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:


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-first 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 Dynamic Sustainable Balanced and Indian Equities strategies.
Item 3: Table of Contents

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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 Aggregate
- US Core Plus
- Municipal Bonds Intermediate and Short Term
- Global Credit (Corporate)
- Global High Yield
- Emerging Market Debt Multi-Sector
- Value Core
- Value Short Duration
- Value Intermediate Duration
- Value Long Duration
- Value Opportunistic
- Value Opportunistic Investment Grade
- Value Tax Aware Opportunistic
- Global and US Securitized Credit
- Securitized Credit Long/Short
- Loan Opportunities

The Adviser also markets strategies focusing on non-US equity and fixed income securities as well as multi asset, 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 adviser. ¹ Our non-US strategies include:

- Global/International Diversified
- Global/International Alpha
- International Alpha ADR
- International Small Cap
- Emerging Market Equity
- Global Emerging Markets Small Cap
- Global Climate Change
- Global Sustainable Growth
- Frontier Markets Equity
- Asian Equities
- Indian Equities
- Global Strategic Bond
- China Fixed Income
- Swiss Equity

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

The quantitative equity strategies are:

- Global Core
- Global Value
- Global ex-US Value
- Global Quality
- Global Blend
- Global ESG
- North American Equity (offered in mutual fund only)
- Emerging Market
- Global Absolute

The multi-asset strategies are:
- Diversified Growth
- Strategic Beta
- Alternative Risk Premia
- Sustainable Multi-Factor Equity
- Global Multi-Factor Equity
- Sustainable Dynamic Balanced

The Adviser also offers alternative investment strategies including:
- Commodities
- Emerging Market Debt (Absolute Return)
- Insurance-Linked Securities

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 ___. The strategies that are expected to be 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 advisers. 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 acts as the investment adviser to the Schroder Funds, which are sold in the US predominantly to institutional clients. The Adviser also serves as the manager and general partner of private investment partnerships or funds. 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.

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.

<table>
<thead>
<tr>
<th>Assets</th>
<th># of Acct</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owned by SIMNA Inc.</td>
<td>$74,198,111,637 USD</td>
</tr>
<tr>
<td>Delegated to SIMNA Inc.</td>
<td>$46,938,901,781 USD</td>
</tr>
<tr>
<td><strong>Total SIMNA</strong></td>
<td><strong>$121,137,013,418 USD</strong></td>
</tr>
<tr>
<td>Managed by SIMNA Inc.</td>
<td>$72,729,520,247 USD</td>
</tr>
<tr>
<td>Managed by SIMNA Ltd.</td>
<td>$48,407,493,171 USD</td>
</tr>
<tr>
<td>Managed by SIM Japan</td>
<td>$0 USD</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$121,137,013,418 USD</strong></td>
</tr>
</tbody>
</table>
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 – 0.70% on first $50 million, and 0.60% thereafter
Minimum account size: $30 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: $30 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: $30 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%
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 Opportunistic, Value Opportunistic Investment Grade
Separate Account
Management fee – 0.375% on first $30 million, 0.25% on the next $70 million, 0.125% on the next $400 million, 0.1% for the next $500 million, and .08% thereafter
Minimum account size: $30 million

Value Tax-Aware, Value Tax Aware Opportunistic
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 and US Securitized Credit
Separate Account
Securitized Investment Grade
Management fee – 0.25% on the first $100 million, 0.20% on the next $250 million, 0.15% on the next $250 million and .012% thereafter
Minimum account size: $100 million

Separate Account
Enhanced Securitized (Benchmark relative)
Management fee – 0.35% on first $100 million 0.30% on the next $250 million, 0.25% on the next $250 million and 0.20% thereafter
Minimum account size: $100 million

Separate Account
Enhanced Securitized (LIBOR)
Management fee – 0.40% on first $100 million 0.35% on the next $250 million, 0.30% on the next $250 million and 0.25% thereafter
Minimum account size: $100 million

Separate Account
Enhanced Securitized Plus (LIBOR)
Management fee – 0.50% on first $100 million 0.45% on the next $250 million, 0.40% on the next $250 million and 0.35% thereafter
Minimum account size: $100 million

Separate Account
Opportunistic Multi-Sector Securitized
Management fee – 0.70% on first $100 million 0.65% on the next $250 million, 0.60% on the next $250 million and 0.55% on the balance
Minimum account size: $100 million

Securitized Opportunistic Multi-Sector Long/Short
This strategy is available only through a pooled investment vehicle.
Loan Opportunities
This strategy is available only through a pooled investment vehicle.

NON-U.S. EQUITIES & FIXED INCOME

Global/International Diversified
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

Global Emerging Markets Small Cap
Separate Account
Management fee – 1.35% on first $100 million and 1.10% thereafter
Minimum account size: $100 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 Sustainable Growth
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

Frontier Markets Equity Portfolio
Separate Account
Management fee – 1.35% on first $100 million and 1.10% thereafter
Minimum account size: $50 million

Asian Equities
This strategy is available only through a pooled investment vehicle.

Indian Equities
This strategy is available only through a pooled investment vehicle.

Global Strategic Bond
Separate Account
Management Fee – 1.00% on all assets + performance fee
Minimum account size: $50 million

**Swiss Equity**
This strategy is available only through a pooled investment vehicle.

**China Fixed Income**
*Separate Account*
Management Fee – 0.35% on first $100 million; 0.30% on the next $100 million; 0.25% on the next $100 million; and 0.20% thereafter
Minimum account size: $100 million

**Japan Equities**
These strategies are available to US clients only through a pooled investment vehicle.

**QUANTITATIVE EQUITY PRODUCTS (QEP)**

**Global Core**
*Separate Account*
Management fee: 0.25% on the first $200 million; 0.15% thereafter
Minimum account size: Typically $200 million

**International (ex-US) Multi-Cap 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 Multi-Cap 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 Multi-Cap 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 / 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 Multi-Cap**
*Separate Account*
Management fee: 0.75% on first $200 million; and 0.60% thereafter
Minimum account size: Typically $150 million

**North American Equity**
This strategy is available only through a pooled investment vehicle.

**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
Strategic Beta
Separate Account
Management fee – 0.35% on first $200 million, 0.30% on the next $300 million and 0.25% 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 Multi-Factor Equity
Separate Account
Management fee – 0.20%
Minimum account size: $250 million

Global Multi-Factor Equity
Separate Account
Management fee – 0.20%
Minimum account size: $250 million

Sustainable Dynamic Balanced
This strategy is available only through a pooled investment vehicle.

ALTERNATIVES

Commodities
Separate Account
Management fee – 0.80% on all assets
Minimum account size: $100 million

Emerging Market Debt (Absolute Return)
Separate Account
Management fee: 0.80% on the first $50 million; 0.70% on the next $50 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.

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 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. 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 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.

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 0-20% 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.

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 SIMNA Ltd. by a team led by Matthew Dobbs. 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 150-200 stocks (approximately 250-300 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 concentrated, 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 managers Alex Tedder and Simon Webber 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 Market 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. The investable universe is primarily defined by the MSCI Emerging Markets Index, which covers 26 countries and over 1400 stocks. Index data as at 31st December 2019

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 Frontier Index which covers 28 countries and over 90 stocks, although the investment team will also invest in the wider frontier markets universe. Index data as at 31st December 2019.

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 research 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. 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 24 countries and approximately 1,800 stocks, although the strategy also aims to find good investments in medium-sized emerging companies and opportunistically in frontier market stocks. The strategy is co-managed by two investment teams the Emerging Markets team and the Global Small Cap team.

The strategy targets alpha generation primarily from bottom-up fundamental stock selection. 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. There is no systematic style bias although low quality stocks will tend to be avoided. The portfolio typically will invest in around 60–120 stocks.

Risks

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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.

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; 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 manager Simon Webber. 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 70 stocks.

**Risks**

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7. **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 manager Katherine Davidson. 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

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8. 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 and headed by Justin Abercrombie, applies a proprietary investment analysis based on an evaluation of a number of valuation metrics such as dividends, cash-flow, earnings, sales and asset-based measures as well as quality metrics such as financial strength, profitability stability, and governance. The team starts with a universe of over 15,000 stocks of all sizes across more than 40 countries including 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.

Risks

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pose greater risks than investments in developed markets. Products with high turnover may experience higher transaction costs.

9. 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, 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.

10. 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. This 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.

**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.

**11. 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**

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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.

**12. 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. Fixed Income Core and Core Plus

The Core Fixed Income strategy seeks to maximize total return by investing across the full maturity and investment grade spectrum of US fixed income sectors and securities. The investment team, led by Andrew Chorlton, 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

The team also uses a similar approach for a Core Plus strategy. That 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.

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, Opportunistic, Opportunistic Investment Grade, 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 transaction 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 Robert (“Bob”) Jolly and 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. **Global and US Securitized Credit**

The Securitized Credit strategies seeks to generate total return relative to a benchmark, or absolute return, through exploiting sector, security or pricing inefficiencies across the continuum of 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. Some strategies can utilize borrowing and can also hedge credit risk. Certain strategies can participate in global ABS.

The strategy is 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. Securitized Opportunistic Multi-Sector Long/Short

The strategy is an opportunistic securitized credit strategy focused on generating attractive income and some capital appreciation primarily through investing in mortgage-backed securities, asset-backed securities, and loans. The strategy seeks 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 strategy invests 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.

7. Loan Opportunities

The Loan Opportunities strategy seeks to provide total return produced from current income and preservation of capital by investing in a diversified portfolio of mortgage loans secured by US real estate, predominately commercial real estate. The focus of the strategy is on identifying loans in less competitive markets, such as small to mid size bridge loans, loans on single-family rental portfolios for operators of less than 500 properties, mezzanine loans and b-notes. The strategy targets loans diversified by property type, geography and borrower and will be secured by properties primarily in the office, retail, single-family rental, multifamily, industrial and hospitality properties sectors. The team uses a research oriented value driven approach and proprietary tools to perform in depth analysis of fundamental market factors and property level cash flows to assess, reunderwrite and stress test the loan or pools of loans. The team believes this approach should generate investment opportunities, particularly in inefficient markets, in part by identifying gaps in the provision of loan capital driven by changes in regulations.

Risks

All investments involve risks including the risk of possible loss of principal. The market value of a commercial mortgage loan portfolio may decline as a result of a number of factors, including interest rate risk, credit risk, inflation/deflation risk, economic risk and commercial mortgage loans risk. 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. There may be a limited number of attractive investments which may in turn lead to a lack of diversification. No investment strategy or risk management technique can guarantee returns/income or eliminate risk in any market environment.

8. China Fixed Income

We believe that attractive risk adjusted returns can be generated in Chinese Fixed Income markets through the application of active management techniques driven by fundamental macroeconomic and company research. Our approach incorporates both top-down and bottom-up analysis as part of the research process. We adopt a top-down approach for interest rate, currency and sector allocation strategies and a bottom-up approach for credit selection utilising our in-house credit research resources and time-tested investment process. Our investment philosophy is based on the notion that active management with dedicated resources, specialist knowledge and a global mindset can deliver out-performance. We believe that markets are generally efficient but there are pockets of mis-valuation opportunities which can be exploited through fundamental economic and company research. We also target investment returns using a medium-term horizon which requires a disciplined approach to building a set of investment strategies that are diversified in order to manage/mitigate risk. Additionally, our team-based investment process relies on members specializing by asset class, market and sectors. We believe that having diversified views to escape the group think trap and constant and debate of investment thesis would improve the soundness of our investment decisions.

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.

Investors may be subject to risks specific to the China market. Any significant change in mainland China’s political, social or economic policies may have a negative impact on investments in the China market. The regulatory and legal framework for capital markets in mainland China may not be as well developed as those of developed countries. Chinese accounting standards and practices may deviate significantly from international accounting standards. The settlement and clearing systems of the Chinese securities markets may not be well tested and may be subject to increased risks of error or inefficiency. Investors should also be aware that changes in mainland China’s taxation legislation could affect the amount of income which
may be derived, and the amount of capital returned, from the investments in the strategy.

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. Strategic Beta

Strategic Beta invests across a broad range of risk premia using an actively managed, risk-based asset allocation process that aims to deliver stable performance in a variety of market environments. The objective of the strategy is to generate a return of 7% p.a. with an assumed Sharpe ratio of 0.6 while targeting average annual volatility of 12%.

Our approach focuses on investing in risk premia rather than asset classes. Risk premia can be thought of as the “building blocks” of asset classes and represent the expected returns from being exposed to the different risk factors inherent in an asset class. All asset allocation and portfolio construction decisions are implemented in risk space. The portfolio’s initial weights are based on equal risk allocations and the active risk budget is divided equally across all positions.

Strategic Beta is actively managed, which means that there are opportunities to add value by strategically rather than tactically tilting the portfolio towards attractively priced premia and away from those which we believe are unattractively priced. Risk management is a key element in our approach and is based on a three tier approach of (i) efficient portfolio construction, (ii) core protection against moderate market corrections which occur more frequently, and (iii) tail protection against less frequent, but more severe downside risks.

3. 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.

4. 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 a +/- and impact for companies’ contribution to society and the environment in the future. 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.

5. **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.

6. **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.

**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.

ALTERNATIVES

1. Commodities

The Schroders Commodities Strategy’s objective is to give investors a diversified exposure to commodities, through investment in commodity futures and commodity-related equities. The Strategy is actively managed on a long-only and unleveraged basis by the Adviser. The London based team is led by the Head of Commodities Mark Lacey. The investment opportunity set includes more than 60 commodities traded on a wide variety of exchanges around the world.

The strategy is:
- Research driven, actively managed
- Long only, no leverage
- Index unconstrained
- Invests in futures, equities, swaps and cash
- Equal emphasis on agriculture, energy and metals
- Diversified approach

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

The Emerging Market Debt (EMD) Strategy is a long-only absolute return EMD product which can invest in all sectors of the merging 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, tornadoes, 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.

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 recent global outbreak of the 2019 novel coronavirus (“COVID-19”), together with resulting voluntary and U.S., federal and non-U.S. governmental actions, including, without limitation, mandatory business closures, public gathering limitations, restrictions on travel, and quarantines, has meaningfully disrupted the global economy and markets. Although the long-term economic fallout of COVID-19 is difficult to predict, it has and is expected to continue to have ongoing material adverse effects across many, if not all, aspects of regional, national and global economy. In particular, the COVID-19 outbreak has already, and will continue to, adversely affect investments in our client accounts and the industries in which they operate. Furthermore, our ability to operate effectively, including the ability of our personnel or our service providers and other contractors to function, communicate and travel to the extent necessary to carry out our investment strategies and objectives and our business and to satisfy our obligations to our clients, and pursuant to applicable law, has been, and will continue to be, impaired. The spread of COVID-19 among our personnel and its service providers would also significantly affect our ability to properly oversee our business (particularly to the extent such impacted personnel include key investment professionals or other members of senior management), which could result in a temporary or permanent suspension of our investment activities or operations as a whole or with respect to one or more of our investment strategies.

**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.
**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 London-based 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.

Schroder Adveq Management US Inc. ("Schroder Adveq") is an affiliate of the Adviser. Schroder Adveq 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 Schroder Adveq's products; however, Schroder Adveq'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 indirectly 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, which is 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.
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 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. 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 a 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 of 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 that 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
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 arrangements with wrap program sponsors to provide model portfolios. A financial services company that receives such a model uses that model to construct portfolios for its clients. 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. Under most circumstances, the Adviser transmits its model after it places trades for client accounts using similar strategies to those used in the model delivery programs. 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 significantly 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 sponsorson a rotating basis.

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 one affiliate 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 orders from offshore affiliates route orders in US securities to the Adviser's trading desk 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/](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.
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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 fourteenth 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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Statement of Material Changes
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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 Diversified
- Global/International Alpha
- International Alpha ADR
- Global/International Small Cap
- Emerging Markets Equity
- Global Climate Change
- Global Sustainable Growth
- Global Emerging Markets Small Cap
- Frontier Markets Equity
- Swiss Equity
- Asian Equity
- Indian Equity
- China Fixed Income
- Global Strategic Bond

The quantitative equity strategies are:

- Global Core
- International (ex-US) Multi-Cap Value
- Global Multi-Cap Value
- Global Multi-Cap Quality
- Global / International ESG
- Emerging Markets Multi-Cap
- North American Equity

The multi-asset strategies are:

- Strategic Beta
The Adviser also offers alternative investment strategies including:

- Commodities
- Emerging Market Debt (Absolute Return)
- Insurance Linked Securities

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.

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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:

<table>
<thead>
<tr>
<th>As of December 31, 2019</th>
<th>Assets</th>
<th># of Accounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delegated from SIMNA Inc.</td>
<td>$48,407,493,171</td>
<td>70</td>
</tr>
<tr>
<td>Managed by SIMNA Ltd.</td>
<td>$48,407,493,171</td>
<td>70</td>
</tr>
</tbody>
</table>
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 Diversified**
   
   **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

   **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 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 Emerging Markets Small Cap
Separate Account
Management fee: 1.35% on first $100 million; and 1.10% thereafter
Minimum account size: $100 million

Frontier Markets Equity Portfolio
Separate Account
Management fee: 1.35% on first $100 million; and 1.10% thereafter
Minimum account size: $50 million

Swiss Equity
This strategy is available only through a pooled investment vehicle.

Asian Equity
This strategy is available only through a pooled investment vehicle.

Indian Equity
This strategy is available only through a pooled investment vehicle.

China Fixed Income
Separate Account
Management fee: 0.35% on first $100 million; 0.30% on the next $100 million; and 0.25% on the next $100 million; and 0.20% thereafter
Minimum account size: $100 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 next $200 million; and 0.15% thereafter
- Minimum account size: Typically $200 million

**International (ex-US) Multi-Cap 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 Multi-Cap 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 Multi-Cap 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 / 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 Multi-Cap**

*Separate Account*
- Management fee: 0.75% on first $200 million; and 0.60% thereafter
- Minimum account size: Typically $150 million

**North American Equity**

This strategy is available only through a pooled investment vehicle.
4. Multi Asset

Strategic Beta
Separate Account
Management fee: 0.35% on first $200 million; 0.30% on the next $300 million; and 0.25% thereafter
Minimum account size: $300 million

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 Multi-Factor Equity
Separate Account
Management fee – 0.20%
Minimum account size: $250 million

Global Multi-Factor Equity
Separate Account
Management fee – 0.20%
Minimum account size: $250 million

Sustainable Dynamic Balanced
This strategy is available only through a pooled investment vehicle.

5. Alternatives

Emerging Market Debt
Separate Account
Management fee: 0.80% on the first $50 million; 0.70% on the next $50 million; and 0.60% on the next $100 million; and
0.50% thereafter
Minimum account size: $100 million

**Commodities**

*Separate Account*
- Management fee: 0.80% on all assets
- Minimum account size: $100 million

**Insurance Linked Securities**
This strategy is available only through a pooled investment vehicle.

6. **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.
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. 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 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.
EQUITIES

1. International and Global Small Cap

The International and Global Small Companies strategy has a core investment style with a growth bias. It is managed in London for the Adviser by a team led by Matthew Dobbs. 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 150-200 stocks (approximately 250-300 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 concentrated, 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 managers Alex Tedder and Simon Webber, 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.

3. Emerging Market 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. The investable universe is commonly defined by the MSCI Emerging Markets Index, which covers 26 countries and over 1,400 stocks. Index data as of December 31, 2019.

Key characteristics 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 research 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. Frontier Markets Equity

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 over 90 stocks, although the investment team will also invest in the wider frontier markets universe. Index data as of December 31, 2019.

Key characteristics 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 research 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.

Frontier 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 frontier markets. These countries may have relatively unstable governments and less-established market economies than developed countries. Frontier markets may face greater social, economic, regulatory and political uncertainties. These risks make investments in frontier markets more volatile and less liquid than in more developed countries.

5. **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; 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 manager Simon Webber. 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 70 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.

6. **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 manager Katherine Davidson. 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.

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 24 countries and approximately 1,500 stocks, although the strategy also aims to find good investments in medium-sized emerging companies and opportunistically in frontier market stocks. The strategy is co-managed by two investment teams – the Emerging Markets team and the Global Small Cap team.

The strategy targets alpha generation primarily from bottom-up fundamental stock selection. 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. There is no systematic style bias although low quality stocks will tend to be avoided. The portfolio typically will invest in around 60–120 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. 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.

8. QEP Strategies

The Global unconstrained strategies, which include a Value, Quality and Blend approach, are index unconstrained, and diversified. The portfolio management team, headed by Justin Abercrombie, applies a proprietary investment analysis based on an evaluation of a number of valuation metrics such as dividends, cash-flow, earnings, sales and asset-based measures as well as quality metrics such as financial strength, profitability, stability, and governance. The team starts with a universe of over 15,000 stocks of all sizes across more than 40 countries including 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.

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.

9. **Swiss Equity Strategy**

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.

10. **Asian Equities Investment Strategy**

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. This 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.

**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.

11. Indian Equities Investment Strategy

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

12. 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 Robert (“Bob”) Jolly and 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.

13. China Fixed Income

We believe that attractive risk adjusted returns can be generated in Chinese Fixed Income markets through the application of active management techniques driven by fundamental macroeconomic and company research. Our approach incorporates both top-down and bottom-up analysis as part of the research process. We adopt a top-down approach for interest rate, currency and sector allocation strategies and a bottom-up approach for credit selection utilising our in-house credit research resources and time-tested investment process. Our investment philosophy is based on the notion that active management with dedicated resources, specialist knowledge and a global mindset can deliver out-performance. We believe that markets are generally efficient but there are pockets of mis-valuation opportunities which can be exploited through fundamental economic and company research. We also target investment returns using a medium-term horizon which requires a disciplined approach to building a set of investment strategies that are diversified in order to manage/mitigate risk. Additionally, our team-based investment process relies on members specializing by asset class, market and sectors. We believe that having diversified views to escape the group think trap and constant and debate of investment thesis would improve the soundness of our investment decisions.

Risks

Investors may be subject to risks specific to the China market. Any significant change in mainland China’s political, social or economic policies may have a negative impact on investments in the China market. The regulatory and legal framework for capital markets in mainland China may not be as well developed as those of developed countries. Chinese accounting standards and practices may deviate significantly from international accounting standards. The settlement and clearing systems of the Chinese securities markets may not be well tested and may be subject to increased risks of error or inefficiency. Investors should also be aware that changes in mainland China’s taxation legislation could affect the amount of income which may be derived, and the amount of capital returned, from the investments in the strategy.

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 but not limited to 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.

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.

Investment in bonds and other debt instruments including related derivatives is subject to interest rate risk. Investments in non-investment grade securities which will generally pay higher yields than more highly rated securities may be subject to greater market, credit and default risk. Investments in money market instruments and deposits with financial institutions may be subject to price fluctuation or default by the issuer. Frequent trading of the portfolio may result in relatively high transaction costs and may result in taxable capital gains.

The strategy may invest in mainland China through RQFII schemes or Regulated Markets (including CIBM via Bond Connect). The risks relating to the RQFII scheme, China Interbank bond market and China Bond Connect are outlined below:

China Interbank Bond Market: The on-shore China bond market mainly consists of the interbank bond market and the exchange listed bond market. The CIBM is an OTC market established in 1997. Currently, more than 90% of CNY bond trading activity takes place in the CIBM, and the main products traded in this market include government bonds, enterprise bonds, policy bank bonds, and medium term notes. The CIBM is in a stage of development and internationalisation. Market volatility and potential lack of liquidity due to low trading volume may result in prices of certain debt securities traded on such market fluctuating significantly. Strategies investing in such market are therefore subject to liquidity and volatility risks and may suffer losses in trading on-shore China bonds. In particular, the bid and offer spreads of the prices of on-shore China bonds may be large, and the relevant portfolio may therefore incur significant trading and realisation costs when selling such investments. To the extent that a strategy or portfolio transacts in the CIBM in on-shore China, the strategy or portfolio may also be exposed to risks associated with settlement procedures and default of counterparties. The counterparty which has entered into a transaction with the portfolio may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value. The CIBM is also subject to regulatory risks.

- China Bond Connect: The Bond Connect is an initiative launched in July 2017 for mutual bond market access between Hong Kong and Mainland China established by China Foreign Exchange Trade System & National Interbank Funding Centre ("CFETS"), China Central Depositary & Clearing Co., Ltd, Shanghai Clearing House, Hong Kong Exchanges and Clearing Limited and Central Moneymarkets Unit. Under the prevailing regulations in Mainland China, eligible foreign investors will be allowed to invest in the bonds circulated in the CIBM through the northbound trading of the Bond Connect ("Northbound Trading Link"). There will be no investment quota for the Northbound Trading Link. Pursuant to the prevailing regulations in mainland China an offshore custody agent recognised by the Hong Kong Monetary Authority (currently, the Central Moneymarkets Unit) shall open omnibus nominee accounts
with the onshore custody agent recognised by the People's Bank of China (currently recognised onshore custody agents are the China Securities Depository & Clearing Co., Ltd and Interbank Clearing Company Limited). All bonds traded by eligible foreign investors will be registered in the name of Central Moneymarkets Unit, which will hold such bonds as a nominee owner. For investments via the Bond Connect, the relevant filings, registration with the People's Bank of China and account opening have to be carried out via an onshore settlement agent, offshore custody agent, registration agent or other third parties (as the case may be). As such, the strategy/portfolio is subject to the risks of default or errors on the part of such third parties. Investing in the CIBM via the Bond Connect is also subject to regulatory risks. The relevant rules and regulations on these regimes are subject to change which may have potential retrospective effect. If the relevant mainland Chinese authorities suspend account opening or trading on the CIBM, the strategy's ability to invest in the CIBM will be adversely affected. In such event, the strategy's ability to achieve its investment objective will be negatively affected. There is no specific written guidance by the mainland China tax authorities on the treatment of income tax and other tax categories payable in respect of trading in the CIBM by eligible foreign institutional investors via the Bond Connect.

OTHER

14. Commodities

The Schroders Commodities Strategy's objective is to give investors a diversified exposure to commodities, through investment in commodity futures and commodity-related equities. The Strategy is actively managed on a long-only and unleveraged basis by the Adviser. The London based team is led by the Head of Commodities Mark Lacey. The investment opportunity set includes more than 60 commodities traded on a wide variety of exchanges around the world.

The strategy is:

a. Research driven, actively managed
b. Long only, no leverage
c. Index unconstrained
d. Invests in futures, equities, swaps and cash
e. Equal emphasis on agriculture, energy and metals
f. Diversified approach

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.
15. 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.

16. 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.
MULTI-ASSET

17. 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.

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. 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.

18. Strategic Beta

Strategic Beta invests across a broad range of risk premia using an actively managed, risk-based asset allocation process that aims to deliver stable performance in a variety of market environments. The objective of the strategy is to generate a return of 7% p.a. with an assumed Sharpe ratio of 0.6 while targeting average annual volatility of 12%.
Our approach focuses on investing in risk premia rather than asset classes. Risk premia can be thought of as the "building blocks" of asset classes and represent the expected returns from being exposed to the different risk factors inherent in an asset class. All asset allocation and portfolio construction decisions are implemented in risk space. The portfolio's initial weights are based on equal risk allocations and the active risk budget is divided equally across all positions.

Strategic Beta is actively managed, which means that there are opportunities to add value by strategically rather than tactically tilting the portfolio towards attractively priced premia and away from those which we believe are unattractively priced. Risk management is a key element in our approach and is based on a three tier approach of (i) efficient portfolio construction, (ii) core protection against moderate market corrections which occur more frequently, and (iii) tail protection against less frequent, but more severe downside risks.

**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. 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.

**19. 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.

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. 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.

20. 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 a +/- and impact for companies’ contribution to society and the environment in the future. 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.

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. 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.

21. 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

- 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.

22. 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.

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. 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

23. 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.

24. 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 recent global outbreak of the 2019 novel coronavirus (“COVID-19”), together with resulting voluntary and U.S., federal and non-U.S. governmental actions, including, without limitation, mandatory business closures, public gathering limitations, restrictions on travel, and quarantines, has meaningfully disrupted the global economy and markets. Although the long-term economic fallout of COVID-19 is difficult to predict, it has and is expected to continue to have ongoing material adverse effects across many, if not all, aspects of regional, national and global economy. In particular, the COVID-19 outbreak has already, and will continue to, adversely affect investments in our client
accounts and the industries in which they operate. Furthermore, our ability to operate effectively, including the ability of our personnel or our service providers and other contractors to function, communicate and travel to the extent necessary to carry out our investment strategies and objectives and our business and to satisfy our obligations to our clients, and pursuant to applicable law, has been, and will continue to be, impaired. The spread of COVID-19 among our personnel and its service providers would also significantly affect our ability to properly oversee our business (particularly to the extent such impacted personnel include key investment professionals or other members of senior management), which could result in a temporary or permanent suspension of our investment activities or operations as a whole or with respect to one or more of our investment strategies.

**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.

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.
The Adviser also is an investment adviser for certain collective investment trusts ("CITs") for which SEI Trust Company, which is 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 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 11: Code of Ethics, Participation in Client Transactions and Personal Trading
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
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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Global & International Equities Supplement

March 2020

Alex Tedder
Simon Webber
James Gautrey
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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 Dea 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.

ITEM 2:
Educational background and business experience

ITEM 3:
Disciplinary information

ITEM 4:
Other business activities

ITEM 5:
Additional compensation
The Global & International Equities Team has multiple layers of supervision. Alex Tedder provides overall team leadership. The Investment team reports to the 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.

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Not applicable.

ITEM 6: Supervision

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 1**
- **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.

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

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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.
The Global & International Equities Team has multiple layers of supervision. Alex Tedder provides overall team leadership. The Investment team reports to the 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.

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Not applicable.
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

ITEM 3:
Disciplinary information

There are no legal or disciplinary events to report.

ITEM 4:
Other business activities

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.

ITEM 5:
Additional compensation

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

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 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.

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ITEM 7: Requirements for state-registered advisers

Not applicable

ITEM 2: Educational background and business experience
Frank Thormann, Global Equities Portfolio Manager

– Joined Schroders in 2017
– Investment career commenced in 1999
– Portfolio Manager for Global & US Large Cap Equities. Based in London
– Frank joined Schroders Frankfurt-based Union Investment where he was a global portfolio manager. Having initially focused on the North American component of Union's Concentrated Global Equity portfolios, he assumed overall portfolio management responsibility for the UniFavorit Concentrated Global Equity Fund in early 2010. The fund achieved a five-star rating from Morningstar during his tenure.
– Before joining Union Investment in 2008, Frank worked at American Century Investments in Kansas City, USA where he was a multi-industry analyst for the American Century Ultra Fund, as well as for the AC Select Equity Fund.
– CFA charterholder, Master of Business Administration; University of Missouri, USA. BA in Finance and Mathematics, Loras College USA.

ITEM 3:
Disciplinary information

There are no legal or disciplinary events to report.

ITEM 4:
Other business activities

Mr. Thormann 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 5:
Additional compensation

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

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 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

<table>
<thead>
<tr>
<th></th>
<th>Name</th>
<th>Title</th>
<th>Telephone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment</td>
<td>John Chisholm</td>
<td>Investment Director</td>
<td>+1 (212) 632 2950</td>
</tr>
<tr>
<td>Business</td>
<td>Rory Bateman</td>
<td>Global Head of Equities</td>
<td>+44 (0)20 7658 2710</td>
</tr>
<tr>
<td>Portfolio Compliance</td>
<td>Yakub Suida</td>
<td>Head of Portfolio Compliance</td>
<td>+44 (0)20 7658 6646</td>
</tr>
</tbody>
</table>

ITEM 7: Requirements for state-registered advisers

Not applicable
# 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.

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

## Questions?
For inquiries, call Institutional Client Service at (212) 641-3800 or email keyaccounts@schroders.com
### Who we are

<table>
<thead>
<tr>
<th>Who is providing this notice?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Schroder Investment Management North America Inc.</td>
</tr>
<tr>
<td>• Schroders Incorporated</td>
</tr>
<tr>
<td>• Schroder Mutual Funds</td>
</tr>
<tr>
<td>• Schroder Fund Advisors LLC</td>
</tr>
</tbody>
</table>

### What we do

<table>
<thead>
<tr>
<th>How does Schroders protect my personal information?</th>
</tr>
</thead>
<tbody>
<tr>
<td>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</td>
</tr>
<tr>
<td>Access to personal information is limited to employees who need it to perform their jobs. Our policies restrict employee use of customer information; requiring it be held in strict confidence.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>How does Schroders collect my personal information?</th>
</tr>
</thead>
<tbody>
<tr>
<td>We collect your personal information, for example, when you</td>
</tr>
<tr>
<td>• open an account and provide account information</td>
</tr>
<tr>
<td>• give us your contact information</td>
</tr>
<tr>
<td>• show your driver's license or government issued ID</td>
</tr>
<tr>
<td>• enter into an investment advisory contract</td>
</tr>
<tr>
<td>• make a wire transfer</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Why can't I limit all sharing?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal law gives you the right to limit only</td>
</tr>
<tr>
<td>• sharing for affiliates' everyday business purposes—information about your creditworthiness</td>
</tr>
<tr>
<td>• affiliates from using your information to market to you</td>
</tr>
<tr>
<td>• sharing for nonaffiliates to market to you</td>
</tr>
<tr>
<td>State laws and individual companies may give you additional rights to limit sharing.</td>
</tr>
</tbody>
</table>

### Definitions

<table>
<thead>
<tr>
<th>Affiliates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Companies related by common ownership or control. They can be financial and nonfinancial companies.</td>
</tr>
<tr>
<td>• Our affiliates include companies with the Schroder name; financial companies such as Schroder Investment Management North America Limited and Schroder Investment Management Limited; and others, such as the parent, holding company, Schroders plc.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Nonaffiliates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</td>
</tr>
<tr>
<td>• Nonaffiliates we share with can include companies that help us maintain, process or service your transactions or account(s) or financial products, including companies that perform administrative, accounting, transfer agency, custodial, brokerage or proxy solicitation services, or that assist us in marketing.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Joint marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</td>
</tr>
<tr>
<td>• Schroders doesn't jointly market.</td>
</tr>
</tbody>
</table>
PROXY VOTING

Schroder Investment Management North America Inc. (“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 to be in the best interest of its clients. This proxy voting policy outlines the approach taken by the Adviser to the responsible use of voting rights in companies on behalf of our clients.

I. PROXY VOTING

The Adviser recognizes the responsibility to make considered use of voting rights. The Adviser therefore evaluates voting issues on our investments and, where the Adviser has the authority to do so, votes on them in line with our fiduciary responsibilities in what we deem to be the interests of our clients. The Adviser:

a. Has written policies and procedures that are reasonably designed to ensure that the Adviser votes in the best interest of clients;
b. Discloses to clients the ways in which they may obtain information on how the Adviser voted with respect to their securities; and
c. Upon request from the client, provide details regarding its proxy policies and procedures.

II. PROXY COMMITTEE

The Adviser relies on the Schroders Corporate Governance Group, which manages the proxy voting process for Schroders globally. The Group’s Proxy Committee is responsible for ensuring compliance with its proxy voting policy. When voting proxies, the Groups’ Proxy Committee relies on the Global Environmental, Social and Governance Policy (“the Global Policy”) and the actual voting of proxies is carried out by Schroder Investment Management Ltd. the UK affiliate of the Adviser.

The Group Proxy Committee exercises oversight to assure that proxies are:

- Voted in accordance with the Global Policy and that any votes inconsistent with the Global Policy are documented; and
- The Governance Group uses proxy research from third party service providers as part of their analytical process when making decisions on particular proxy proposals. The Adviser’s Proxy Committee oversees and reviews the actions of the Group Proxy Committee and bears ultimate responsibility for proxy voting decisions. It ensures that
votes are in line with our fiduciary responsibilities in what the Adviser deems to be the best interests of our client.

The scope of the Adviser’s Proxy Committee’s activities are set out in the terms of reference that govern the activities of the Proxy Committee.

### III. VOTING CONFLICTS OF INTEREST

Occasions may arise where a conflict or perceived conflict of interest related to a proxy proposal exists. In such situations, the Group Committee will follow the voting recommendations of a third party (which is the supplier of our proxy voting processing and research service). If a recommendation from the third party is unavailable, or if the Group Committee believes it should override the recommendations of the third party and vote in a way that may also benefit, or perceived to benefit, the Adviser’s interest, then the Group Committee will obtain approval of the decision of from the Global Head of Equities with the rationale of such vote being recorded in writing.

### IV. RECORD KEEPING

The Adviser is required to maintain records related to proxy voting statements received regarding client securities, records of vote’s casted, records of client requests for proxy information, and documents prepared Schroders that were material to making the decision on how to vote. These must be maintained in an easily accessible place for up to five years.

### V. DISCLOSURE

1. The Adviser discloses in its Form ADV Part 2 that clients may contact the Client Service Representative in order to obtain the Proxy Voting Policy and information as to specific votes.
2. A concise summary of this Proxy Voting Policy and Procedures is included in the Adviser’s Form ADV Part 2, and will be updated whenever these policies and procedures are updated.

### VI. Due Diligence
The Chief Compliance Officer, along with the Compliance Department will periodically review a sample of proxy votes to determine whether those votes, acting through a third party, complied with policies and procedures.

VII. Annual Review

The Chief Compliance Officer, along with the Compliance Department shall review, no less frequently than annually, the adequacy of policies and procedures to ensure they continue to be reasonably designed to confirm that proxies are voted in the best interests of clients.