engagement activities are undertaken by our portfolio managers, fixed income and equity investment analysts and the Sustainable investment team. In the past few years, we have developed a number of new engagement tools to support our investors in undertaking their own engagements.

A company engagement generally begins with a process of enhancing our understanding of the company and helping the company to understand our position on the particular position on a topic. The extent to which we expect to effect change depends on the specific situation, the amount that we own and where we sit in the capital structure. We track engagement progress over time to ensure we can systematically monitor outcomes. Where we have engaged repeatedly and seen no meaningful progress, then we will escalate. This can include voting against management at a company's annual general meeting (AGM).

Our mechanism for engagement typically involves one of the following methods which may vary by region:

- One-to-one meetings with company representatives (e.g. members of the Board including Board Committee chairs, senior executives, Investor Relations, managers of specialist areas such as a sustainability or environmental manager)
- Written correspondence;
- Phone calls;
- Discussions with company advisers and stakeholders;
- Voting;
- Collective engagement with other investors
- Events to educate companies or collaborate on new reporting frameworks

Transparency

Our engagement activities help to drive the sustainability agenda. Reporting on the outcome of all of our engagement activities is therefore key. We report on the number of engagements across the firm reflecting our full sphere of influence. This recognises the engagement undertaken not only by the dedicated sustainability team but also investment desk led engagements.

We also capture the influencing power of our voice through proxy voting and acknowledge how our involvement in industry bodies and public policy work also push the sustainability agenda at a market level. These efforts help to shape industry best practice, new governance norms and reporting practices. To acknowledge all these tools we have, and the scope of our influence, we report our engagements through a tiered structure within our quarterly and annual sustainable investment reports.

Voting: Coverage

We recognise our responsibility to make considered use of voting rights.

The overriding principle governing our approach to voting is to act in line with our fiduciary responsibilities in what we deem to be the interests of our clients.

We aim to support company management of investee companies; however, we will oppose management if we believe that it is in the best interests of our clients.

The majority of resolutions we target incorporate specific corporate governance issues which are required under local stock exchange listing requirements. This includes, but is not limited to:

- Approval of directors,
- Accepting reports and accounts
- Approval of incentive plans
- Capital allocation
- Reorganisations and mergers

We vote on both shareholder and management resolutions.

Our Corporate Governance analysts assess resolutions, applying our voting policy and guidelines (as outlined in this Environmental, Social and Governance Policy) to each agenda item. These analysts draw their own expertise as well as on

external research, such as the Investment Association's guidelines, the Institutional Shareholder Services (ISS), and public reporting.

Our own research is integral to our process and this is conducted by both our investment and ESG analysts. Corporate Governance analysts consult with the relevant financial analysts and portfolio managers to seek their view and better understand the corporate context, ensuring the company receives one voice from us.

The final decision will reflect what investors and Corporate Governance analysts believe to be in the best long term interest of their client.

In order to maintain the necessary flexibility to meet client needs, local offices of Schroders may determine a voting policy regarding the securities for which they are responsible, subject to agreement with clients as appropriate, and/or addressing local market issues. Both Japan and Australia have these.

Our Stewardship Code Statement outlines our approach in this area in more detail for all of our international holdings and is publicly available. Japan and Australia have additional statements reflecting their local regulatory requirements.

Voting: Operational

As active owners, we recognise our responsibility to make considered use of voting rights. It is therefore our policy to vote all shares at all meetings globally, except where there are restrictions that make it onerous or expensive to vote compared with the benefits of doing so (for example, share blocking practice whereby restrictions are placed on the trading of shares which are to be voted). In these cases we will generally not vote.

An example of this is in Australia for locally managed clients where SIMAL will not vote where we are excluded from doing so by the Corporations Act or other laws, or in cases of conflicts of interest or duty which cannot be resolved lawfully or appropriately.

We use a third party service to process all proxy voting instructions electronically. We regularly review our arrangements with these providers and benchmark them against peers.

Voting: Conflicts of Interest

Schroders accepts that conflicts of interest arise in the normal course of business. We have a documented Group wide policy, covering such occasions, to which all employees are expected to adhere, on which they receive training and which is reviewed annually. There are also supplementary local policies that apply the Group policy in a local context. More specifically, conflicts or perceived conflicts of interest can arise when voting on motions at company meetings which require further guidance on how they are handled. Outlined below are the specific policies that cover engagement and voting.

Schroders' Corporate Governance analysts are responsible for monitoring and identifying situations that could give rise to a conflict of interest when voting in company meetings.

Where Schroders itself has a conflict of interest with the fund, the client, or the company being voted on, we will follow the voting recommendations of a third party (which will be the supplier of our proxy voting processing and research service). Examples of conflicts of interest include (but are not limited to):

- where the company being voted on is a significant client of Schroders,
- where the Schroders employee making the voting decision is a director of, significant shareholder of or has a position of influence at the company being voted on;
- where Schroders or an affiliate is a shareholder of the company being voted on;
- where there is a conflict of interest between one client and another;

- where the director of a company being voted on is also a director of Schroders plc;
- where Schroders plc is the company being voted on.

Separation of processes and management between Schroder Investment Management and our Wealth Management division helps to ensure that individuals who are clients or have a business relationship with the latter are not able to influence corporate governance decisions made by the former.

If Schroders believes it should override the recommendations of the third party in the interests of the fund/client and vote in a way that may also benefit, or be perceived to benefit, its own interests, then Schroders will obtain the approval of the decision from the Schroders' Global Head of Equities with the rationale of such vote being recorded in writing. If the third-party recommendation is unavailable, we will vote as we see is in the interests of the fund. If however this vote is in a way that might benefit, or be perceived to benefit, Schroders' interests, we will obtain approval and record the rationale in the same way as described above.

In the situation where a fund holds investments on more than one side of the transaction being voted on, Schroders will always act in the interests of the specific fund. There may also be instances where different funds, managed by the same or different fund managers, hold stocks on either side of a transaction. In these cases the fund managers will vote in the best interest of their specific funds.

Where Schroders has a conflict of interest that is identified, it is recorded in writing, whether or not it results in an override by the Global Head of Equities.

Voting Client Choice/Delegating Authority

Given our focus on ESG integration and Stewardship with the aim of enhancing returns, we believe it is appropriate for clients to give voting discretion to Schroders.

Clients may elect to retain all or some discretion in relation to voting, engagement and/or corporate governance issues. In these cases we suggest such clients use an external voting service to vote their interests.

We welcome a dialogue with our clients on voting policy and its application

Disclosure

We believe transparency is an important feature of effective Stewardship.

We produce a public Quarterly Sustainable Investment Report on our ESG activities over the period for activities across the Schroders group. We report on the total number of engagements, the companies engaged with and this is broken down by region, type and sector. We also highlight engagement case studies after these have come to a close, as it is our view that ongoing engagement is most effective on a confidential basis.

On a monthly basis, at a Group level, we publish a public voting report which details shareholder proposals for companies during the period and how the votes were cast, including votes against management and abstentions, along with the rationale behind these decisions. We view the latter as significant votes.

As part of our reporting collateral, we also produce an Annual Sustainable Investment Report. This provides additional details on our stewardship activities, our ESG integration efforts across asset classes,

thematic research reports, detailed case studies, engagement progress, voting highlights, our shareholder resolution voting record, our involvement in industry initiatives and collaborative engagements.

All of these reports above are available on our website: <https://www.schroders.com/en/about-us/active-ownership/sustainability-analysis-in-practice/>

Institutional clients receive a more specific report which includes their personal voting activity and more detailed information on the progress of company engagements that are ongoing.

Schroders obtains an independent opinion on our engagement and voting processes based on the standards of the AAF 01/06 Guidance issued by the Institute of Chartered Accounts in England and Wales.

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. All investments involve risks including the risk of possible loss of principal.

Stock Lending

We do not currently Stock Lend for our pooled funds.

Screening and Exclusions

We fully support the following international conventions:

- The Convention on Cluster Munitions (2008): prohibits the production, stockpiling, transfer and use of cluster munitions
- The Anti-Personnel Landmines Treaty (1997), also known as The Ottawa Treaty (1997): prohibits the production, stockpiling, transfer and use of anti-personnel landmines
- The Chemical Weapons Convention (1997): prohibits the use, stockpiling, production and transfer of chemical weapons
- Biological Weapons Convention (1975): prohibits the use, stockpiling, production and transfer of biological weapons.

We will not knowingly hold any security that is involved in the production, stockpiling, transfer and use of these weapons. We do not exclude those companies whose business activities or products only have the potential to be used for these purposes, or where these activities or products have not been undertaken or created with these uses in mind.

Schroders will apply this policy to all Schroders funds that we directly manage. On occasion there may be additional securities recognised by clients or local governments; these will be added to the Schroders group exclusion list for those relevant jurisdictions or specific mandates. These are publicly disclosed and available on our website: <http://www.schroders.com/sustainability>

We recognise that many investors hold views that their investments should not be associated with companies engaging in specific activities. We implement a wide range of negative screens and exclusions according to specific ethical exclusion criteria requested by our clients. We draw on a number of different data sources to ensure that their views are reflected in the most accurate way possible.

In addition to the firm wide restrictions outlined above, SIMAL also excludes nuclear weapons and tobacco for locally managed funds. The list of their restrictions can be found on their website.

Corporate Governance: Our Core Principles

The following pages set out the corporate governance principles that we consider when determining how to vote. All are subject to the overriding principles that we will vote and act to enhance returns for clients and act in the best interests of clients.

Strategy, Performance, Transparency and Integrity

Strategic Focus

Companies must produce adequate returns for shareholders over the long term. Companies must also have due regard for other stakeholders including lenders, employees, communities, customers, suppliers, regulators and the environment in order to have viable business models that create value over the long term.

If a company is not making or will not make returns above the cost of capital, it should improve performance or consider returning capital to shareholders in a tax-efficient manner.

Shareholders' Interests

We will oppose any proposal or action which materially reduce or damage shareholders' rights.

Major corporate changes or transactions that materially dilute the equity or erode the economic interests or ownership rights of existing shareholders should not be made without the approval of shareholders.

With the exception of those that could reasonably be deemed insignificant, any transactions with related parties should not be made without prior independent shareholder approval. Where these are allowed to proceed, we expect these to be subject to proper oversight and regular review by the board.

Shareholders should be given sufficient and timely information about any voting proposal to allow them to make an informed judgement when exercising their voting rights.

Companies should provide secure methods of ownership of shares. Further, there should be no unreasonable restrictions on the transfer of shares.

Reporting

The annual report and accounts of companies should be properly prepared, in accordance with relevant accounting standards.

Companies must communicate clearly with investors. This obligation extends to producing quality accounts and communicating timely and relevant information. Transparency, prudence and integrity in the accounts of companies are factors which are highly valued by investors.

Auditors

Audits provide a valuable protection to investors across the capital spectrum and should ensure the integrity of accounts.

In order to provide objectivity and a robust assessment of the accounts, the auditors should be independent. Where independence is compromised or perceived as being compromised due to a conflict of interest, a firm's suitability as auditor will be called into question. Independence may be compromised, for example, where the level of non-audit work is excessive or inappropriate or where the auditors or relevant individuals have a connection with the company. The tenure of an auditor should also be assessed to ensure rotation for independence.

Internal Controls

The level of risk a company faces and the way a company manages those risks can have a significant effect on a company's value and viability. We understand and recognise that risks must be taken.

However, risks must be recognised and managed. Linked to this, internal controls should be in place to ensure a company's managers and board are aware of the state of the business

Status and Role

The boards of the companies in which our clients' monies are invested should consider and review, amongst other things, strategic direction, the quality of leadership and management, risk management, relationships with stakeholders, the internal controls, the operating performance and viability of those companies. Above all, they should be focused on the long term sustainable generation of value.

Board members must be independent, competent and have relevant expertise.

The board of directors, or supervisory board, (as an entity and each of its members as individuals) should be accountable to shareholders.

The discharge or indemnification of a board or management will not normally be supported where we are aware of outstanding issues or have concerns regarding that board or company.

Every member of the board should stand for re-election by shareholders no less than every three years. We generally only support yearly elections.

Companies should disclose sufficient biographical information about directors and commit to regular board evaluations to enable investors to make a reasonable assessment of the value they add to the company.

Board members should have enough time to devote to the role so that they can effectively discharge their duties. Members with multiple external appointments will be deemed over-boarded.

Board Leadership

Our preference is for leadership of the board and leadership of the company to be separate. This reflects the important role the board plays in oversight and challenge of the senior management team. Where the Chairman and CEO are not separate there should be a Lead Independent Director identified to act an effective conduit for shareholders to raise issues.

Board Structure

Boards should consider the diversity and balance of the board:

- The board should be balanced, such that no group dominates the board or supervisory body.
- There should be a material number of genuinely independent non-executive directors on the board or supervisory body. Companies and boards should be able to demonstrate that they are diverse organisations across gender, ethnicity, sexuality and thought. As well as monitoring board diversity, the board should be monitoring the internal pipeline of talent and the wider workforce using these metrics

Board gender diversity is one of the most transparent metrics that we currently have on a global basis. We actively vote against individuals on boards that are not making enough progress on this area to hold them accountable.

Independent non-executives can give shareholders a degree of protection and assurance by ensuring that no individual or non-independent grouping has unfettered powers or dominant authority. Independence is assessed on a case by case basis, but generally, after nine years we will no longer classify board members as independent. However, the issue of independence is not, of itself, a measure of an individual's value or ability to contribute as a board member

Board Performance

The process for selecting, refreshing and retaining board members should be transparent, robust and rigorous and ensure that the make up of the board remains appropriate and dynamic, with a particular emphasis on individuals with business success.

Boards should regularly undertake a review of their performance. A review of performance must not be an academic exercise. Any review should seek to consider the performance of individuals and the board as a whole. It will also be appropriate to ensure that the skills in the boardroom are appropriate given the future strategic direction of the company.

Any issues identified should be resolved through, if necessary, operational changes or changes of personnel. We advocate an ongoing process of board refreshment. A variety of tenures will ensure that different perspectives are brought to discussions and ensure orderly succession.

We will oppose directors and may seek their replacement where the leadership of an organisation is not sufficiently objective or robust in reviewing performance.

Committees

Boards should appoint an audit committee and a remuneration committee, ideally with a majority of independent non-executive board members.

Succession Planning

The success of a company will be determined by the quality and success of its people, in particular the senior leadership team. Boards should develop short, medium and long term succession plans for senior management and keep these updated.

The internal pipeline of talent should be monitored and benchmarked on a regular basis. We expect this pipeline to be a diverse one.

Boards have an important role in assessing management's performance and holding them to account. It is important that companies which fail to achieve a satisfactory level of performance should review the performance of senior executives. It is an inevitable part of any organisation that there will be changes of staff – people might not have, or no longer have, the right skills, abilities or attitude to properly and successfully fulfil or continue in their role. This applies at all levels in an organisation.

It is equally important that boards ensure that companies are managed to achieve long term success. Boards need to consider the implications of strategy in this light and discuss the impact of decisions on timeframes beyond a single CEO's tenure.

The board should ensure that it too is subject to rigorous succession planning and skills-based assessment. They should regularly seek to appoint new non-executive directors.

Capital

Efficient Use of Capital

Companies should earn a return on capital that exceeds the company's weighted average cost of capital.

Companies should have efficient balance sheets that minimise the cost of capital, with an appropriate level of gearing which recognises the significant risks attaching to debt across the cycle.

Where companies cannot or will not use capital efficiently, they should consider returning the capital to shareholders: the capital may then be allocated to investments earning an appropriate return.

Capital should not be used for value-destroying acquisitions.

Issuing Shares

Companies should not propose general authorities to allow unlimited or substantial capital authorisations or blank cheque preferred stock.

The creation of different classes of equity share capital must be fully justified.

Pre-emption Rights

Pre-emption rights are a key investor protection measure. For our UK holdings

we ask that companies follow the Statement of Principles issued by the Pre-emption Group.

We recognise that in some instances it is appropriate for companies to have a certain amount of flexibility to issue shares for cash without offering them first to shareholders on a pre-emptive basis.

Accordingly, authorities to issue shares non-pre-emptively should not exceed recognised market guidelines or practice or, in the absence of guidelines or a recognised practice, an overall limit of 10%.

We will consider powers to issue shares on a non-pre-emptive basis in excess of these limits, where a company can provide a reasoned case that the issue of shares on a non-pre-emptive basis (whether directly or, for example, through the issue of convertible bonds or warrants or for vendor placings) would be in the best interests of existing shareholders.

Share Voting Rights

Companies should provide strong arguments to justify the introduction or maintenance of equity shares with special voting rights, golden shares or other split capital structures.

Executive Remuneration

In considering the pay arrangements of senior executives at companies, we are concerned with the structure of total compensation and to ensure that potential rewards are aligned with shareholder interests.

We recognise the value of high-calibre executives and note that in order to hire the best individuals, it is necessary for companies to pay at levels which allow them to compete in the market to recruit successful executives. However, the existence of this effect does not justify unwarranted transfers of value to executives. It follows that where individuals have failed, their continuation in the role should be reviewed and, if necessary, they should be removed.

In formulating proposals, remuneration committees and boards should, in particular:

- Avoid creating arrangements or policies that could result in excessive dilution of shareholders' interests or create excessive or unwarranted costs. It is expected that average dilution through the commitment to issue shares to directors, executives and employees would not exceed 1% per year;
- Link significant elements of total remuneration to genuine performance and in particular focused on the achievement of above average performance;
- Encourage significant share ownership amongst the executive team and look to widen share ownership throughout the organisation;
- Avoid arrangements that would encourage the destruction of shareholder value;

- Achieve an appropriate balance between long- and short-term elements of pay, with an emphasis on reward for sustainable longer-term performance;
- Avoid service contracts and provisions providing compensatory arrangements in excess of one year, except following appointment where for a limited time a longer period may be acceptable;
- Appoint remuneration committees consisting of independent non-executive directors. These committees should be responsible for determining and recommending to the board the pay policies in respect of executive directors and senior managers;
- Not re-price, adjust, or otherwise amend stock options and awards;
- Use financial and ESG metrics for measuring executive performance which focus on outcomes rather than inputs to potential corporate performance;
- Avoid complex scorecards of numerous performance measures, thereby diluting a focus on long term success for the company and shareholders;
- Focus long-term incentive arrangements for board members primarily on total corporate performance and only secondarily on areas of individual responsibility. Special incentive arrangements concerning specific ventures or projects may distort alignment with total corporate performance and shareholder returns.
- Long term incentives to be paid in shares which have a performance and vesting period of at least five years.

Environmental and Social Performance and Resolutions

We examine E&S performance and resolutions on a case by case basis according to the following framework.

1 Materiality

We view ESG practices as a proxy for management quality. We will focus on issues that are relevant to a company within the context of its sector and its relationship with stakeholders which enable a company to maintain its licence to operate.

2 Transparency

As investors, we support transparency as this helps us to better understand how companies are identifying and managing the ESG issues that impact their business.

3 Asymmetric knowledge

As active owners, we engage with companies to promote good environmental and social practices. However, we recognise that beyond the broad management systems and ESG issues, it is the company that has the day-to-day operational knowledge and expertise to manage these issues. We do not intend to micro-manage companies, but rather provide oversight and guidance on ESG practices.

4 Alignment with evolving ESG best practice

Through our voting and engagement, we encourage companies to move towards ESG best practice, whilst acknowledging sector and individual company differences.

5 Evidence of policy implementation and progress

Whilst transparency is key, we want re-assurance that the policies and practices published by companies are being implemented effectively. We want to see evidence of progress on mitigating ESG risks.

6 Responsible conduct

Whilst we encourage companies to move towards best practice we accept that with large, multinational companies there are occasionally E&S related controversies.

Where these do occur, we seek evidence that the company has understood the cause of the issue and has been proactive in strengthening its management systems to ensure that probability of future controversies has been minimised.

Other Environmental & Social Issues

Climate

Limiting temperature rises to two degree above preindustrial levels or lower – in line with the commitments made through the Paris Accord – is among the most urgent and biggest challenges facing global economies and societies. We support efforts we believe will help achieve that goal.

Our analysis shows that climate change is a major structural challenge that will have a significant impact on the operating backdrop for the majority of companies and sectors. We believe that significant winners and losers will emerge based on how companies respond to this challenge. We support the Task Force on Climate Related Financial Disclosure (TCFD) and encourage companies to report against the key elements of this framework. We also look for membership of industry associations and lobbying groups to be aligned with corporate commitments on climate changes. We use our influence as investors through engagement and voting to push companies to prepare and demonstrate the efforts they take to

address key climate risks. We will generally vote against directors at companies where we feel that climate change is a major risk and the boards cannot demonstrate publicly that they are preparing sufficiently for it.

UN Global Compact (UNGC) violations: Human Rights, Labour Rights, Environment, Anti-corruption

We recognise the importance of companies respecting and protecting human rights, ensuring decent working conditions and upholding labour rights, promoting greater environmental responsibility and having robust anti-corruption measures and practices in place. As UNGC signatories we are committed to ensuring companies align their operations and strategies to the UNGC's ten universally accepted principles.

Through our ESG integration and active ownership process we take into consideration how companies are interacting with all their stakeholders (customers, suppliers, environment, regulators, employees and communities) and the

contribution this might have (both negative and positive) to their long-term success. The UNGC principles are embedded within this framework. Our holistic approach goes beyond the ten principles and incorporate a broader range of issues. That analysis also informs our engagement with companies; where we consider companies' business practices may be unsustainable we regularly engage management teams to better understand their plans, and to promote more responsible behavior, and if we believe the action taken is not appropriate will vote against individual directors.

Biodiversity

The variety of plants and animals, and where they live – is critical for our everyday lives. It provides us with food, water, clean air, shelter and medicines. Loss of biodiversity and changes to ecosystems can increase the risk of infectious diseases in animals, plants and humans. We recognise that deforestations, changes in land use, increasing agricultural intensity, over-population, climate change and pollution contribute to biodiversity loss and we therefore take these factors into consideration in our ESG analysis of companies and engage with companies where we believe their practices are unsustainable.

Water use

Water is critical to human and ecosystem health, necessary in many industrial processes, indispensable in food and energy production, an important vehicle for disposing of wastes, and integral to many forms of recreation. While ~70% of the earth's surface is covered in water, less than 1% of this is water available for consumption by people and business, and the supply of clean, fresh water is decreasing. At the same time, there is an

increasing demand for water through agriculture, a growing global population and economic development. Supply side and demand side pressure means that water is increasingly becoming a material risk for companies that are struggling to source scarce, clean water.

Understanding and managing water risk may be fundamental to a company's ability to continue as a going concern. As a result, the water intensity of companies' operations, scarcity in the regions in which they operate and their strategies to manage their use all feature in our ESG analysis of companies. We also engage companies on water risk.

Taxation

Taxes are probably the clearest form of companies' social contribution. They are reinvested by the state into society, providing vital public services. We believe it is important that companies behave responsibly and conduct their tax affairs in an open and transparent way. Responsible tax payment is reflected in the tools available to our analysts when examining ESG performances and is regularly included in our engagement with companies.

Oppressive regimes

These are commonly associated with systematic human rights abuses, and often an absence of the rule of law, a lack of freedom of expression and land rights abuses. Through our ESG integration and active ownership process we seek to understand whether companies operate or have supply chains in countries governed by oppressive regimes.

We comply with the sanctions regimes issued by the EU, the UN, Her Majesty's Treasury (HMT), and the Office of Foreign Asset Control

Other Corporate Governance Issues

Takeover Bids

Takeovers are an important part of an efficient market. However, takeovers do not always create value for shareholders. Accordingly, each case will be judged on its merits. Factors considered will include the quality of a company's management, the long-term prospects for the company's share price and investors and, ultimately, whether the price offered should be accepted in the best interests of our clients.

Poison Pills and Takeover Defences

Poison pill arrangements, takeover defences or other equivalent

arrangements have as their purpose the benefit of management rather than the owners of the company and are frequently contrary to shareholder interests. Such arrangements should not be introduced and existing arrangements that have been put in place should be removed.

Company Constitutions

The documents defining the constitution of a company are key documents providing protection to the interests of shareholders. Any changes to these documents should be clearly justified.

Environmental, Social and Governance Policy for Listed Assets



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