

Schroder UK Public Private Trust plc

Report and Accounts

For the year ended
31 December 2021



Current investment objective*

The investment objective of Schroder UK Public Private Trust PLC (SUPP or the Company) is to achieve long-term capital growth through investing in a diversified portfolio with a focus on UK companies, both quoted and unquoted.

Current investment policy*

Asset allocation and risk diversification

The Portfolio Manager employs a collaborative, team-based approach combining skills, experience and research resources across its public and private equity teams. It aims to identify private equity investments which demonstrate an optimal combination of fast growing, high quality companies with strong management teams and co-investors, and public companies with innovative business models, a focus on organic growth and high-quality management.

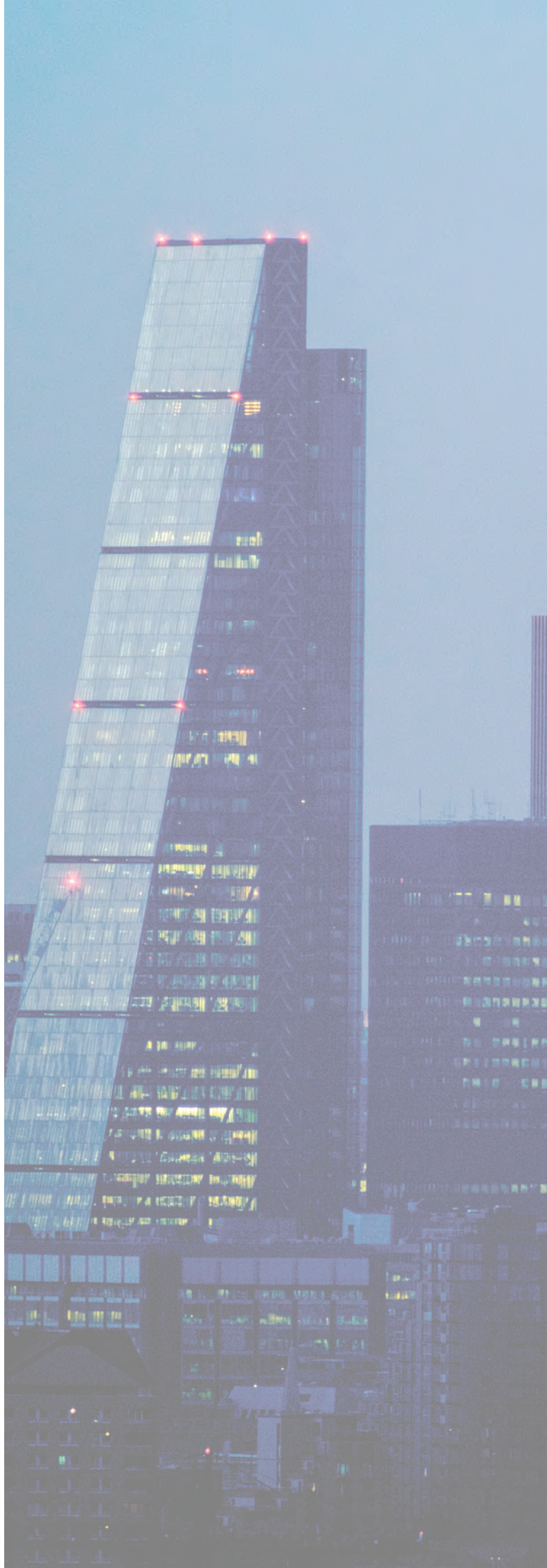
The actual portfolio composition at any one time will reflect the opportunities available to the Portfolio Manager, the performance of the underlying investee companies and the maturity of the portfolio.

The Company's portfolio will typically consist of 30-80 holdings predominantly in UK companies. The Company may become a significant shareholder in any of the underlying portfolio companies.

While the intention is for quoted companies to represent not less than 20 per cent of gross assets over the long-term, the actual exposure may vary from time to time reflecting the maturity of the portfolio and market environment at that time.

The Company's portfolio is constructed on the basis of an assessment of the fundamental value of individual securities and is not structured on the basis of sector weightings. The Company's portfolio is diversified across a number of sectors and, while there are no specific limits placed on exposure to any one sector, the Company will at all times invest and manage the portfolio in a manner consistent with spreading investment risk.

* The Board is proposing to make a number of changes to the investment objective and policy. Further details can be found on pages 79 and 80.



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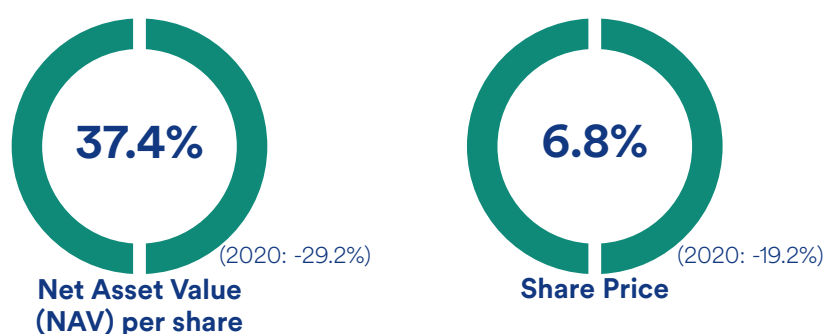
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Strategic Report

Financial Highlights

Some of the financial measures below are classified as Alternative Performance Measures, as defined by the European Securities and Markets Authority and are indicated with an asterisk (*). Definitions of these alternative performance measures, and other terms used in this report, are given on page 87 together with supporting calculations where appropriate.

Returns for the year ended 31 December 2021



Other financial information

	31 December 2021	31 December 2020	% Change
Shareholders' funds (£'000)	436,871	318,069	37.4
Shares in issue	908,639,238	908,639,238	-
NAV per share (pence)	48.08	35.00	37.4
Share price (pence)	33.10	31.00	6.8
Share price discount to NAV per share (%)*	31.2	11.4	
Gearing (%)*	0.7	31.6	

	Year ended 31 December 2021	Year ended 31 December 2020	% Change
Net revenue loss after taxation (£'000)	(5,315)	(5,072)	-4.8
Revenue loss per share (pence)	(0.58)	(0.56)	-3.6
Ongoing Charges (%)*	1.21	0.74	

Long-Term Performance Record

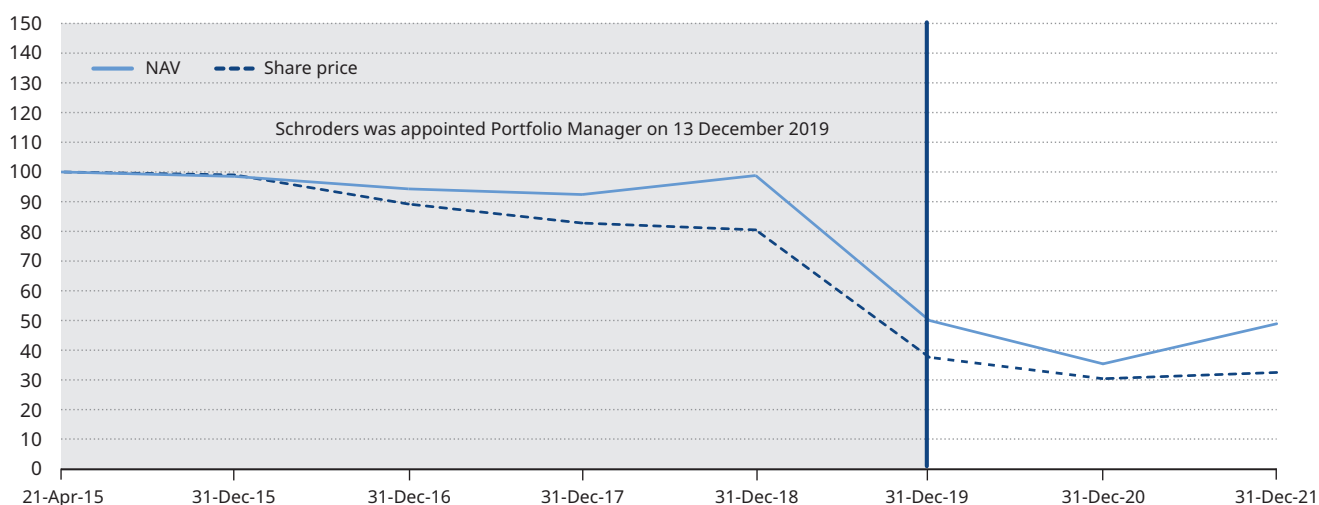
Definitions of terms and performance measures are provided on page 87.

At 31 December	21 April 2015 (launch date)	2015	2016	2017	2018	2019	2020	2021
Shareholders' funds (£'000)	790,640	805,264	771,093	755,295	807,200	449,429	318,069	436,871
NAV per share (pence)	98.83	97.37	93.24	91.33	97.61	49.46	35.00	48.08
Share price (pence)	102.00	101.00	91.00	84.45	82.10	38.35	31.00	33.10
Share price premium/(discount) to NAV per share (%) ¹	3.2	3.7	(2.4)	(7.5)	(15.9)	(22.5)	(11.4)	(31.2)
(Net cash)/gearing (%) ¹	–	(1.5)	9.7	19.8	18.6	24.6	31.6	0.7
For the year ended 31 December		2015 ²	2016	2017	2018	2019	2020	2021
Net revenue return/(loss) after taxation (£'000)		1,538	(711)	(3,441)	(3,847)	(5,956)	(5,072)	(5,315)
Revenue return/(loss) per share (pence)		0.25	(0.09)	(0.42)	(0.47)	(0.67)	(0.56)	(0.58)
Dividend per share (pence)		0.16	–	–	–	–	–	–
Ongoing Charges (%) ¹		0.1	0.2	0.2	0.2	0.4	0.7	1.2

¹Alternative performance measures.

²Represents the period from 21 April 2015 (launch date) to 31 December 2015.

NAV per share and share price total return for the period from 21 April 2015 (launch date) to 31 December 2021



Source: Morningstar/Thomson Reuters. Rebased to 100 at 21 April 2015.

Chair's Statement



Performance

During the year ended 31 December 2021, the Company's net asset value produced strong returns, and the Company continued to make significant progress in rebalancing the portfolio and reducing debt. This progress was made against the backdrop of a second year of COVID-19 related uncertainty for markets, particularly in

November and December with the advent of the omicron variant.

Compared to the prior year end, the net asset value per share rose by 37.4% from 35.00p to 48.08p per share. The recovery in the NAV this year, driven by a number of positive developments within the Company's portfolio, is encouraging. The successful initial public offering ("IPO") of Oxford Nanopore resulted in a fair value gain of £104.6 million over the full year period. Other positive developments included sales of businesses such as Inivata and Kuur Therapeutics, amongst others, and the IPO of Immunocore.

The Portfolio Manager made significant progress in rebalancing the portfolio during the year, with several new private investments being completed. These investments have been focused in key sector positions in technology (Tessian), financials (Revolut), business services (Attest) and healthcare (Ada Health). The Board is encouraged by this fast pace of investment, which has continued after the year end with additional purchases of private companies in consumer (Back Market) and healthcare (Epsilon). Further information on portfolio activity and valuation reviews may be found in the Portfolio Manager's Review on pages 8 to 13.

Frustratingly, this progress has not yet been reflected in the Company's share price, which rose more modestly from 31.00p to 33.10 per share, standing at a discount of 31.2% to the NAV per share at the end of the year. The Board continues to review various initiatives to improve this situation including the possible use of share buy-backs.

Revised investment strategy

The Company has traditionally focused its attention on venture and growth stage UK companies and we continue to see significant opportunity in the UK in terms of quantum and quality of investments. At the same time, Schroders has global insight, presence and investment experience with a strong track record of investing across the world, not just in the UK.

Currently, the Company is limited in its ability to invest into opportunities that are located outside of the UK. The Board is proposing to remove this restriction to enable the Portfolio Manager to invest into the best companies, when viewed on a risk/return basis, no matter where such companies are located in the world. The Portfolio Manager has unparalleled access to a global universe of top-quality opportunities and

we want to be able to leverage this to give our investors exposure to the best venture and growth companies in the world.

Subject to shareholder approval, the Company plans to consider global investment opportunities in private equity that, typically have the potential to deliver greater than 2x returns over the medium term, broadening its existing investment focus beyond UK companies.

- The Board notes that the Portfolio Manager has a strong track record in delivering excellent returns from investing on a global basis delivering 3.0x net realised multiple on direct/co-investments as of Q3 2021.¹

The Company will continue to focus on direct investment and co-investments in the venture/growth space where we see strong potential returns.

- Smaller, earlier stage businesses typically have the potential to outperform larger more established companies, exhibiting superior growth and seeing a larger potential uplift in valuation multiples as they scale. The Company's strategy will be to make future investments in such businesses alongside a strong syndicate of experienced, credible co-investors or investor syndicates, and target those businesses with clear future funding requirements to reach profitability.
- We expect the Portfolio Manager to continue to source deals for the Company both from its own network and via its relationships with many of the world's leading venture capital firms as a result of its 25 year history of investing in venture capital funds in the US, Europe and Asia.

The Company will target around 75% of the portfolio to be in private equity, with around 25% in public equities. The majority of public holdings are expected to be a consequence of private holdings going on to IPO.

- This enables the Company to capture the full lifetime value of a portfolio company and avoids the need to sell post IPO. We have seen significant value continue to build in many investments post-IPO so plan to take advantage of such opportunities.

A resolution has therefore been included in the notice of the Annual General Meeting to seek shareholder approval to changes in the Company's investment objective and policy. Further details of the proposed changes may be found in the Annual Report under "Annual General Meeting-Recommendations" on pages 79 and 80.

Discount management

As mentioned earlier, the share price discount to net asset value at the year-end was 31.2% and volatility was high throughout the year. The Board is seeking to renew the authorities to purchase up to 14.99% of its issued share capital, to be cancelled or held in treasury for future reissuance, at the forthcoming Annual General Meeting.

The Board has been hampered in its efforts to buy back shares by a shortage of cash available for this purpose over the last year, created by our central objectives to reduce debt and to rebalance the portfolio into a more sustainable shape. As a result, the authorities given by shareholders at the last

¹ Source: Schroders Capital, 2022 "Global Co-investment Track Record".

Chair's Statement

Annual General Meeting have not been utilised. In view of the progress made on the repayment of debt over the last year, we are now better placed to utilise powers given by these authorities to buy back shares and the Board considers buybacks a useful mechanism to assist in reducing volatility in the discount of the share price.

Any use of cash for buy-backs will continue to be weighed against the opportunities being found by our Portfolio Manager for further investment.

Environmental, Social & Governance ('ESG') Matters

The Board believes that the Company has an important role to play in helping to reduce the impact of climate change in its portfolio, and acknowledges the broad expectation from our investors of having the Company pay due attention to ESG issues when selecting and retaining investments. ESG principles are embedded into our investment process.

You can read more about the Portfolio Manager's approach to Sustainability and how it has engaged with investee companies on pages 13 to 17.

Gearing

Since assuming management of the portfolio, Schroders has worked closely with the Board to reduce the level of gearing in the Company's portfolio and I am pleased to report that in the year to 31 December 2021, the Company's gearing was reduced to 0.7% compared to 31.6% at the prior year end. The Company retains access to a £40 million revolving credit facility which will continue to be used in accordance with the Portfolio Manager's prudent use of gearing as a method of smoothing cash flows and providing operational liquidity on a short-term basis, and only when there is visibility of the Company's ability to pay down debt within a 12 month period. The reduction in amount also meaningfully reduces the cost of the facility and the Portfolio Manager increasingly has the ability to generate liquidity for new investments by reducing positions in the Company's quoted holdings.

Board composition

The Board believes that it is important for appropriate new skills to be brought to the Board and will continue to look to refresh one Director every two to three years. All Directors will continue to be subject to re-election each year at the AGM and will not serve for a period over nine years.

Outlook

The tragic events in Ukraine and the human catastrophe unfolding there continue to create greater uncertainty and may continue to cause volatility in public markets across the world. This situation could also impact private markets.

Notwithstanding headwinds, 2021 has been a year during which the Company has again made good progress. The fact that this has not yet been reflected in the share price is a major focus of the Board.

The proposed change to widen our investment policy, if approved by shareholders at the Annual General Meeting, will open additional exciting opportunities for our Portfolio Managers to explore and help to attract new investors to the Company whilst our greater ability to utilise share buybacks will help in reducing volatility in the discount.

AGM

The AGM will be held at noon on Wednesday, 18 May 2022 at Schroders' offices at 1 London Wall Place, London EC2Y 5AU. Following two years where attendance was restricted by the pandemic, the Board looks forward to welcoming shareholders to attend and participate in the meeting. Please also note that proxy votes can be submitted electronically through the registrar's portal and we encourage all shareholders to do so. Details are on the Company's webpages.

In the event that shareholders have a question for the Board, please email amcompanysecretary@schroders.com and we will respond.

Web Conference – Update from Schroders

Please join the Portfolio Manager for a webinar in which they will report on the year ended 31 December 2021 and outline their thoughts on the future direction of the portfolio. The presentation will be followed by a live Q&A session. The webinar will take place on 27 April 2022 at 9.00am. Register for the event at <http://www.schroders.com/publicprivatetrust/updates>.

Tim Edwards
Chair

20 April 2022

Portfolio Manager's Review

Summary

- The Company reported a net asset value ("NAV") of 48.08p per share as of 31 December 2021, an increase of 2.0% relative to the NAV as of 30 September 2021 (47.13p per share) and 37.4% relative to the NAV as of 31 December 2020 (35.00p per share).
- Performance primarily driven by the successful initial public offering ("IPO") of Oxford Nanopore Technologies ("ONT") which resulted in a fair value gain of £104.6 million.
- Considerable progress achieved in repositioning the portfolio with £166.0 million of realisations enabling full repayment of the bank loan¹.
- Completed first seven new investments since our appointment as Portfolio Manager, totalling £51.7 million – four new private equity investments (£29.9 million) and three new public equity investments (£21.8 million).
- Bank debt fully repaid during the year with net debt reduced from 31.6% as of 31 December 2020 to 0.7% as of 31 December 2021.

¹Intra-period and prior to new investments funded by the bank overdraft.

Introduction

Markets

UK equities overall performed well in 2021 as vaccination programmes were rolled out, social distancing measures were broadly relaxed and economic activity recovered. Many lowly valued and economically sensitive areas of the market outperformed in the first half of the year in anticipation of a strong global recovery. Later in the year there was rotation back towards more defensive areas of the market due to a combination of factors. These factors included expectations that central banks would look to tighten monetary policy in response to rising inflation, ongoing supply chain issues, and fears around COVID-19 variants leading to further waves of the pandemic and lockdowns. Equities were particularly volatile towards the period end amid increasingly hawkish commentary from the major central banks.

Portfolio composition and valuation reviews

As of 31 December 2020, the Company had 38 portfolio holdings¹ including 8 quoted holdings and 30 unquoted holdings. During the period, the number and composition of holdings was impacted by the following events:

- Immunocore's completed initial public offering ("IPO").
- Sale of four holdings and three partial holdings to Rosetta Capital.
- Sale of Kymab Ltd ("Kymab") (with the remaining contingent payments still held in the portfolio).
- Sale of Inivata Ltd ("Inivata") to NeoGenomics Inc. ("NeoGenomics").
- Sale of Kuur Therapeutics Ltd ("Kuur Therapeutics") to Athenex, Inc ("Athenex").

- Sale of Netscientific plc.
- New investment in Tessian Ltd ("Tessian").
- New investment in Johnson Matthey plc ("Johnson Matthey").
- New investment in Revolut.
- New investment in Spirent Communications plc ("Spirent").
- New investment in Petershill Partners plc ("Petershill Partners").
- ONT's completed IPO.
- New investment in Attest Technologies Ltd ("Attest").
- New investment in Ada Health GmbH ("Ada Health").
- Sale of Athenex.

As of 31 December 2021, the Company ended the period with 35 holdings² including 11 quoted holdings and 24 unquoted holdings. All the Company's quoted holdings were valued using unadjusted quoted prices except Rutherford Health³ which continued to be fair value priced by Link Fund Solutions Limited ("LFS"), the Company's Alternative Investment Fund Manager (AIFM). For the unquoted holdings, the AIFM conducted a full valuation review to determine the fair value of the portfolio as of 31 December 2021.

¹Excluding 7 holdings with no value. ²Excluding 9 holdings with no value.

³Since year end Rutherford Health has delisted and will be fair value priced with other unquoted holdings.

Recent developments

After year end, further progress was achieved in repositioning the portfolio with the eighth and ninth new investments in leading private businesses, Back Market and Epsilogen. Further details regarding these new investments are contained in the Investment Activity section.

In addition, on 24 January 2022, Rutherford Health plc announced the withdrawal of its shares from trading on the AQSE Growth Market.

While we are of course aghast at events in Ukraine, we would note that the Company has limited exposure to Ukraine and Russia. The only portfolio company impacted is Revolut, which despite being a British company, has some staff based in Ukraine. At the onset of the crisis, Revolut focused on doing all it could to safeguard its people in Ukraine, and to support them and their families. As matters intensified, they offered relocation support to all its Ukraine-based employees, if they wished to move, either within Ukraine or internationally. In addition, Revolut engaged a global security solutions partner to provide its people with guidance, emergency logistical support and the latest security updates in the country. Finally, in March, Revolut launched payment services for refugees fleeing Ukraine, so that individuals displaced by the invasion have quick and easy access to their money. In just over a week, the company onboarded over 19,000 new users.

Portfolio Manager's Review

Financial Performance*

Attribution Analysis (£m)	Quoted	Un-quoted	Net (debt)/cash	Other	NAV
Value at 31.12.20	66.6	354.6	(100.7)	(2.4)	318.1
+ Investments	23.8	37.4	(61.2)	-	-
- Realisations at value	(9.5)	(156.5)	166.0	-	-
+/- Fair value (losses)/gains	(21.4)	146.4	-	-	125.0
+/- FX gains/(losses)	0.1	(0.6)	-	(0.4)	(0.9)
+/- Reclassified holdings	183.7	(183.7)	-	-	-
+/- Costs and other movements	-	-	(7.0)	1.7	(5.3)
Value at 31.12.21	243.3	197.6	(2.9)	(1.1)	436.9

Source: Link Fund Solutions, the Company's AIFM, as of 31 December 2021.

The NAV as of 31 December 2021 was £436.9 million or 48.08p per share. This reflects an increase of 2.0% compared with the NAV as of 30 September 2021 and an increase of 37.4% since 31 December 2020.

The full year NAV return of +37.4% comprised:

- Quoted holdings: -6.7%
- Unquoted holdings: +46.0%
- Foreign exchange: -0.3%
- Costs and other movements: -1.7%

The Company's quoted holdings saw a decline in value of 32.1% contributing -6.7% to the full year increase in NAV. The largest single downwards contributor to performance was Rutherford Health. The company is reported as a quoted holding, however trading on the relevant exchange is limited so it is valued independently by Link Fund Solutions Limited (LFS), the Company's AIFM. The holding was revalued to £21.3 million, a decline of £14.1 million when compared with the holding value of £33.9 million as of 31 December 2020¹. The valuation was reduced to reflect developments at the company including the heightened financing risk. The only other large negative contributor was Autolus Therapeutics which declined 21% in the fourth quarter and 41% over the full year period.

On the other hand, IDEX Biometrics ASA increased 31% in the fourth quarter and 5% over the full year.

The Company's unquoted holdings saw an increase in value of 41.3% contributing +46.0% to the full year increase in NAV. The largest positive contributor to performance was ONT which completed its IPO in September 2021. Over the year, ONT's fair value increased by £104.6 million taking the holding to £162.6 million, representing 36.9% of total investments, as of 31 December 2021. After accounting for its partial sale to Rosetta Capital, the second largest positive contributor was Inivata. The fair value of the holding was increased by £15.1 million prior to its acquisition by

* Numbers have been rounded.

NeoGenomics. Immunocore also provided a positive contribution to performance increasing in fair value by £8 million², including 31% appreciation in its share price after its listing in February.

The other unquoted holdings that experienced a fair value gain or loss of greater than £5 million over the full year included:

- Atom Bank was revalued up in the fourth quarter to reflect the pricing of an internal financing round.
- BenevolentAI was revalued up in the fourth quarter to reflect the pricing of its prospective business combination with Odyssey Acquisition S.A. ("Odyssey"), a Euronext Amsterdam-listed investment company.
- HP Environmental Technologies Fund was revalued up to reflect progress across its portfolio.
- Mafic was revalued down to reflect disappointing progress.

Foreign exchange

Over the year, the fair value of investments denominated in USD benefited from the depreciation in the relative value of GBP, whereas investments denominated in CHF, NOK and AUD were negatively impacted by the appreciation of GBP. Overall, changes in foreign exchange rates contributed -0.3% to the full year increase in NAV.

Cash and debt

As of 31 December 2021, the Company held £19.1 million in cash with £22.0 million drawn from the bank overdraft.

¹After accounting for a follow-on investment completed during the year and outlined in the Investment Activity section of this report.

²After accounting for its partial sale to Rosetta Capital.

Top 10 Holdings

The Company's top ten holdings as of 31 December 2021 compared with the respective holdings as of 31 December 2020.

Top 10 Holdings	Fair value as of 31 December 2020 (£'000)	% of total investments	Fair value as of 31 December 2021 (£'000)	% of total investments
Oxford Nanopore	68,707	16.3%	162,641	36.9%
Atom Bank	37,760	9.0%	46,209	10.5%
BenevolentAI	21,339	5.1%	28,484	6.5%
Rutherford Health	33,889	8.0%	21,312	4.8%
Immunocore	25,570	6.1%	21,044	4.8%
Reaction Engines	12,500	3.0%	12,500	2.8%
IDEX Biometrics ASA	11,466	2.7%	11,823	2.7%
AMO Pharma	11,411	2.7%	11,668	2.6%
Seedrs	9,459	2.2%	11,272	2.6%
HP Environmental Technologies Fund	6,600	1.6%	10,677	2.4%

Source: Link Fund Solutions, the Company's AIFM, as of 31 December 2021.

Portfolio Manager's Review

Oxford Nanopore Technologies



During 2021, **Oxford Nanopore Technologies** ("ONT"), the company behind a new generation of nanopore-based sensing technology, had a successful year. Most notably, on 30th September 2021, ONT announced the successful pricing of its initial public offering on the main market of the London Stock Exchange raising gross proceeds of approximately £350 million at 425p pence per share, equivalent to a market capitalisation of £3.4 billion.

Shortly after listing, ONT reported that the significant increase in demand seen in the first half of the year to 30 June 2021 had continued through the third quarter, and September saw the strongest ever trading month in the Group's history. ONT saw continued demand for products for sequencing the SARS-CoV-2 virus, increasing demand for products for large-scale human genomics programmes and the addition of new customers across other areas of genomics research. As such, ONT issued three separate upgrades to revenue guidance during the period October 2021 to January 2022. At the time of writing, ONT expects to report annual revenue growth of 83% growth for its Life Sciences Research Tools taking total revenue above £126 million for the year to 31 December 2021.

Atom Bank



During 2021, **Atom Bank** ("Atom"), the UK's first bank built exclusively for mobile, made great underlying operational progress and transitioned towards run-rate profitability. In August, Atom released its annual report outlining progress over the 12 months to March 2021, including narrowing its losses, commissioning its new banking technology stack, diversifying its savings range by introducing its Instant Access Saver, completing its largest mortgage securitisation transaction to date (£0.8 billion), and placing a strong focus on business lending which saw balances grow from £240 million to £662 million. Over the 3 months to June 2021, Atom achieved a NIM of 1.3% (up from 0.1% in March of 2020), reaching £3 billion of mortgage completions, passing £1 billion of deposits into its Instant Access Saver product, growing total customer deposits 16% to £2.5 billion and delivering its first month of operating profit.

Rutherford Health



Rutherford operates four innovative cancer treatment centres in Newport, Northumberland, Thames Valley, and Liverpool and one diagnostics center in Taunton. The service offering covers imaging, chemotherapy, immunotherapy, radiotherapy, and high energy proton therapy.

In 2021, Rutherford continued to launch a variety of organic growth initiatives including the expansion of proton therapy training for oncologists working in the NHS. In addition, Rutherford opened The Rutherford Diagnostic Centre Somerset in Taunton, the first community diagnostics centre run by the independent sector in partnership with the NHS. The Rutherford Diagnostic Centre Somerset offers magnetic resonance imaging, computed tomography, ultrasound, and x-ray to patients. In December 2021, Rutherford announced that it has received new funding of £10 million by its shareholders, including the Company. The new funding was provided in the context of a wider reorganisation including the appointment of a new Chairman, Dr Mark Jackson, as well as the replacement of the CEO with an experienced interim, Sean Sullivan. As part of the reorganisation, Rutherford also announced the withdrawal of its shares from trading on the AQSE Growth Market.

In April 2022, Rutherford secured commitments from the Company and other shareholders for new funding at an amount of £4.5 million. The funding was provided to Rutherford in order to extend its runway while Rutherford is in the process of securing long-term funding. Should Rutherford's efforts to secure long-term funding prove unsuccessful, there is a material risk that the company will need to file for administration.

BenevolentAI



During 2021, **BenevolentAI**, the clinical-stage artificial intelligence ("AI") drug discovery company, made good progress across its various business activities. In February 2021, BenevolentAI announced dosing of the first patient in its randomised first-in-human clinical trial for BEN-2293, a molecule designed and developed to treat Atopic Dermatitis. BenevolentAI also made good progress in its collaboration with AstraZeneca with two novel targets, for both chronic kidney disease ("CKD") and idiopathic pulmonary fibrosis ("IPF"), which were identified, validated, and selected for the AstraZeneca portfolio. After the period end, BenevolentAI announced a three-year expansion of its collaboration with AstraZeneca, doubling the number of disease areas being explored to add systemic lupus erythematosus (SLE) and heart failure (HF).

Most significantly, in December, BenevolentAI announced that it has entered into a definitive agreement for a business combination with Odyssey Acquisition S.A. ("Odyssey"), a Euronext Amsterdam-listed investment company. The Combination will be affected by way of a share exchange. BenevolentAI shareholders will receive Class A ordinary shares of Odyssey in exchange for their shares of BenevolentAI. The terms of the Combination value BenevolentAI at post-money valuation of up to €1.5 billion (prior to any redemptions). The board of directors of Odyssey and the board of directors of BenevolentAI have both unanimously approved the proposed transaction, although closing remains subject to customary closing conditions which are expected to be completed in Q2 2022.

Portfolio Manager's Review

Immunocore

IMMUNOCORE

Immunocore is a pioneering T cell receptor biotechnology company, working to develop and commercialise a new generation of transformative medicines to address unmet needs. The company's most advanced programmes are in oncology, and it has a rich pipeline of programmes in infectious and autoimmune diseases.

During 2021, Immunocore continued to develop its ImmTAC (Immune mobilizing monoclonal T-cell receptors Against Cancer) clinical portfolio for multiple tumour types and has 5 clinical stage programmes under way. In January 2022, the company received FDA approval for its lead therapeutic, tebentafusp, to be used in treatment of a rare form of cancer, metastatic uveal melanoma.

In February 2021, Immunocore successfully completed an initial public offering and listing on Nasdaq, raising gross proceeds of \$297m.

Source: Portfolio companies including information disclosed publicly on their websites.

Investment Activity

Realisations

A key part of the work undertaken since our appointment has been to sell holdings to reposition the portfolio and pay down the outstanding debt. During the year, we are pleased with the progress achieved against this objective having realised £166.0 million from the portfolio as of 31 December 2020. Key realisations during the year included:

In March, the sale of a basket of assets¹ to Rosetta Capital generating initial proceeds of £52.9 million².

In April, the sale of **Kymab** to Sanofi generating initial proceeds of \$87 million (£63.6 million) with the potential for additional contingent payments of up to \$33 million subject to a deferred purchase price release and Kymab achieving certain development and regulatory Milestones. As of 31 December 2021, the Company has a holding of £4.2m attributable to these remaining contingent payments.

In May, the sale of **Kuur Therapeutics** to publicly listed **Athenex** in return for Athenex common stock valued at \$9.6 million (£7.0 million) as of 30 June 2021. The resulting holding in Athenex was then sold in its entirety in the fourth quarter.

In June, the sale of **Inivata** to NeoGenomics generating proceeds of \$38.6 million (£28.0 million).

In December 2021, the Company announced that it had reached an agreement for the sale of its holding in **Seedrs** Limited ("Seedrs") to a global institutional investment management firm, for £12 million in cash. The sale was subsequently completed in April 2022.

¹ The entire holdings in Carrick Therapeutics, Mission Therapeutics, PsiOxus Therapeutics and Mereo BioPharma and partial holdings in Inivata, Immunocore and ReNeuron.

² After accounting the value of £2.9m follow-on investments made by the Company with respect to holdings contained in the Sale Portfolio during January 2021.

New Investments

In 2021, we achieved considerable progress in the repositioning of the portfolio with the first new investments since our appointment as Portfolio Manager. The Company made seven new investments totalling £51.7 million, four new private equity investments (£29.9 million) and three new public equity investments (£21.8 million).



In May, the Company invested \$6.75 million (£4.8 million) into cybersecurity company, **Tessian** Limited ("Tessian"), as part of its \$65 million Series C funding round to accelerate its mission of quantifying and preventing human risk in enterprises across the globe. Tessian's Series C round was led by March Capital, a U.S.-based venture growth firm, with participation from existing shareholders including Sequoia Capital, Accel, Balderton Capital and Latitude. The deal valued Tessian at \$500m.

Tessian is pioneering a novel approach to cybersecurity and is defining a new category of security software called Human Layer Security. For decades, cybersecurity software has focused on the machine layer – the networks, endpoints, and devices of an organization – but not the people. But employees are the gatekeepers to companies' most sensitive systems and according to a CybSafe analysis of data from the UK Information Commissioner's Office (ICO), human error was the cause of approximately 90 percent of data breaches in 2019. To overcome the so-called "people problem" in security, Tessian uses machine learning to stop security threats and data breaches caused by people, without disrupting their workflow. It builds Behavioral Intelligence Models, tailored to every employee, by understanding each individual's communication patterns and behaviours online. Tessian uses the models automatically to detect security threats and prevent them from turning into breaches by notifying the employee in-the-moment. Today, Tessian secures people on email and can automatically prevent threats such as phishing, business email compromise, data exfiltration and accidental data loss.

Selected SDG(s)

16 Peace, Justice and Strong Institutions



Target(s)

16.4 By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime

Portfolio Manager's Review



In June and July, the Company invested £7.5 million into publicly listed **Johnson Matthey plc** ("Johnson Matthey"). Johnson Matthey is a global leader in the applied materials chemistry, producing materials that are used in a wide range of industrial processes from automotive exhaust catalysts to the production of industrial gases. Johnson Matthey is set to be an important facilitator of the process of decarbonisation over the coming decade, with its materials being critical to the production of hydrogen, and the emerging use of hydrogen as a clean energy fuel. Existing emission control catalysts used in transport are likely to continue to be in demand as regulations and standards tighten across the world and revenues from this activity will provide a valuable source of funding for the development of new technologies. The investment fits with the Company's philosophy of supporting innovative, world leading technologies, that showcase the best of British entrepreneurial spirit and will help positively impact society and the planet.

Selected SDG(s)

3 Ensure healthy lives and promote well-being for all at all ages



7 Ensure access to affordable, reliable, sustainable and modern energy for all



12 Ensure sustainable consumption and production patterns



13 Take urgent action to combat climate change and its impacts



Revolut

In August, the Company invested \$13.7 million (£9.9 million) into leading disruptive global neobank, **Revolut** alongside its \$800 million Series E funding round led by new investors, SoftBank Vision Fund 2 and Tiger Global Management, valuing the business at \$33 billion. Revolut, the ambitious neobank with more than 16 million customers worldwide, plans to use the significant primary investment to further its growth plans, in particular its ongoing product innovation aimed at meeting customers' everyday financial needs and aspirations, from quick and easy global transfers, to managing everything from savings to insurance, to democratising wealth and trading activities. It will also support the expansion of Revolut's offering to US customers and its entry into the Indian market and other international markets.

Selected SDG(s)

8 Decent Work and Economic Growth



Target(s)

8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors



In September, the Company invested £7 million into publicly listed **Spirent Communications plc** ("Spirent"), a leading provider of automated test and assurance solutions for telecom networks and datacentres. As ethernet speeds are upgraded and 5G networks are rolled out, new uses and services are developed. The testing products and services that Spirent offers are a critical component enabling the development and ongoing monitoring of the performance of these networks.

The upcoming cycle of capital expenditure for the rollout of 5G is expected to be an extended one because of the proliferation of applications that will be made possible. We believe that Spirent can therefore expect robust growth in demand for its services over the coming years.

Portfolio Manager's Review

Selected SDG(s)

9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



11 Make cities and human settlements inclusive, safe, resilient and sustainable



consumers as second nature as checking the time, so every business decision can be grounded in data. Using Attest's technology, surveys can be created and distributed to target consumers in as little as 90 seconds and results are significantly higher-quality, more reliable, representative, and delivered faster than ever previously possible. This self-serve technology is supported by Attest's in-house team of research experts, leading to trustworthy data that brands can rely on.

During the pandemic, Attest has achieved record revenue growth and continued to support and grow its client base, including Microsoft, Santander, Walgreens/Boots, Wise, Klarna, Organic Valley and Fabletics. Attest's consumer reach has also increased, with brands now able to access more than 110 million people in 49 countries. This latest financing round is intended to help further accelerate Attest's expansion in both Europe and North America, as well as the company's mission to make high quality research simple, fast, and powerful for everyone on a continuous basis.

Selected SDG(s)

8 Decent Work and Economic Growth



Target(s)

8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors



ada

In December, the Company invested €11.8 million (£10.0 million) in digital health company **Ada Health** GmbH ("Ada Health"). Ada Health has developed a powerful Artificial Intelligence ("AI")-based health assessment and care navigation platform that helps users to understand their symptoms, to identify and differentiate conditions with a high degree of medical accuracy, and to navigate safely to the right care, at the right time. The Company acquired secondary shares on the back of Ada Health's successful Series B financing led by Leaps by Bayer completed in May 2021. Additional investors participating in the round include Vitruvian Partners, Samsung Catalyst Fund, Inteligo Bank, F4 and Mutschler Ventures.

Ada Health was founded in Berlin, Germany, in 2010 by British native Dr. Claire Novorol, PhD, together with Daniel Nathrath and Dr. Martin Hirsch, PhD, combining diverse medical, scientific, and commercial backgrounds. Ada Health was established with the aim to develop a reliable and safe

Petershill Partners

In September, the Company participated in the IPO of **Petershill Partners** plc ("Petershill Partners"), a capital provider to alternative investment managers, making a £7 million investment. Alternatives (including private equity, private credit, and infrastructure investment) are a fast-growing area of asset management, and there are a limited number of specialist providers of growth capital for firms in this space. Petershill has built a diversified portfolio of managers, and with the capital raised as part of the IPO, it will seek to make investments in other alternative managers over the coming years. We are therefore invested in both the strong underlying asset growth of the existing managed portfolios, and an additional source of growth through new investments. We expect Petershill to see an attractive rate of earnings growth over the coming years.



In November, the Company invested \$7.0 million (£5.2 million) into leading market research technology platform, **Attest** Technologies ("Attest"), as part of its \$64 million Series B funding round. Attest's Series B funding was led by an undisclosed growth investor with participation from specialist tech investment firm Kismet and existing investor, leading global venture capital firm NEA. Attest is the first business services sector investment to enter the portfolio.

Attest has built an intuitive software as a service platform which aims to make checking ideas and actions with target

Portfolio Manager's Review

health assessment and care navigation platform which fulfils the requirements for deployment as a clinical decision support system. Today, Ada Health can help shorten time to diagnosis by providing medical guidance that is relevant, actionable, and effective, and will increasingly leverage personalized data insights to support the prediction and prevention of diseases.

Ada Health's core technology is available in a suite of AI-driven enterprise solutions. The company is collaborating with a range of leading health systems, insurers, life sciences companies, and global non-profit organizations to integrate its symptom assessment and care navigation solutions into a range of digital care journeys to improve outcomes for patients and healthcare providers. Ada Health is experiencing strong momentum in the commercialisation of its solution; has closed several important partnerships and has a strong pipeline ahead. In addition, Ada Health's consumer app has become the world's most popular and highest-rated symptom assessment app, with over 11 million users since its global launch in 2016 of which more than 1 million are based in the UK.

Selected SDG(s)

3 Ensure healthy lives and promote well-being for all at all ages



Target(s)

3.4 By 2030 reduce by one-third premature mortality from non-communicable diseases (NCDs) through prevention and treatment, and promote mental health and wellbeing

3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health care services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all

3.D Strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks

After year end, further progress has been achieved in repositioning the portfolio with the fifth and sixth new private equity investments.

Back Market

In January 2022, the Company invested €12.0 million (£10.0 million) in leading renewed electronics marketplace, **Back Market** (incorporated as Jung S.A.S.), as part of its \$510 million Series E funding round. The round was led by Sprints Capital, together with Eurazeo Growth, Aglaé Ventures, General Atlantic, and Generation Investment

Management. The Company invested alongside its co-investment partner, Sprints Capital, via a single asset fund, Sprints Capital Ellison LP.

Launched in 2014, Back Market is the leading dedicated renewed technology marketplace. The company brings high-quality professionally refurbished electronic devices and appliances to customers in 16 countries including the United Kingdom, the United States, France, Germany, Italy, Spain, Belgium, Austria, the Netherlands, and more recently, Portugal, Japan, Finland, Ireland, Greece, Slovakia, and Sweden. The Series E round underpins Back Market's ambitious vision and allows the company to build on its position as the leading marketplace exclusively dedicated to the sale of expertly refurbished electronics. Back Market is determined to make circular technology mainstream by delivering an experience even better than buying new.

Selected SDG(s)

11 Make cities and human settlements inclusive, safe, resilient and sustainable



12 Ensure sustainable consumption and production patterns



13 Take urgent action to combat climate change and its impacts

Target(s)

11.6 By 2030, reduce the adverse per capita environmental impact of cities

12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

Epsilon

In March 2022, the Company invested £3.0 million in leading immunoglobulin E ("IgE") antibodies developer, **Epsilon**, as part of its £30.75 million Series B funding round. The round was led by a new investor, Novartis Venture Fund, and joined by new investors 3B Future Health Fund, British Patient Capital and Caribou Property. The new syndicate joins founding Series A investor Epidarex Capital and Series A investor ALSA Ventures both of whom also committed further capital in the Series B fundraising.

Epsilon is a global leader in the development of immunoglobulin E (IgE) antibodies to treat cancer. IgE's natural function is to provide immunological defence against

Portfolio Manager's Review

certain parasites. This functionality makes it an ideal treatment of solid tumours due to its strong potency, enhanced tumour access and long tissue half-life. Epsilogen's lead product candidate, MOv18 IgE, is the first therapeutic IgE antibody to enter the clinic and encouraging data from a phase I trial demonstrated MOv18 IgE to be safe and well tolerated with early signs of clinical activity also seen. Epsilogen is also developing a proprietary IGEGTM antibody platform combining elements from both IgE and IgG antibodies into novel and proprietary antibody molecules with enhanced functionality.

Selected SDG(s)

3 Ensure healthy lives and promote well-being for all at all ages



Target(s)

3.4 By 2030 reduce by one-third premature mortality from non-communicable diseases (NCDs) through prevention and treatment, and promote mental health and wellbeing

3.B Support research, development and universal access to affordable vaccines and medicines

Follow-on investments

During the year, the Company made a select number of small follow-investments in its existing private equity holdings totalling £9.1 million.¹

In January, the Company made follow-on investments of £2.9 million in companies contained within the basket of assets sold to Rosetta Capital which was immediately reimbursed upon the successful sale.

In March, the Company exercised its pre-emption rights to acquire additional shares in **Cequor** at a discount to the valuation implied by its \$115m funding round.

During the year, the Company invested a total of \$1.7 million in **Mafic** as part of internal fundraisings structured to resolve legacy governance issues and marginally extend the cash runway.

Finally, in December, the Company committed £3 million to **Rutherford Health** ("Rutherford") as part of new funding package totalling £10 million, including £8 million in the form of a bridge loan ("Loan") and £2 million in a convertible loan facility. The Company committed to the Loan in two equal size tranches which accrue interest at the rate of 15% per annum. The first tranche was drawn immediately, and the second tranche was drawn, subject to certain conditions, in January 2022.

The Loan was provided in the context of a wider reorganisation of Rutherford whereby Mark Jackson was appointed as the new Non-executive Chairman. In addition, Mike Moran stepped down as Chief Executive Officer with a replacement due to be recruited in early 2022. An experienced interim, Sean Sullivan, was appointed as a Chief

Restructuring Officer to bridge the intervening period with a strategic advisory firm appointed to support business planning. Finally, In April 2022 the Company committed an additional £1.5 million to Rutherford as part of a £4.5 million to extend its runway while Rutherford is in the process of securing long-term funding. The new commitment was made at similar terms to the commitment made in December 2021 and structured in two equal size tranches with the first tranche drawn immediately and the second tranche, subject to certain conditions, potentially to be drawn in May 2022.

Source: Portfolio companies including information disclosed publicly on their websites.

Engagement

During the year, the investment team of the Portfolio Manager consisted of nine investment professionals – six covering the private equity holdings and three covering the public equity holdings. This core team then draws on the extensive capabilities of the Schroders organisation more broadly.

The private equity team engage with each of the Company's underlying portfolio companies on a regular basis. The frequency and depth of this engagement typically depends on a range of factors including the Company's shareholder rights, size of the position, risk profile, value creation potential and strength of the shareholder syndicate. As an example, for most private companies in the Top 20 holdings where the Company's share rights allow, the team will attend the company board meetings as an observer on the board. These meetings serve as an essential source of information about the progress of the business, but also present an opportune moment to support strategic planning and engage with the management team, board members and co-investors on topics such as sustainability.

The public equities team are required to take a different approach suited to the companies' listed status. As part of Schroders' broader engagement process, they meet executive management regularly to discuss financial and operational performance, as well as the companies' broader stakeholder commitments. These meetings may be supplemented by direct engagement with the Chair and board subcommittee Chairs to discuss specific governance and other issues, where appropriate. Overall, in 2021 Schroders initiated over 2,100 specialist ESG engagements involving our Sustainable Investment team and our investment teams with companies across 58 countries globally. In 2021, we also voted on approximately 99% of total resolutions at 7,492 meetings and instructed a vote against management at 44% of meetings.

Approach to Sustainability

At Schroders, we adopt sustainability and impact investing practices as an integral part of identifying, assessing, and monitoring its portfolio companies. We believe that responsible investment enhances the long-term value of private equity investments and benefits all stakeholders including shareholders, employees, clients, and the communities in which we operate. Our commitment to responsible investment applies to all private equity investments, including direct and indirect holdings, and the firms we partner with.

¹Including Rutherford Health as a private equity holding given its delisting shortly after the period end.

Portfolio Manager's Review

In our private equity investment process, environmental, social and governance (ESG) factors are a central consideration for our investment decisions. Our sustainability and impact approach requires proactive identification of ESG factors that pose investment risk and opportunity. Prudently and proactively assessing these factors should lead to emphasizing investments with positive ESG elements, excluding investments that pose ESG risk and engaging where further impact is feasible.

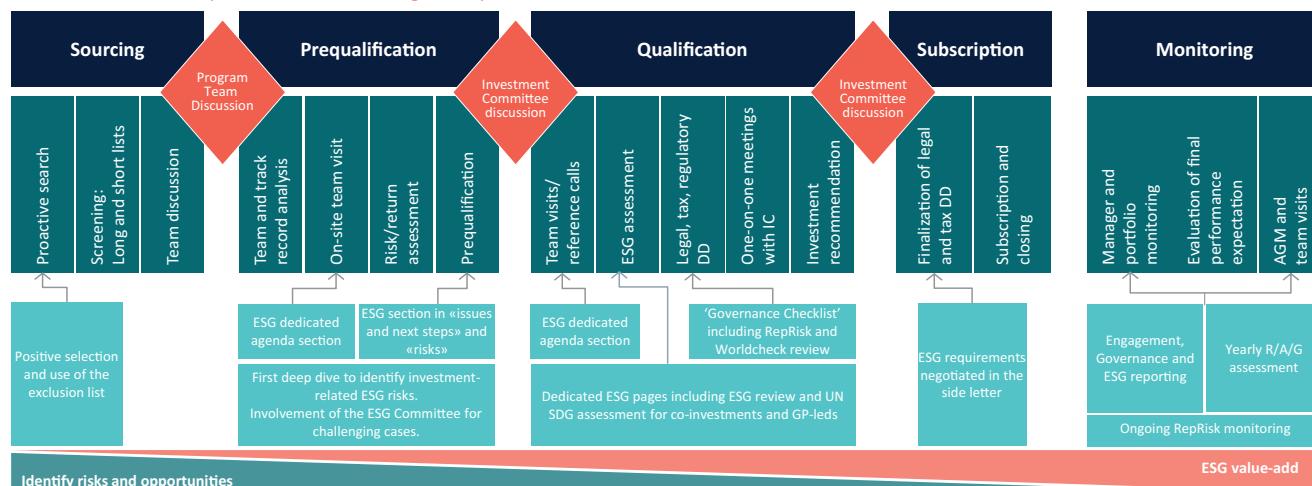
Private equity investors are well positioned to adhere to responsible investing principles and drive a positive impact due to private equity's long-term orientation, ability to

conduct extensive due diligence and the opportunity for private equity investors to make a strategic impact on their portfolio companies.

Schroders seeks to identify investments with favourable sustainability prospects and conversely avoid investments where ESG risk exposures are meaningful. Schroders believes that businesses with strong ESG credentials and/or alignment with the United Nations Sustainable Development Goals ("SDGs") are well positioned to capitalize on sustainability as a global megatrend, which is an indication of strong positioning for the future.

Sustainable and impact is fully integrated into Schroders Capital's¹ investment management process

S&I within Schroders Capital's investment management process



Past performance is not a guide to future performance.
Source: Schroders Capital, 2022.

¹Schroders Capital is the private markets division of Schroders responsible for management of the Company's private equity holdings.

Firm exclusion criteria to build ESG – aligned portfolios¹

Standard sustainability exclusions, thresholds and practices

Absolute Exclusions		Threshold Exclusions		Relative Exclusions	
Excluded activities	Exclusionary criteria	Excluded activities	Exclusionary criteria	Excluded activities	Exclusionary criteria
Illegal practices	Any activity deemed illegal under local country laws and regulations or international conventions	Production, financing or trade in weapons and munitions		Alcohol, gaming, gambling among others	Exposure to businesses or products with potential to generate addiction or foster illness or abuse need to be reviewed and approved on a case by case basis by the Responsible Investment Committee
Controversial weapons	Production, financing or sale of controversial weapons including - Anti-personnel mines - Cluster munitions - Nuclear weapons - Bio & chemical weapons	Production, financing or sale of oil and gas, and fossil fuel fired thermal power facilities	More than 5% at a portfolio level or 10% of sales at a company level		
Wildlife or conservation area destruction	Practices that endanger wildlife or high conservation areas	Mining or extraction of coal			
Labor	Child labour or forced labour	Tobacco products			
Prostitution	-	Pornography			
Discrimination	Racism, bigotry or any other sort of discrimination	Usury or predatory lending			

Source: Schroders Capital, 2022.

¹Exclusion list covers the exclusions listed in the Schroders Capital ESG policy and side letter for each private equity investment. Note there are a few mandates that have additional exclusions that are taken into account when that mandate is making an investment.

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Sustainable Development Goals



In 2015, the United Nations launched its Sustainable Development Goals (SDGs) defining the biggest challenges facing global societies. These challenges comprise 17 discrete goals, each targeting distinct threats and underpinned by a comprehensive range of metrics to help policy makers quantify progress. They have galvanised the worldwide focus of policy makers, companies, and investors.

Schroders has committed to integrating UN SDGs into enhanced ESG reporting across its private equity portfolios. However, we believe our approach is more conservative than most others because the link between an investment and an SDG may only be acknowledged when the company's business model specifically addresses one of the 169 targets which underly the 17 goals.

Furthermore, we are continuing to develop our proactive approach towards SDG alignment for portfolio companies and intend to use the 17 goals and 169 targets to form the basis of further engagement. As part of this process we will seek to provide input to, and expedite the adoption of, internal policies to ensure simultaneous contribution to the most relevant goals. We will also utilise the expertise of the

Sustainability team at Schroders to enhance this engagement where we see opportunities to add further value. We believe that such an approach embodies the spirit of the SDGs, and goes beyond a pure asset allocation consideration, towards a value-added contribution. As we progress with our repositioning of the portfolio, we intend to improve our disclosures in relation to our engagement activities on this topic.

While not all the companies within the existing portfolio have SDGs embedded in their business models, many have. The Company's focus on early-stage innovative businesses, addressing some of the biggest challenges facing global societies, leaves a considerable proportion of the portfolio aligned to those goals. As an illustration of the Company's current positioning in relation to SDGs, the investment activity section of this Portfolio Manager's review includes the relevant goals and underlying targets associated with each of the new investments.

We have identified the SDGs associated with each of the Company's new investments in the Investment Activity section of this report.

Portfolio Manager's Review

Sustainability Insights: Atom Bank

Atom Bank has always had a keen focus on its ESG credentials and recently announced a 4-day working week trial that has been very positively received by its team. Atom has also been active in its community throughout 2021 with a summary of achievements highlighted below.

<u>PUSHING FOR PARITY</u> <i>Giving women the skills to redress the balance of gender representation in technology</i>	<u>BUILDING THE FUTURE</u> <i>Nurturing and inspiring the next generation of STEM talent</i>	<u>TACKLING TODAY</u> <i>Addressing the issues we face today and integrating with our local institutions</i>	<u>SUPPORTING OUR HOME</u> <i>Being a visible and engaged part of our North East community</i>
• Women in Finance – sponsor and award winner • Tech Talent Charter – founding signatory and sponsor • Designed and won public funding for the “Inclusion Matters” project, supporting women and other under-represented groups to gain promotion in engineering, tech and academic professions across N. England	• Industry partner for the new Durham Maths School, a centre for excellence in 6th form maths, computer science and physics in the NE of England • Lead Sponsor of the annual Durham University Hackathon (DurHack) • Lead industry participant in the DfE funded ONE Vision programme, supporting 30 secondary schools across NE England • Lead STEM partner for the Prince's Trust in NE England	• FinTrust/Finclusion partnership with Newcastle University to create industry guidance on AI and trust in financial services • Durham COP26 signatories • £100k donation to the agencies working to support the people of Ukraine now • Continued investment to bring Phase 1-3 carbon emissions to lowest in UK banking	• Supporter and leading advocate for Durham 2025 City of Culture • Major sponsor for the world-renowned biennial Lumiere festival • Lead sponsor for Paula Radcliffe's Families on Track programme • Sponsor for the annual Durham Book Festival • Shirt sponsor for Durham City Cricket Club

In 2021, Atom announced how it had decided to re-examine how its team works while maintaining a high quality of service and experience for its customers.

Starting from 1st November, Atom began trialling a four-day working week. The team has been working a shortened 34-hour week over four days, with no impact on their salary. This is optional, and anyone can choose to opt out and continue to work a five-day week if they wish. The ambition being that this will bring great benefit to its business, its people and, ultimately, its customers. As the largest company to introduce a four-day week for everyone, and one of the first to make this move, they are determined to make this a success and challenge traditional and antiquated working practices.

“Why are Atom moving to a four-day week?”

Atom believes that work as we know it has changed, and the patterns that served us in the past may no longer be the right fit. People are looking for something more from their roles, work practices have changed, and they believe that switching to a four-day working week can deliver a variety of benefits that have the potential to be life-changing for their team.

As an example, here are just a few of the benefits that the team hope a four-day week will deliver:

- An improved work-life balance
- A greater focus on health and wellbeing
- A reduced environmental impact
- An increase in efficiency and productivity

Schroders Perspective

At Schroders, we are closely monitoring the progress of this interesting and forward-thinking initiative. The findings of the trial have potentially significant implications for working practices across our private and public equity portfolios – from recruiting and retaining key talent, to improving efficiency and reducing our burden on the environment. We are delighted to see the progress at Atom and the continued focus that the bank has in relation to Environmental, Social and Governance issues facing the financial sector.

Portfolio Manager's Review

Outlook

Market conditions

We are of course shocked and saddened by events in Ukraine, and acknowledge that this is a human crisis with awful consequences for millions of people.

That said, there are also significant market consequences and considerable uncertainty remains about the future path of events. However, it is already clear that there will be material secondary consequences from the rise in energy prices, and from the inflationary impacts due to rising agricultural commodity prices and supply chain interruptions.

We expect that public markets may be more volatile than normal in the near term as markets adjust to changed conditions, and this may also have an impact on the pace of activity in private markets.

Portfolio

The Company enters 2022 in a far stronger position than when we started the year having successfully repaid its debt facility and made its first new investments. We are very encouraged by progress to date, however in addition to the macroeconomic challenges highlighted above, there are still several stock specific situations in the inherited portfolio where we continue to focus our time to maximise return potential.

Schroder Investment Management Limited

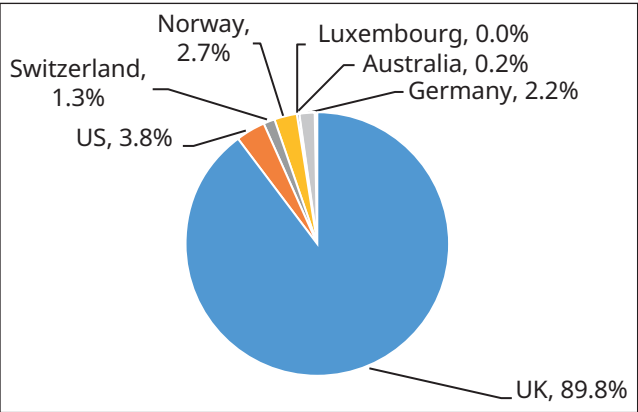
20 April 2022

Investment Portfolio as at 31 December 2021

Portfolio Composition

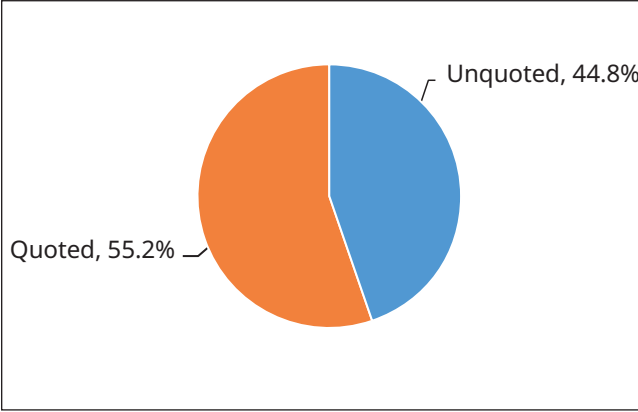
The following charts provide an overview of the Company's total investments as of 31 December 2021.

Portfolio by geography



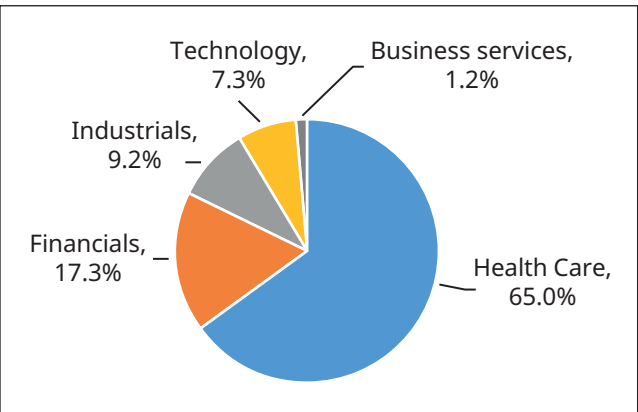
Source: Schroders, 2022.

Portfolio by quoted and unquoted companies



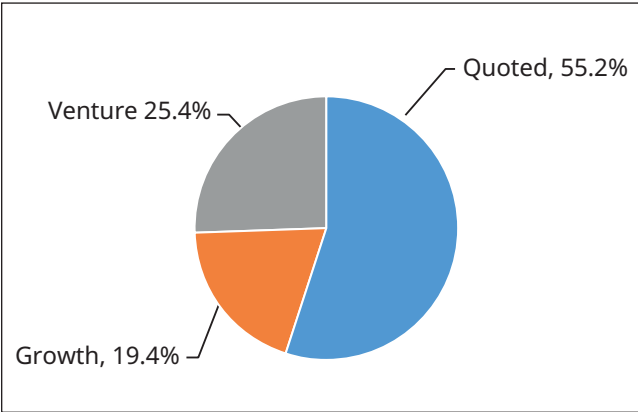
Source: Schroders, 2022.

Portfolio by sector



Source: Schroders, 2022.

Portfolio by stage



Source: Schroders, 2022.

Investment Portfolio as at 31 December 2021

The 20 largest investments account for 93.6% of total investments by value (31 December 2020: 93.9%).

Holding	Quoted/unquoted	Industry Sector	Fair value £'000	Total Investments %
Oxford Nanopore	Quoted	Health Care	162,641	36.9
Atom Bank	Unquoted	Financials	46,209	10.5
BenevolentAI	Unquoted	Health Care	28,484	6.5
Rutherford Health	Quoted	Health Care	21,312	4.8
Immunocore	Quoted	Health Care	21,044	4.8
Reaction Engines	Unquoted	Industrials	12,500	2.8
IDEX Biometrics ASA	Quoted	Technology	11,823	2.7
AMO Pharma	Unquoted	Health Care	11,668	2.6
Seedrs	Unquoted	Financials	11,272	2.6
HP Environmental Technologies Fund	Unquoted	Industrials	10,667	2.4
Revolut LLP	Unquoted	Financials	10,115	2.3
Ada Health	Unquoted	Health Care	9,905	2.2
Genomics	Unquoted	Health Care	8,896	2.0
Federated Wireless	Unquoted	Technology	8,618	2.0
Nexxon	Unquoted	Industrials	7,788	1.8
Spirent Communications	Quoted	Technology	6,492	1.5
Autolus Therapeutics	Quoted	Health Care	6,410	1.5
Petershill Partners	Quoted	Financials	5,593	1.3
Cequor	Unquoted	Health Care	5,513	1.2
Attest Technologies	Unquoted	Business Services	5,168	1.2
Johnson Matthey	Quoted	Industrials	5,053	1.1
Tessian	Unquoted	Technology	4,984	1.1
OcuTerra	Unquoted	Health Care	4,316	1.0
Kymab	Unquoted	Health Care	4,163	0.9
American Financial Exchange	Unquoted	Financials	2,075	0.5
Industrial Heat	Unquoted	Industrials	1,825	0.4
Mafic	Unquoted	Industrials	1,813	0.4
ReNeuron Group	Quoted	Health Care	1,667	0.4
Plenti Group	Quoted	Financials	996	0.2
Novabiotics	Unquoted	Health Care	745	0.2
Econic	Unquoted	Industrials	547	0.1
Xeros Technology	Quoted	Industrials	312	0.1
Metaboards	Unquoted	Technology	169	-
RM2 International	Unquoted	Industrials	68	-
Drayson	Unquoted	Technology	38	-
Bodle Technologies	Unquoted	Technology	-	-
Origin	Unquoted	Health Care	-	-

Investment Portfolio

as at 31 December 2021

Holding	Quoted/unquoted	Industry Sector	Fair value £'000	%
Spin Memory	Unquoted	Technology	–	–
Lignia Wood	Unquoted	Industrials	–	–
Mereo BioPharma Group	Quoted	Health Care	–	–
Sphere Medical	Unquoted	Health Care	–	–
Halosource	Unquoted	Industrials	–	–
Kind Consumer	Unquoted	Consumer Staples	–	–
Oxsybio	Unquoted	Health Care	–	–
Total Investments¹			440,899	100.0

¹Total investments comprise:

	£'000 ¹	%
Unquoted	197,556	44.8
Listed on the London Stock Exchange	179,779	40.8
Listed on a recognised stock exchange overseas	40,273	9.1
Quoted on Aquis Stock Exchange	21,312	4.8
Quoted on AIM	1,979	0.5
Total	440,899	100.0

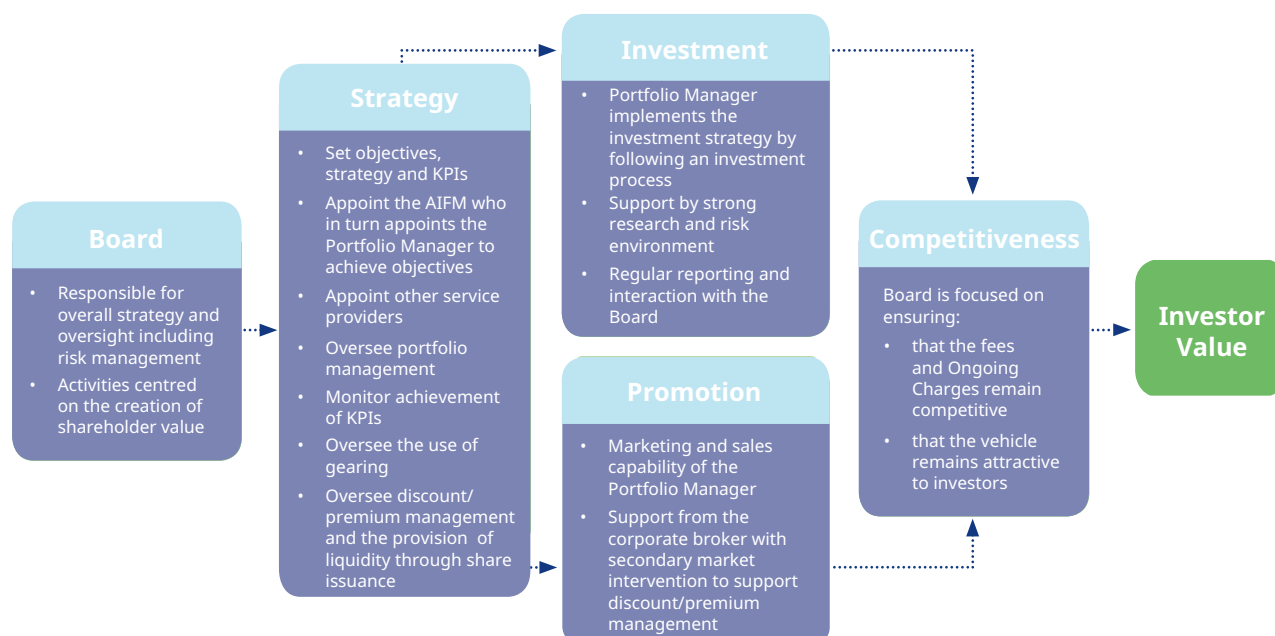
Additional details of unquoteds, including investments quoted in inactive markets, in the top ten holdings

Holding	Brief description of its business	Cost £'000	Fair value £'000	Turnover for the latest audited financial year £'000	Pre-tax losses for the latest audited financial year £'000	Net assets/ (liabilities) at the latest audited balance sheet date £'000
Atom Bank	Leading UK app-only challenger bank	75,165	46,209	42,297	(62,326)	137,023
Benevolent AI	Drug discovery using artificial intelligence	84,882	28,484	6,907	(65,643)	122,626
Reaction Engines	Developer of engine technologies to enable space and hypersonic travel	10,000	12,500	12,866	(15,070)	9,462
AMO Pharma	Developer of drugs to treat rare or orphan diseases	7,020	11,668	–	(5,566)	(5,959)
Seedrs	Leading EU private growth equity fundraising and investment platform	10,470	11,272	5,318	(4,328)	7,442
HP Environmental Technologies Fund	Portfolio of venture and growth-stage industrial companies	4,046	10,677	N/a ¹	N/a ¹	N/a ¹

¹Information not publicly available.

Strategic Review

The Strategic Review sets out the Company's strategy for delivering the investment objective (set out on the inside front cover), the business model, the risks involved and how the Board manages and mitigates those risks. It also details the Company's purpose, values and culture, and how it interacts with stakeholders.



Business model

The Board has appointed the Alternative Investment Fund Manager (AIFM), Link Fund Solutions Limited. The Board and the AIFM have agreed to appoint Schroders as Portfolio Manager, to implement the investment strategy and to manage the Company's assets in line with the appropriate restrictions placed on it by the Board, including limits on the type and relative size of holdings which may be held in the portfolio and on the use of gearing, cash, derivatives and other financial instruments as appropriate. Their terms of the appointment are described more completely in the Directors' Report. The Portfolio Manager also promotes the Company using its sales and marketing teams. The Board, the AIFM and Portfolio Manager work together to deliver the Company's investment objective, as demonstrated in the diagram above. The investment and promotion processes set out in the above diagram are described in more detail below.

Investment

Investment philosophy and approach

The Portfolio Manager aims to identify private equity investments which demonstrate an optimal combination of fast growing, high quality companies with strong management teams and co-investors, and public companies with innovative business models, a focus on organic growth and high quality management. They aim to achieve this by leveraging Schroders' comprehensive equity research capabilities, private equity sourcing network, proven due diligence processes and experienced investment professionals.

The Portfolio Manager believes that the Company's hybrid public private investment approach is well placed to identify

and invest in such companies irrespective of their ownership structure. In addition to their expertise in identifying leading assets/(liabilities) businesses for the decades ahead, Schroders will seek to benefit from their access to the best opportunities, public and private, through the reputation and the relationships they have fostered over many years.

Schroders employs a collaborative, team-based approach, combining skill, experience and research resources across both public listed equity and private equity.

Private investments are managed by Schroders' specialist private equity team, Schroders Capital. Schroders Capital has over 20 years' experience successfully investing in companies, both directly via direct co-investment and through funds. They manage over \$13.5 billion of assets under management across several specialist strategies. The private portion of the Company's portfolio is managed by Tim Creed, Schroders Capital's Head of European Private Equity. Tim is a member of the firm's Global Investment Committee and he is supported by a sizable team of private equity investment professionals that are committing a substantial amount of their time to the portfolio.

On the public equity side, Schroders is a UK market leader and will leverage stock selection expertise from across their public equities teams. Roger Doig is responsible for the Company's public equity investments and draws on the wide experience of Schroders' public equity analysts and fund managers globally.

Investment process

Schroders' investment process combines the best of breed skills and experience that the firm has across both private and public equity. The Portfolio Manager believes that it is prudent to separate the investment process between private and public investments to reflect the clear differences in

Strategic Review

executing individual investments in the private versus public markets. However, portfolio construction and risk management are a joint effort between the private and public investment teams along with risk management to ensure a cohesive and robust portfolio.

Identifying attractive private equity investments through proactive deal sourcing is key to successful private equity investing. Therefore, the investment team spends considerable time on this activity by mining the firm's network of investment professionals and industry experts. Sourcing efforts are further enhanced by technology, including advanced proprietary tools, internal databases and third-party information services.

Each potential investment is logged in Schroders Capital's IT system and systematically assessed with the findings presented in a standardised and structured form. The team can then decide collectively whether an investment opportunity is compelling enough to enter the prequalification stage and submitted to the Schroders Capital Investment Committee for consideration. The

extensive network of contacts, and of sell-side research. The team looks for organic growth opportunities, with sustainable returns and high management quality, at a valuation that is supportive in the context of the liquidity and risk profile of a company. The portfolio managers at all times take a fundamental approach, seeking businesses that they believe are set to deliver good returns for the long-term.

Furthermore, the portfolio managers have a keen focus on risk management, which forms an integral part of the investment process. The managers have a particular focus on the financing needs of the privately held companies, the liquidity profile of the publicly listed holdings, as well as stock and sector concentrations. The size of each holding will be determined on the basis of the portfolio managers' investment conviction alongside an assessment of the risks associated with it. Meanwhile, portfolio construction is supported by a robust system of risk controls, while proprietary risk tools help the Portfolio Manager and the Board to understand the factors contributing to risk as well as to avoid unintended risk.



Investment Committee consisting of Tim Creed, Lee Gardella (Schroders Capital's Head of Investment Risk and Monitoring), Rainer Ender (Schroders Capital's Head of Private Equity) and Nils Rode (Schroders Capital's Chief Investment Officer) is required to approve new company investment proposals.

Investment opportunities that enter the pre-qualification stage are assessed and vetted through a rigorous due diligence process. The due diligence process includes an assessment of the company's positioning, technology differentiation, market opportunity, competitive landscape, management execution and depth, strength of the existing financing syndicate and prospective financing needs. This culminates with either an investment recommendation to the Investment Committee or a decline by the team. Investment projects brought to the Investment Committee for approval need unanimous approval by the Investment Committee, in addition to being approved jointly by the portfolio managers, to proceed to the legal and formal investment closing process. The complete private equity investment process is outlined in the diagram above.

For existing portfolio company decisions, the Investment Committee has delegated responsibility for approving proposals to a dedicated SUPP Investment Committee consisting of Tim Creed and Lee Gardella.

Schroders selects public stocks for the Company based principally on ideas generated by their broad in-house research capability, but also by making selective use of their

In order to add an extra layer of rigour to the investment process, the portfolio managers are held to account by an Oversight Committee, which meets at least quarterly or on demand. This committee comprises the senior risk and investment professionals at Schroders on both the public and private equity sides of the business and exists to ensure accountability from the portfolio management team with regard to risk control and the strategic direction of the portfolio at all times. The portfolio management team is expected to provide the committee with explanations for current risk exposures, describe any future intended state and the pathway to transition, outline current and future liquidity status, as well as discuss portfolio holding rationales.

ESG

The Board delegates responsibility for taking Environmental, Social and Governance (ESG) issues into account when assessing the selection, retention and realisation of investments to its Portfolio Manager, and monitors its application.

The Board expects the Portfolio Manager to engage with investee companies on social, environmental and business ethics issues and to promote best practice. The Board expects the Portfolio Manager to exercise the Company's voting rights in consideration of these issues.

In addition to the description of the Portfolio Manager's integration of ESG into the investment process and the details in the Portfolio Manager's Review, a description of the

Strategic Review

Portfolio Manager's policy on these matters can be found on the Schroders website at www.schroders.com/en/sustainability/active-ownership/. The Board receives reports from the Portfolio Manager on the application of its policy.

Schroders is compliant with the 2020 UK Stewardship Code and its compliance with the principles therein is reported on its website. The Board notes that Schroders has long recognised both the importance of examining the impacts of social and environmental trends on the companies they invest in, and the role investors can play in helping to address those challenges. That philosophy is reflected in their management of the Company and plans to develop the portfolio.

Details of how the Portfolio Manager has committed to integrating UN SDGs into enhanced ESG reporting across its private equity portfolios can be found in the Portfolio Manager's Review on pages 13 to 18.

Investment restrictions

The Company is subject to the following investment restrictions:

- the Company's portfolio shall be invested in a minimum of 30 holdings;
- the Company shall not invest more than 10 per cent of its NAV at the time of initial investment in an investee company save that the Portfolio Manager may make further investments into an investee company subject to an aggregate investment limit in any investee company of 20 per cent of NAV at the time of investment;
- the Company may invest in other investment funds, including listed closed-ended investment funds, to gain investment exposure, but such investment will be unleveraged and (other than in relation to investment in money market funds for the purposes of cash management) limited, in aggregate, to 10 per cent of NAV at the time of investment; and
- with respect to cash deposits, the Company shall not have exposure of more than 10 per cent of NAV, at the time of investment, to any one issuer.

Borrowing

The Company employs gearing of up to 20 per cent of NAV, calculated at the time of borrowing, for the purpose of capital flexibility, including for investment purposes. The Board oversees the level of gearing in the Company, and will review the position with the Portfolio Manager on a regular basis.

Further details of the Company's management of gearing can be found in Principal Risks and Uncertainties on page 32.

Hedging

It is currently not the Company's policy to hedge against currency risk, but the Portfolio Manager may, with the

Board's consent and oversight, hedge against specific currencies, depending on their longer term view.

Cash management

While it is intended that the Company will be fully invested in normal market conditions, the Company may hold cash on deposit or invest on a temporary basis in a range of debt securities and cash equivalent instruments. There is no restriction on the amount of cash or cash equivalent instruments that the Company may hold and there may be times when it is appropriate for the Company to have a significant cash position instead of being fully or near fully invested.

Promotion

The Company promotes its shares to a broad range of investors including discretionary wealth managers, private investors, financial advisers and institutions which have the potential to be long-term supporters of the investment strategy. The Company seeks to achieve this through its Portfolio Manager and corporate broker, which promote the shares of the Company through regular contact with both current and potential shareholders.

These activities consist of investor lunches, one-on-one meetings, regional road shows and attendance at conferences for professional investors. In addition, the Company's shares are supported by the Portfolio Manager's wider marketing of investment companies targeted at all types of investors. This includes maintaining close relationships with adviser and execution-only platforms, advertising in the trade press, maintaining relationships with financial journalists and the provision of digital information on Schroders' website. The Board also seeks active engagement with investors, and meetings with the Chair are offered to investors when appropriate.

Details of the Board's approach to discount/premium management and share issuance may be found in the Chair's Statement on page 4 and in the Annual General Meeting Recommendations on page 80.

Key performance indicator

The Board measures the development and success of the Company's business through achievement of the Company's investment objective which is considered to be the most significant key performance indicator for the Company. Comment on performance against the investment objective can be found in the Chair's Statement.

The Board continues to review the Company's Ongoing Charges to ensure that the total costs incurred by shareholders in the running of the Company remain competitive when measured against peer group funds. An analysis of the Company's costs, including management fees, Directors' fees and general expenses, is reviewed every quarter. Management and performance fees are reviewed at least annually by the Management Engagement Committee.

Strategic Review

Purpose, Values and Culture

The Company's purpose is to achieve its investment objective through successful application of the investment policy.

The Company's culture is driven by its values: Transparency, Engagement and Oversight, which are all centred on achieving returns for shareholders in line with the Company's investment objective. The Board also promotes the effective management or mitigation of the risks faced by the Company and, to the extent it does not conflict with the investment objective, aims to structure the Company's operations with regard to all its stakeholders and take account of the impact of the Company's operations on the environment and community.

As the Company has no employees and acts through its service providers, its culture is represented by the values and behaviour of the Board and third parties to which it delegates. The Board is responsible for embedding the Company's culture in its day to day operations and it has a number of policies and practices in place to facilitate this.

The Board recognises the Company's responsibilities with respect to corporate and social responsibility and engages with its outsourced service providers and other stakeholders to safeguard the Company's interests. As part of this ongoing monitoring, the Board receives reports from its service providers with respect to their anti-bribery and corruption policies; Modern Slavery Act 2015 statements; diversity policies; and greenhouse gas and energy use reporting.

Corporate and Social Responsibility

Diversity

The Board consists of one female and four male non-executive directors. The Board acknowledges the benefits of greater diversity and remains committed to ensuring that the Company's Directors bring a wide range of skills, knowledge, experience, backgrounds and perspectives to the Board. The following objectives for the appointment of directors have been established:

- all Board appointments will be made on merit, in the context of the skills, knowledge and experience that are needed for the Board to be effective; and
- long lists of potential non-executive directors should include diverse candidates of appropriate merit.

Bribery and corruption

The Company continues to be committed to carrying out its business fairly, honestly and openly and continues to operate an anti-bribery and corruption policy, as well as seeking confirmations that the Company's service providers' policies are operating soundly. The possibility of financial crime is taken seriously by the Board and it has a zero tolerance for any such activity, including tax evasion and the facilitation of tax evasion.

Greenhouse gas emissions and energy usage

As the Company outsources its operations to third parties, it consumed less than 40,000 kWh during the year and so has no greenhouse gas emissions, energy consumption or energy efficiency action to report.

Relations with shareholders

Shareholder relations are given high priority by both the Board and the Portfolio Manager. The Company communicates with shareholders through its webpages, announcements, press releases, webinars and the annual and half year reports which aim to provide shareholders with a clear understanding of the Company's activities and its results.

Strategic Review

Section 172 of the Companies Act 2006

Section 172 of the Companies Act 2006 requires Directors to act in good faith and in a way which is the most likely to promote the success of the Company. In doing so, Directors must take into consideration the interests of the various Company stakeholders and the impact the Company has on the community and environment. They must take a long-term view of the consequences of their decisions, as well as aim to maintain a reputation for high standards of business conduct and fair treatment among the Company's members.

Fulfilling this duty naturally supports the Company in achieving its investment objective and helps to ensure that all decisions are made in a responsible and sustainable way. In accordance with the requirements of the Companies (Miscellaneous Reporting) Regulations 2018, the Directors explain below how they have individually and collectively discharged their duties under section 172 of the Companies Act 2006 over the course of the reporting period.

Stakeholder	Why they are important	Engagement
Shareholders	Continued shareholder support and engagement are critical to the continuing existence of the business and the delivery of its long-term strategy of its business	– Annual General Meeting (AGM): The Company welcomes attendance and participation from shareholders at the AGM. If attending, shareholders have the opportunity to meet the Directors and ask questions at the AGM. The Board values the feedback and questions which it receives from shareholders. – Publications: The annual and interim results presentations, as well as quarterly reports and factsheets, are available on the Company's webpage with their availability announced via the stock exchange. Feedback and/or questions received from shareholders enable the Company to evolve its reporting which, in turn, helps to deliver transparent and understandable updates. – Shareholder communication: The Portfolio Manager communicates with shareholders periodically. All investors are offered the opportunity to meet the Chair, Senior Independent Director, or other Board members without using the Portfolio Manager or Company Secretary as a conduit, by writing to the Company's registered office. During the period under review, the Chair met with several of the Company's largest investors to discuss performance, strategy and the Company's promotional activities. The Board have also corresponded by letter and email with shareholders. – Investor Relations updates: At every Board meeting, the Directors receive updates on the share trading activity, share price performance and any shareholders' feedback, as well as any publications or comments in the press. To gain a deeper understanding of the views of its shareholders and potential investors, the Portfolio Manager also undertakes Investor Roadshows following publications of results and an annual Capital Markets event. – Working with external partners: the Board also engages some external providers, such as investor communications advisors to obtain a more detailed view on specific aspects of shareholder communications, such as developing more effective ways to communicate with investors.

Strategic Review

Stakeholder	Why they are important	Engagement
The Portfolio Manager	Holding the Company's shares offers investors a liquid investment vehicle through which they can obtain exposure to the Company's diversified portfolio of public and private equity investments. The Portfolio Manager's performance is critical for the Company to deliver its investment strategy successfully and meet its objective to achieve long-term capital growth through investing in a diversified portfolio with a focus on UK companies, both quoted and unquoted.	Maintaining a close and constructive working relationship with the Portfolio Manager is crucial as the Board and the Portfolio Manager both aim to continue to achieve consistent, long-term returns in line with the investment objective. The Board invites the Portfolio Manager to attend all Board and certain Committee meetings in order to update the Directors on the performance of the investments and the implementation of the investment strategy and objective. Important components in the collaboration with the Portfolio Manager are: – Encouraging open discussion with the Portfolio Manager. – Recognising that the interests of shareholders and the Portfolio Manager (as well as of its other clients) are, for the most part, well aligned, adopting a tone of constructive challenge, balanced when those interests are not fully congruent by robust negotiation of the Portfolio Manager's terms of engagement. – Drawing on Directors' individual experience to support the Portfolio Manager in its monitoring and change management of portfolio companies, for the benefit of all of the Portfolio Managers' clients.
Investee companies	The Board is committed to responsible investing and actively monitors the activities of investee companies through its delegation to the Portfolio Manager.	In order to achieve this, the Portfolio Manager has discretionary powers to exercise voting rights on behalf of the Company on all resolutions proposed by the investee companies, when the Company's rights permit voting. In respect of the year under review, the Portfolio Manager engaged with many of its investee companies and voted at all of the annual general meetings and extraordinary meetings held during the year by the Company's portfolio companies (further details can be found on pages 13 and 14). The Board monitors investments made and divested and questions the Portfolio Manager's rationale for exposures taken and voting decisions made.
Wider society and the Environment	Whilst strong long term investment performance is essential for an investment trust, the Board recognises that to provide an investment vehicle that is sustainable over the long term, both it and the Portfolio Manager must have regard to ethical and environmental issues that impact society. Hence environmental, social and governance ('ESG') considerations are integrated into the Portfolio Manager's investment process and will continue to evolve.	Further details of the Portfolio Manager's integrated approach to ESG can be found on page 14.
The Company Secretary, the registrar, the depositary, the corporate broker, the AIFM	In order to function as an investment trust with a premium listing on the London Stock Exchange, the Company relies on a diverse range of advisers to support meeting all relevant obligations.	The Board maintains regular contact with its key external providers, both through the Board and Committee meetings, as well as outside of the regular meeting cycle. Their advice, as well as their needs and views, are routinely taken into account. During the period, the Management Engagement Committee continued to undertake reviews of the third-party service providers and agreed that their continued appointment remained in the best interests of the Company and its shareholders.

Strategic Review

Stakeholder	Why they are important	Engagement
Lenders	Availability of funding and liquidity are crucial to the Company's ability to take advantage of investment opportunities as they arise.	Considering how important the availability of funding is, the Company aims to demonstrate to lenders that it is a well-managed business and, in particular, that the Board focuses regularly and carefully on the management of risk. The Portfolio Manager manages the relationship with the Company's lender and reports to the Board at each meeting and as and when required for renewals of terms or negotiation of loan covenants. The Portfolio Manager provides a monthly statement of compliance the loan covenants to the lender.
Institutional Investors and proxy advisers	Support from the major institutional investors and proxy adviser agencies is important to the Directors, so the Company aims to maintain its reputation for high standards of corporate governance, which contributes to its long-term sustainable success.	Recognising the principles of stewardship, as promoted by The UK Stewardship Code 2020, the Board welcomes engagement with all of its investors. The Board recognises that the views, questions from and recommendations of many institutional investors and proxy adviser agencies provide a valuable feedback mechanism and play a part in highlighting evolving shareholders' expectations and concerns. The Board works with the Company Secretary and the Portfolio Manager's Active Ownership team when engaging with proxy advisers, and expects to do so again ahead of the upcoming AGM.
Regulators	The Company can operate only with the approval of its regulators which have a legitimate interest in how it operates in the market and treats its shareholders.	The Board regularly considers how it meets various regulatory and statutory obligations and follows voluntary and best-practice guidance, while being mindful of how any governance decisions which it makes can affect its shareholders and wider stakeholders, in the short and in the long term. The Board receives reports from the AIFM, Portfolio Manager corporate broker and Company Secretary on their respective regulatory compliance areas.

Key Decisions

Examples of the Board's key decisions during the year, how the Board fulfilled its duties under Section 172 of the Companies Act 2006 and the related engagement activities are set out below:

Principal decision	Long-term impact	Stakeholder Considerations and Engagement
To undertake a strategy review and change the investment strategy	Reviewing strategy and setting a clear strategic direction is key to the long term ability of the Company to deliver compelling returns to shareholders.	The Board undertook a thorough strategic review exercise in Q1 2022, taking on broad market feedback gathered by the Portfolio Manager. As a result, the Board are asking shareholders to approve the proposed changes to the Company's investment objective and investment policy.
To renew and extend the credit facility	In line with its approach to balance sheet management, extended its revolving credit facility. This provides additional flexibility to manage the balance sheet to support the growth of NAV. Furthermore, the Board agreed the Portfolio Manager's proposal to limit gearing to 110% of NAV.	The Board regularly reviews the cash position and commitments taking into consideration the impact on shareholders. In the year to 31 December 2021, the Company's loan agreement was renegotiated twice following extensive engagement with the lender. The facility available to the Company is now at a level which both the Board and Portfolio Manager believe is proportionate to the anticipated use of gearing in future, and is a level with which investors will be comfortable.

Strategic Review

Principal decision	Long-term impact	Stakeholder Considerations and Engagement
NAV reporting	Private investments continue to undergo a rigorous quarterly valuation process and retrospective valuations covering these private investments are released either in the full year accounts, the interim report or the quarterly updates. The Board do not currently foresee a near term scenario in which the Company would revert to quarterly valuations, however it will continue to monitor the most appropriate frequency for valuation updates given the mix of public and private investments in the portfolio.	The Board considered the feedback received directly from shareholders and through the Portfolio Manager and corporate broker. In March 2020 the Board moved from daily portfolio valuations to quarterly, given the predominantly private nature of the portfolio at that time. Given the ongoing strategy of rebalancing the portfolio and the increase in the Company's exposure to listed holdings, the Board reverted to valuation reporting on a daily basis on 1 November 2021.
Buybacks	The Board are cognisant of the prevailing discount to NAV, which has been a keen area of focus. Whilst buybacks can be a useful tool in helping to address discounts, they are far from the only one. Liquidity within the portfolio continues to improve however the reshaping of the portfolio is not complete. The Board were pleased that a number of liquidity events have helped improve the Company's balance sheet and the Board therefore decided it prudent to use this cash to pay down the Company's debt rather than fund buybacks. The additional liquidity also now allows the Portfolio Manager to make new investments which are shaping the future direction of the Company.	The Board considered the feedback received directly from shareholders and through the Portfolio Manager and corporate broker. Given the significant reduction in the Company's debt, the Company is better placed to use cash for buy backs however this will be considered against the opportunities for further investment identified by the Portfolio Manager.
To make new appointments to the Board	Continuing to develop and evolve the Board so that it contains an appropriate mix of skills, diversity and experience is important to promote the long-term success of the Company.	During the year, Tim Edwards was appointed to the Board and succeeded Susan Searle as Chair following her retirement at the Company's AGM on 4 June 2021. This appointment was made to promote the best long term interests of the Company, bring requisite skills to the Board and in compliance with the Company's wish to refresh Board membership every two to three years.

Strategic Review

Principal risks and uncertainties

The Audit, Risk and Valuation Committee has carried out a robust assessment of the Company's principal and emerging risks during the period under review, including those that would threaten its business model, future performance, solvency, liquidity or reputation. The process involves the maintenance of a risk register, which identifies the risks facing the Company and assesses each risk on a scale, classifying the likelihood of the risk and the potential impact of each risk to the Company. This helps the Board focus on any identified risk of particular concern and aids the development of the Board's risk appetite. In developing the risk management process, the Board took into consideration the Guidance on Risk Management, Internal Control and Related Financial and Business Reporting issued by the Financial Reporting Council (FRC). The Board has established controls to mitigate the risks faced by the Company, which are reviewed on a regular basis to ascertain the effectiveness of each control.

The principal risks and uncertainties faced by the Company are set out below. The risks arising from the Company's financial instruments are set out in note 20 on pages 73 to 78.

Risk	Mitigation
1. General economic and market risk Besides COVID-19 there are many other factors which can affect the general economic outlook and thus the business prospects for investee companies and their valuations. In particular, the extraordinary economic measures adopted by governments globally since 2020 in response to COVID-19 to maintain economic activity may prove insufficient or misguided. Unanticipatedly low or high levels of inflation are both real possibilities with potentially material consequential impacts on valuations. The Board also discussed and monitored a number of risks that could potentially impact the Company's ability to meet its strategic objectives. These were political risk, climate change risk, and the potential economic and policy effects of Russia's invasion of Ukraine, in particular higher inflation in the UK and globally. Climate change can create sudden economic dislocations as a result of flooding, droughts, famines, civil war, etc. which in turn can have significant market impact; and Following a long period of strong equity market performance, and even more so in certain technology sectors, a further sharp correction remains possible. This could lead to lower valuation levels for both quoted and unquoted securities, a more difficult funding environment and difficulties for companies seeking initial public offerings (IPOs). Realisation of value may thus be postponed.	The Portfolio Manager keeps the Board fully briefed with their economic & market outlook. While the Portfolio Manager's style is to be a patient, longer-term and supportive investor, the Portfolio Manager is willing to take advantage of favourable market conditions to make disposals and to invest when market conditions are difficult. The aim is for the Company to be at least 90% invested at all times but the Company maintains a credit facility in order to take advantage of opportunities. (Note: The Company's investment restrictions allow gearing up to 20% of NAV, calculated at the time of borrowing.) The Company expects to continue to invest in particular situations and technologies whose business performance may have less correlation with the broader equity market. Over a full market cycle the expectation is the Company will be on average 100% invested. Thus, the Company will retain a reasonable element of market exposure. The Board believes that this approach aligns with shareholders' expectations and that investing in this asset class is not well suited to market timing.
2. Portfolio concentration risk Some of the Company's investments have demonstrated relatively more success and/or required more funding than others, which has led to those investments representing larger proportions of the portfolio than might be expected. While both the Board and the Portfolio Manager feel that undue concentration is not desirable in the longer term, in the shorter term, portfolio concentration can be acceptable. In any event, the nature of the investments means that any rebalancing of the portfolio will likely take time, as they cannot always be sold quickly. The Portfolio Manager, under delegated authority from the Board, has authority regarding portfolio construction	The Company's portfolio is monitored closely by the Board, the AIFM and the Portfolio Manager. The Company seeks to invest in a diversified portfolio across a wide range of companies so as to mitigate against the risk posed by an individual early-stage or early-growth company. However, the Board is mindful that the Company was established with the aim of providing long-term growth and that concentration can be a sign of success as a result of assets backed becoming more valuable. Short-term liquidity problems with the Company's underlying holdings, which may be compounded by market events, should be

Strategic Review

Risk	Mitigation
2. Portfolio concentration risk (continued) and managing questions of portfolio concentration in the best interests of the shareholders. This approach is in line with the Portfolio Manager's investment strategy and investment philosophy. The alternative, of imposing limits on the size of any one investment, other than at the time of investment, would potentially result in the Company being a forced seller of an investment that still had further growth potential. The risk linked to any portfolio concentration might be compounded due to the nature of some of the businesses and the risks associated with both commercial and technical milestones.	mitigated over time when such companies deliver on their milestones and value is recognised. The Board also considers increased specific risk that may arise from increased concentration, as the result of the relative success of certain investee companies. The Board discusses this risk with the Portfolio Manager, and where appropriate with the AIFM, with a view to considering whether or not to seek to reduce the size of particularly large holdings within the portfolio. However, the Board is mindful that through the AIFM it has delegated investment management decisions to the Portfolio Manager to make as it sees fit. The holding in Oxford Nanopore represented 36.7% of the Company's total investments as at 31 December 2021, making it a material concentration risk following its strong performance in the lead up to and following its successful IPO. The Company will explore options to reduce the portfolio concentration risk over time. The Board regularly receives updates from the Portfolio Manager on the engagement the team is conducting with all investee companies to challenge them on delivery of value to investors and their proposed route to success. The Board can challenge the Portfolio Manager to engage more vigorously and/or seek partial disposals to reduce the risk of delayed or limited success by investee companies
3. Performance risk There is always, for any investment portfolio, the generic risk of poor performance arising as a result of poor decisions made by the Portfolio Manager. In addition, given the long-term nature of this investment strategy (up to 10 years) and the absence of a clear benchmark, it is not necessarily easy to make an evaluation of the Portfolio Manager based simply on returns over shorter periods.	This risk is mitigated by the Board monitoring the performance of the portfolio and the decisions made by the Portfolio Manager through detailed reporting on the decisions. The Board seeks to evaluate the general quality and nature of portfolio decisions as well as the performance. Where the Board determines that the Portfolio Manager is not performing to a satisfactory standard, the Board, together with the AIFM for the portfolio, may decide to terminate the appointment of the Portfolio Manager under the terms of its contract.
4. General valuation risk The valuation of unquoted early stage companies is inherently subjective. Valuation at a fixed point in time may not be representative of the medium or longer term. Particular events at a company or particular funding rounds may have a significant impact. Information may not be as widely available as with public companies. Companies may not yet have meaningful revenues or profits. Considerable uncertainty may exist around the eventual feasibility and value of a particular technology or its commercialisation.	The Company employs LFS, the AIFM, who has been delegated responsibility for the valuation of the assets in the portfolio. LFS, in turn, uses extensive research and input from its own valuation specialist provider, IHSMarkit (part of S&P Global). They conduct a regular rolling review of the valuation of all portfolio assets and also review their valuations in the event of any significant triggers at individual investee companies. They follow the widely respected and widely followed IPEVCV guidelines in executing these valuations; these processes are explained on pages 64 and 65 in the notes to the Accounts.
5. Portfolio specific valuation risk Where other portfolio managers seek to make disposals of securities held in portfolios they manage and these securities are also held by the Company, the valuation of these securities may thereby be affected. Equally, market anticipation of these disposals may also impact valuations.	The Board receives updates from the Portfolio Manager regarding disposal, investment and funding plans. In as much as the Portfolio Manager is aware of the holdings the Fund is seeking to sell (because these were publicly disclosed), the Portfolio Manager can adjust the divestment plan accordingly. In addition, where necessary and possible, the Portfolio Manager can seek to postpone or avoid further funding. The Portfolio Manager regularly categorises the Company's positions in terms of relative future importance, which helps the Board assess divestment and funding decisions.

Strategic Review

Risk	Mitigation
5. Portfolio specific valuation risk (continued) As the manager of the LF Equity Income Fund (the “Fund”), formerly the LF Woodford Equity Income Fund, which used to be managed by the Company’s previous Portfolio Manager, seeks to make disposals of unquoted positions in the Fund, these disposals may indirectly lead to downward revaluation of some of the Company’s holdings when the independent valuation agent references prices of recent transactions. In as much as the wider market and other investors in the Company’s investee companies are also aware of the disposal process of the Fund they may seek more demanding terms on any future funding rounds which may also in turn impact valuations.	
6. Investee company specific risk The Company invests in a variety of biopharma and technology businesses, many of them relatively early stage, where the technology is not yet fully proven or commercialised. This can offer very significant financial success when the technology delivers but also carries downside risks particular to the companies concerned. The eventual outcome for some of these companies may be somewhat binary in as much as either the technology works, or it does not, resulting in the company concerned becoming worth significantly less. Failure may materialise, for instance, in the case of clinical trials for a biotechnology business, in the case of scaling up or commercialisation of an engineering business or in terms of the appearance of a new, previously unknown competitor for a software company. Leading edge commercial scientific development in many fields is by its nature risky. The performance of the Company’s individual holdings, together with market events, may thus create short-term volatility in the Company’s NAV.	The Portfolio Manager conducts regular reviews of these businesses through engaging regularly with all investee companies to monitor progress. The Portfolio Manager also carries out due diligence on the relevant technologies and obtains regular updates. The Portfolio Manager uses its own proprietary analytics to assess the prospects for investee companies and may also seek expert third party opinions regarding the likely success of the technology. The Board seeks assurance from the Portfolio Manager through its regular portfolio review meetings that thorough research has been, and is being, conducted. The Board can challenge the Portfolio Manager to engage more vigorously and/or seek partial disposals to reduce the risk of delayed or limited success by investee companies.
7. Cyber risk Each of the Company’s service providers is at risk of cyber attack, data theft, service disruption, etc. While the risk of financial loss by the Company is probably small, the risk of reputational damage and the risk of loss of control of sensitive information is more significant, for instance a GDPR breach. Many of the Company’s service providers and the Board often have sensitive information regarding transactions or pricing and information regarded as inside information in regulatory terms. Data theft or data corruption per se is regarded as a lower order risk as relevant data is held in multiple locations.	The Board receives controls reports from its service providers which describe the protective measures they take as well as their business recovery plans. In addition, the Board received presentations from the Portfolio Manager, on cyber risk and the additional steps it and its service providers were taking during the COVID-19 pandemic and the need for employees to work from home.

Strategic Review

Risk	Mitigation
8. Gearing risk The Company has the ability to employ gearing up to a maximum of 20 per cent of NAV, calculated at the time of borrowing. The Company has utilised its gearing facility in order to invest further behind specific portfolio companies which means there is less flexibility to make new investments and provide follow-on funding to the portfolio companies. A higher level of gearing may have a significant downside effect on the Company's NAV during a period of poor performance or decline in the market and may impact the Company's debt covenants. A significant downturn in the values of equity market assets, which also impacts the valuations of unquoted assets, could mean it is significantly more difficult to realise disposals or that the prices that can be realised are materially below the current carrying values. Thus, this may also trigger a need to renegotiate the debt facility or simply affect valuation levels.	The Board receives regular reports from the Administrator on the outstanding amount of the debt and regular reports from the Portfolio Manager on the programme of disposals. Gearing is reviewed by the Board at each Board meeting and more often, as necessary. The Portfolio Manager provides weekly updates to the debt provider. The Portfolio Manager also provides a thorough analysis of any anticipated funding decisions and possible liquidity events of the portfolio companies. This allows the Board to assess the Company's ability to meet its commitments and maintain its financing facility. When loan facility terms are being reconsidered, the Board works very closely with the Portfolio Manager to optimise any agreement. In January 2021, the Company extended its credit facility to 30 January 2023. The commitment under the facility was reduced to £107.03 million, in-line with the amount drawn under the facility at that time and consistent with the Company's intention to reduce borrowings. In March 2021, the commitment under the facility was reduced to £60 million and was converted to a revolving credit facility. In April 2021, the balance under the revolving credit facility was paid in full and converted to a £55 million revolving credit facility and further reduced to £40 million following an amendment dated 22 October 2021. The Board views the reduction in the loan balance as a significant mitigation of gearing risk. The Company's investment restrictions allow gearing up to 20% of NAV, calculated at the time of borrowing. The Board have approved the Portfolio Manager's utilisation of the revolving credit facility up to a level of 110% invested.
9. Portfolio Manager and key man risk The Portfolio Manager operates a team approach to portfolio management and decision making so the risk arising from the departure of one or more of the Portfolio Manager's key investment professionals should not necessarily prevent the Company from achieving its investment objective. The Portfolio Manager's resources could become stretched through the launch of new products or team departures leading to a lack of focus on the Company's portfolio. The Portfolio Manager could terminate its contract with the Company. This event would have an impact on the management of the portfolio and would constitute a technical default on the debt facility, requiring renegotiation or substitution, likely on less favourable terms.	The Portfolio Manager has a compensation and incentive scheme to retain key staff and has developed a suitable succession planning programme, which seeks to ease the impact that the loss of a key investment professional may have on the Company's performance. The Portfolio Manager will notify any change in its key professionals to the Board at the earliest possible opportunity and the Board will be made aware of all efforts made to fill a vacancy. Furthermore, investment decisions are made by a team of professionals, mitigating the impact of the loss of any key professional within the Portfolio Manager's organisation on the Company's performance. Recent experience suggests that the Board would be able to identify an alternative Portfolio Manager should the need arise and the Board noted the successful execution of Schroders' succession plan when Roger Doig and Jack Dempsey succeeded Ben Wicks in September 2021.

Strategic Review

Risk	Mitigation
10. Outsourced service provider risk The Company has no employees and the Directors have been appointed on a non-executive basis. The Company is reliant upon the performance of third-party service providers for its executive function. The AIFM, the Portfolio Manager, the depositary, the Company Secretary and the Administrator will be performing services that are integral to the operation of the Company. Failure of any of its third-party service providers to perform in accordance with the terms of its appointment could have a material detrimental impact on the operation of the Company. Furthermore, any of the Company's service providers could terminate their contract. Equally, the Company's reputation could be affected by shortcomings at one of its providers in respect of dealing with the providers' other clients or regulatory failings.	The performance of the Company's service providers is monitored closely by the Board and in particular by the Management Engagement Committee. The Management Engagement Committee monitors service providers and their activities. Each of the service providers has a notice period so as to allow an alternative to be appointed. The controls and operations of each service provider, other than the Company Secretary and Portfolio Manager, are subject to a detailed analysis of their operations, which includes testing their key systems to identify any weaknesses, by independent service auditors on at least an annual basis. The findings of each review are detailed in assurance reports, copies of which are provided to the Audit, Risk and Valuation Committee for its review, so that it can gain a greater understanding of the risk management processes and how they apply to the Company's business. The Directors also received confirmation from the AIFM, Portfolio Manager, depositary and custodian, and the registrar on the arrangements for working during the COVID-19 pandemic lockdown. The Board, as appropriate, seek updates from service providers regarding their regulatory compliance and standing with customers.
11. Currency risk In as much as the Portfolio Manager now no longer seeks to hedge non-sterling currency exposures through forward foreign exchange contracts and some of the Company's investments are based wholly or partly outside the UK or have revenues in currencies other than sterling then the value of the portfolio, in sterling terms, may be affected negatively by a rise in sterling relative to these other currencies and, equally, positively by a fall in sterling.	The Portfolio Manager regularly reports to the Board and highlights any significant impacts of currency movements on the value of investments.

Risk assessment and internal controls review by the Board

Risk assessment includes consideration of the scope and quality of the systems of internal control operating within key service providers, and ensures regular communication of the results of monitoring by such providers to the Audit, Risk and Valuation Committee, including the incidence of significant control failings or weaknesses that have been identified at any time and the extent to which they have resulted in unforeseen outcomes or contingencies that may have a material impact on the Company's performance or condition.

No significant control failings or weaknesses were identified from the Audit, Risk and Valuation Committee's ongoing risk assessment which has been in place throughout the financial year and up to the date of this report or the controls reports that were received from all service providers and reviewed by the Committee. The Board is therefore satisfied that it has undertaken a detailed review of the risks facing the Company.

Strategic Review

Going Concern

The Board has considered the Company's principal risks and uncertainties (including whether there are any emerging risks); has scrutinised the detailed cash flow forecast prepared by the Portfolio Manager; and considered their assessment of the likelihood and quantum of funds which could be raised from sales of investments. The Portfolio Manager has also performed a range of stress tests, and demonstrated to the Board that even in an adverse scenario of depressed markets and restrictions on sales in the private equity market, the Company could still generate sufficient funds from sales of investments to meet its liabilities over the next twelve months. As a result, the Board is comfortable that the Company will have sufficient liquid funds to pay operating expenses.

The Board has also considered the provisions in the new revolving credit facility, and have taken into account the modest utilisation of the facility during the year and up to the date of this report.

On this basis, the Board considers it appropriate to adopt the going concern basis of accounting in the Company's accounts, and has not identified any material uncertainties to the Company's ability to continue as a going concern over a period of at least twelve months from the date of approval of these financial statements.

Viability Statement

The Board has assessed the prospects of the Company over the five-year period ending 31 December 2026. The Board considers a five-year period to be appropriate because it is the minimum holding period that it would recommend to a prospective investor considering purchasing shares in the Company.

The Board has considered the principal risks set out on pages 29 to 33 and detailed cash flow forecasts prepared by the Portfolio Manager, and stress case scenarios, including the possibility of breach of its loan covenants.

The Board believes that the portfolio will provide shareholders with satisfactory returns from the investment portfolio over a five-year period and that there will be continued demand for the Company's shares.

Having considered all of the Company's resources, strategy, risks and probabilities, the Board has a reasonable expectation that the Company will continue to operate and meet its liabilities as they fall due, during the five year period to 31 December 2026.

By order of the Board

Schroder Investment Management Limited
Company Secretary

20 April 2022

Board of Directors



Tim Edwards

Status: independent non-executive Chair

Length of service: One year – appointed a Director on 26 February 2021

Experience: Tim is a Chartered Accountant with a background in corporate finance and venture investing. Previously, Tim was a member of the governing Board of InnovateUK, the UK's innovation agency, a director of the UK Cell and Gene Therapy Catapult and chair of the UK BioIndustry Association. Tim is currently chairman of Storm Therapeutics Limited, Modulus Oncology Limited and EndLyz Therapeutics Inc., and Senior Independent Director of Record plc, and a director of AstronautX Limited.

Committee membership: Audit, Risk and Valuation, Management Engagement and Nomination Committees

Current remuneration: £48,070 per annum

Number of shares held: 210,203



Raymond Abbott

Status: independent non-executive director

Length of service: Two years – appointed a Director on 1 October 2019

Experience: Raymond has strong experience in the investment trust sector and possess expertise in early stage technology investments. Raymond is currently the chairman of Foresight Enterprise VCT plc, Scottish Building Society and Integrated Environmental Solutions Ltd and is chair of the advisory panel for the North East Fund. Raymond is an accountant by background, beginning his career at KPMG before pursuing a career in venture capital and private equity, latterly as managing director, Alliance Trust Equity Partners. He has experience as a board director and a fund manager with an emphasis on private equity. Prior to commencing his career, Raymond graduated from the University of Edinburgh.

Committee membership: Audit, Risk and Valuation, Management Engagement and Nomination Committees

Current remuneration: £31,050 per annum

Number of shares held: 100,000



Scott Brown

Status: independent non-executive director

Length of service: Seven years – appointed a Director on 13 February 2015

Experience: Scott is chief executive of Nexeon Limited, an Imperial College spin-out focused on developing silicon anode technology for next generation Li-ion battery technology. During his tenure, he has led the change in the company's strategy to successfully move from an IP licensing business model to one of material production and supply. Previously, Scott was executive vice president at Cambridge Display Technology (CDT), responsible for commercial and IP activities of the company. Prior to CDT, Scott was global R&D director for the electronic materials business at Dow Corning (now a wholly-owned subsidiary of Dow Chemical), a US-headquartered multinational corporation with over US\$6bn in annual revenues. Scott holds a PhD in Chemistry, an MBA and is a Fellow of the Royal Society of Chemistry.

Committee membership: Audit, Risk and Valuation, Management Engagement and Nomination Committees

Current remuneration: £31,050 per annum

Number of shares held: 78,269

Board of Directors



Stephen Cohen

Status: independent non-executive director

Length of service: Two years – appointed a Director on 28 June 2019

Experience: Stephen has extensive asset management and fund experience. He spent the bulk of his career at Mercury Asset Management where he led both investment teams and business units. He has been actively involved with open-end and closed-end funds, in multiple jurisdictions, for over 30 years. He is currently the chair of the audit committee at JPMorgan Japanese Investment Trust plc. Stephen is also a Commissioner at the Gambling Commission and a Council Member at the Health & Care Professions Council. Stephen is a graduate of the University of Oxford.

Committee membership: Audit, Risk and Valuation, Management Engagement and Nomination Committees (Chairman of Audit, Risk and Valuation Committee)

Current remuneration: £41,400 per annum

Number of shares held: 309,737



Jane Tufnell

Status: senior independent non-executive director

Length of service: Two years – appointed a Director on 2 September 2019

Experience: Jane has spent the majority of her career at Ruffer Investment Management, which she co-founded in 1994 and where she worked until 2015. She is currently chair of Odyssean Investment Trust PLC and ICG Enterprise Trust PLC. Jane is a graduate of the University of Cambridge.

Committee membership: Audit, Risk and Valuation, Management Engagement and Nomination Committees (Chair of Management Engagement and Nomination Committees)

Current remuneration: £36,225

Number of shares held: 500,000

Directors' Report

The Directors (listed on pages 35 and 36) present their report and audited financial statements of the Company for the year ended 31 December 2021.

Directors and officers

Chair and Senior Independent Director

The Chair is independent and the Board considers that he has sufficient time to commit to the Company's affairs.

There is a clear division of responsibility between the Chair, the Directors, the Portfolio Manager and the Company's other third-party service providers. The Chair is responsible for leading the Board, ensuring its effectiveness in all aspects of its role and is responsible for ensuring that all Directors receive accurate, timely and clear information.

Jane Tufnell is the Board's Senior Independent Director (SID). She acts as a sounding board for the Chair, meets with major shareholders as appropriate, provides a channel for any shareholder concerns regarding the Chair and takes the lead in the annual evaluation of the Chair by the independent directors.

Company Secretary

Schroder Investment Management Limited provides company secretarial support to the Board and is responsible for assisting the Chair with board meetings and advising the Board with respect to governance. The Company Secretary also manages the relationship with the Company's service providers. Shareholders wishing to lodge questions in advance of the AGM are invited to do so by writing to the Company Secretary at the address given on the outside back cover.

Role and operation of the Board

Under the leadership of the Chair, the Board of Directors is collectively responsible for the long-term success of the Company. It provides overall leadership, sets the strategic aims of the Company and ensures that the necessary resources are in place for the Company to meet its objectives and fulfil its obligations to shareholders within a framework of high standards of corporate governance and effective internal controls. The Strategic Report on pages 21 to 34 sets out further detail on the Company's strategy and future developments, and also includes other information required to be included in the Directors' Report, which is incorporated by reference.

At each board meeting the Directors follow a formal agenda, which includes a review of the Company's NAV, financial position, gearing levels, peer group performance, investment performance, asset allocation and transactions and any other relevant business matters to ensure that control is maintained over the affairs of the Company. The Board monitors compliance with the Company's objective, investment policy, borrowing and hedging policies and reviews the investment strategy. The Board regularly receives reports from the Portfolio Manager on marketing and investor relations. The proceedings at all board and committee meetings are fully recorded through a process that allows any Director's concerns to be recorded in the minutes.

The Board meets regularly throughout the year and representatives of the Portfolio Manager are in attendance,

when appropriate, at each meeting and most committee meetings. The Board has agreed a schedule of matters specifically reserved for decision by the Board. This includes setting the Company's strategy, appointing the Portfolio Manager and setting the overall investment objectives within which the Portfolio Manager is free to operate.

Prior to each board and committee meeting, Directors are provided with a comprehensive set of papers giving detailed information on the Company and all Directors have timely access to all relevant management, financial and regulatory information.

The terms and conditions of the appointment of Directors are formalised in letters of appointment, copies of which are available on request from the Company Secretary. None of the Directors has a contract of service with the Company nor has there been any other contract arrangement between the Company and any Director at any time during the year. Directors are not entitled to compensation for loss of office.

The Directors have access to independent professional advice if necessary and at the Company's expense. This is in addition to the access that every Director has to the advice and services of the Company Secretary, who is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with.

Conflicts of interest

The Articles of Association provide that the Directors may authorise any actual or potential conflict of interest that a Director may have, with or without imposing any conditions that they consider appropriate on the Director. Directors are not able to vote in respect of any contract, arrangement or transaction in which they have a material interest and, in such circumstances, they are not counted in the quorum. A process has been developed to identify any of the Directors' potential or actual conflicts of interest. This includes declaring any potential new conflicts before the start of each board meeting. A schedule is maintained of each Board member's potential conflicts of interest.

Board committees

In order to assist the Board in fulfilling its governance responsibilities, it has delegated certain functions to committees. The roles and responsibilities of these committees, together with details of work undertaken during the year under review, are outlined over the next few pages.

The reports of the Audit, Risk and Valuation Committee, Management Engagement Committee and Nomination Committee are incorporated into and form part of the Directors' Report.

Internal control review

The Directors are responsible for the systems of internal control relating to the Company and the reliability of the financial reporting process, and for reviewing their effectiveness. An ongoing process has been established for identifying, evaluating and managing the principal and emerging risks faced by the Company. This process, together with key procedures established with a view to providing effective financial control, was in place during the year under review and at the date of the signing of this report.

The internal control systems are designed to ensure that proper accounting records are maintained, that the financial information on which business decisions are made and

Directors' Report

which are issued for publication is reliable and that the assets of the Company are safeguarded.

The risk management process and systems of internal control are designed to manage rather than eliminate the risk of failure to achieve the Company's objectives. It should be recognised that such systems can only provide reasonable, not absolute, assurance against material misstatement or loss.

The Directors have carried out a review of the effectiveness of the Company's risk management and internal control systems as they have operated over the period and up to the date of approval of the report and financial statements. Details of this review can be found on pages 29 to 33. There were no matters arising from this review that required further investigation and no significant failings or weaknesses were identified. The risks arising from the Company's financial instruments are set out in note 20 on pages 73 to 78.

Key service providers

The Board has adopted an outsourced business model and has appointed the following key service providers:

Portfolio Manager

Under the terms of the Portfolio Management Agreement dated 13 December 2019, a fee is payable to the Portfolio Manager quarterly in arrears effective from 13 March 2020. The fee is calculated and accrued daily based on the Company's market capitalisation. The fee is payable at a rate of the aggregate of 1.0% per annum of the market capitalisation up to £600 million, and 0.8% per annum of market capitalisation over £600 million.

A performance fee may be payable to the Portfolio Manager based on the achievement of a performance target, but no performance fee will be payable until 31 December 2022. For the "Initial Performance Period", Schroders will be eligible to a fee of 15% of any excess of the "Adjusted NAV per Share" above 77p. Thereafter, for each "Performance Period", a performance fee of 15% of any performance above a "Target NAV per Share" will be payable.

The agreement may be terminated by the AIFM or Portfolio Manager providing six months' written notice, such notice not to be served earlier than 18 months from 13 December 2019.

The Board has adopted an outsourced business model and has appointed the following other key service providers:

AIFM

Link Fund Solutions Limited, a UK-based company authorised and regulated by the Financial Conduct Authority (FCA), has been appointed as the Company's AIFM for the purposes of the AIFMD. The AIFM monitors the Portfolio Manager of the Company and ensures that the Company's assets are valued appropriately in accordance with the relevant regulations and guidance. The AIFM agreement can be terminated by either party by providing three months' written notice. Details of all amounts payable to Link Fund Solutions Limited are given in note 17 on page 72.

Depository

The Company's depository is Northern Trust Investor Services Limited, a company authorised by the Prudential Regulation

Authority (PRA) and regulated by the FCA and PRA, following novation of the original agreement on 17 December 2021 from Northern Trust Global Services SE. The Northern Trust Company (as a delegate of the depository) provides custody services to the Company. In addition to safekeeping of custodial assets, the depository is responsible for verifying asset ownership of all other assets, together with the collection of income, and to oversee that the Company is run in accordance with the FCA's Investment Funds Sourcebook. The fee payable to the depository is based on the Company's net assets. The fees throughout the period under review equated to 0.01 per cent of the first £10 billion of the Company's net assets (exclusive of VAT and out-of-pocket expenses) and a fee of 0.0075 per cent on all assets over £10 billion. The depository agreement can be terminated by either party by providing six months' written notice.

Administrator

Northern Trust Global Services SE (the administrator), a company authorised and regulated by the FCA, has been appointed as the administrator of the Company. The administrator is responsible for the Company's general administrative functions, such as the calculation of the NAV and maintenance of the Company's accounting records. The fee payable to the administrator is based on the Company's net assets. The fees for the period under review equated to 0.02 per cent of the Company's net assets (exclusive of VAT and out-of-pocket expense). The administration agreement can be terminated by either party by providing six months' written notice.

Registrar

Link Group has been appointed as the Company's registrar. Link's services to the Company include share register maintenance (including the issuance, transfer and cancellation of shares as necessary), acting as agent for the payment of any dividends, management of company meetings (including the registering of proxy votes and scrutineer services as necessary), handling shareholder queries and correspondence and processing corporate actions.

Compliance with the AIC Code of Corporate Governance

The Company is committed to maintaining high standards of corporate governance and considers that reporting against the principles and recommendations of the Association of Investment Companies (AIC) Code of Corporate Governance issued in February 2019 (the AIC Code), provides better information to shareholders as it addresses all the principles set out in the 2018 UK Corporate Governance Code (the UK Code), as well as setting out additional principles and recommendations on issues that are of specific relevance to investment trusts, and is endorsed by the Financial Reporting Council (FRC).

The terms of the FRC's endorsement mean that AIC members who report against the AIC Code meet fully their obligations under the UK Code and the related disclosure requirements contained in the Listing Rules. The AIC Code is available from the AIC website at theaic.co.uk. A copy of the UK Code can be obtained at frc.org.uk.

Directors' Report

The Board has reviewed the principles and provisions of the AIC Code and considers that it has complied throughout the year with the exception of establishing a separate remuneration committee. The Nomination Committee, chaired by the Senior Independent Director Jane Tufnell, reviews Directors' remuneration and makes recommendations to the Board. The Board's application of the principles and provisions are detailed throughout this Directors' Report and the Committee Reports which follow.

Other required Directors' Report disclosures under laws, regulations, and the AIC Code

Status of the Company

The Company was incorporated in England & Wales on 26 January 2015 and started trading on 21 April 2015, immediately upon the Company's listing. It is an investment company within the meaning of Section 833 of the Companies Act 2006 and operates as an investment trust in accordance with Sections 1158/1159 of the Corporation Tax Act 2010 (CTA) and the Investment Trust (Approved Company) (Tax) Regulations 2011. HM Revenue & Customs approved the Company as an investment trust upon its listing. In the opinion of the Directors, the Company has conducted its affairs so that it is able to maintain its status as an investment trust. The Company is not a close company within the meaning of the provisions of Section 439 of the CTA. As explained on page 24, the Company is not required to report on greenhouse gas emissions or energy usage.

Revenue and dividend

The Directors do not propose the payment of a dividend in respect of the year ended 31 December 2021 (2020: nil).

Share capital and substantial interests

As at the date of this report, the Company has 908,639,238 ordinary shares in issue. There are no other classes of shares in issue and no shares are held in treasury.

The ordinary shares carry the right to receive dividends and have one voting right per ordinary share. There are no shares that carry specific rights with regard to the Company. The shares are freely transferable. There are no restrictions or agreements between shareholders on the voting rights of any of the ordinary shares or the transfer of shares. The Company does not have a fixed life nor is the Company subject to a continuation vote as can sometimes be required of investment companies in accordance with their Articles of Association. Each share ranks equally for any distribution made on a winding up.

The total number of voting rights in the Company as at the date of this report is 908,639,238. At the AGM held on 4 June 2021, the Company was granted authority to make market purchases of up to 136,205,021 ordinary shares of 1p each for cancellation or holding in treasury. No shares have been bought back under this authority and the Company therefore has remaining authority to purchase up to 136,205,021 ordinary shares. This authority will expire at the forthcoming AGM and shareholders will be asked to approve

renewal of this authority, as well as the Company's authority to issue shares on a non pre-emptive basis.

As at 31 December 2021, the Company has received notifications in accordance with the FCA Disclosure Guidance and Transparency Rule 5.1.2R of the below interests in three per cent or more of the voting rights attaching to the Company's issued share capital.

	As at 31 December 2021	Securities lending*	Percentage of total voting rights
City of London Investment Management Company Ltd	91,895,664		10.11%
BlackRock, Inc	89,319,647	1,949,000	10.04%
Momentum Global Investment Management Ltd	45,894,000		5.05%

*Securities lending is the act of loaning a stock, derivative or other security to an investor or firm.

There have been no other changes in share interests notified to the Company since 31 December 2021 and the date of this report.

Change of control

There are no agreements which the Company is party to that might be affected by a change of control of the Company.

Directors' attendance at meetings

The table below sets out the Directors' attendance at the scheduled Board and Committee meetings held during the year ended 31 December 2021, against the number of meetings each Board and Committee member was eligible to attend.

	Audit, Risk and Valuation Board Committee	Management Engagement Committee	Nomination Committee	
Tim Edwards ¹	4/4	4/4	1/1	2/2
Raymond Abbott	4/4	4/4	1/1	3/3
Scott Brown	4/4	4/4	1/1	3/3
Stephen Cohen	4/4	4/4	1/1	3/3
Jane Tufnell	4/4	4/4	1/1	3/3
Susan Searle ²	2/2	2/2	0/0	2/2

¹Tim Edwards was appointed to the Board on 26 February 2021 and elected as Chair on 4 June 2021.

²Susan Searle retired from the Board on 4 June 2021.

In addition to the scheduled meetings above all Directors attended the following meetings:

- The Board met once during the year for a whole day to review and focus on the Company's strategy.
- The Board met once to formally approve the new revolving credit facility.

Directors' Report

- The Board met once to approve each Director's deed of indemnity.
- Additional meetings of the Audit, Risk and Valuation Committee were held to consider the annual report for the year ended 31 December 2020.

Directors' and Officers' liability insurance and indemnities

Directors' and Officers' liability insurance cover is in place for the Directors. Under the Company's Articles of Association, the Directors are provided, subject to the provisions of UK legislation, with an indemnity in respect of liabilities which they may sustain or incur in connection with their appointment. This indemnity was in force during the year and remains in force as at the date of this report. Apart from this, there are no third-party indemnity provisions in place for the Directors.

Audit information

As required by Section 418 of the Companies Act 2006, the Directors who held office at the date of this report each confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware. Each Director has taken all the steps required of a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

By order of the Board

Schroder Investment Management Limited

Company Secretary

20 April 2022

Audit, Risk and Valuation Committee Report

The responsibilities and work carried out by the Audit, Risk and Valuation Committee during the year under review are set out in the following report. The duties and responsibilities of the Committee may be found in the terms of reference which are set out on the Company's webpages. All Directors are members of the Committee. The Board has satisfied itself that at least one of the Committee's members has recent and relevant financial experience and that, the committee as a whole has competence relevant to the sector in which the Company operates. The Committee's effectiveness was assessed, and judged to be satisfactory, as part of the Directors' annual review of the Board and its committees.

The Committee met four times during the year and discharged its responsibilities by:

- considering its terms of reference;
- reviewing the operational controls maintained by the AIFM, Portfolio Manager, depositary and registrar;
- reviewing quarterly net asset value announcements and the half year and annual reports;
- reviewing the audit plan and engagement letter of for the annual report;
- reviewing internal controls reports from service providers;
- reviewing the independence of the auditor;
- evaluating the auditor's performance and monitoring the requirements for rotation of the auditor;
- reviewing and approving the remuneration of the auditor; and
- reviewing the principal risks faced by the Company and the system of internal control.

Annual report and financial statements

During the year ended 31 December 2021, the Committee considered the following issues, including principal risks and uncertainties in light of the Company's activities and issues

communicated by the auditor during its review, all of which were satisfactorily addressed:

Issue considered	How the issue was addressed
Valuation of the investment portfolio, including the unquoted holdings	The Company's assets are principally invested in quoted and unquoted equities. The Committee reviewed internal control reports from the AIFM in the year, reporting on the systems and controls around the pricing and valuation of securities. The Committee notes that quoted investments are valued using stock exchange prices provided by third-party financial data vendors, unless trading volume would indicate that price is not a reliable valuation. In such cases, the asset will be subject to fair value as if it were an unquoted holding. In respect of the unquoted holdings, at quarterly meetings the Committee reviews a report on the revaluations undertaken on the unquoted holdings during the period and challenges the considerations and key assumptions made where appropriate, to ensure that the valuations are reliable. During the period under review, the Committee has also reviewed the process in place to ensure the accurate valuation of unquoted holdings on an ongoing basis. The Committee has also considered the work of the AIFM's Fair Value Pricing Committee, which takes inputs from the Portfolio Manager and IHSMarkit (who act as an independent valuation adviser), which considers the pricing of the unquoted holdings.
Overall accuracy of the annual report and accounts	Detailed reviews of the draft annual report and accounts completed by all Committee members as well as the Company's various service providers.
Calculation of the investment management fee	Consideration of methodology used to calculate the fee, matched against the criteria set out in the Portfolio Management Agreement.

Audit, Risk and Valuation Committee Report

Issue considered	How the issue was addressed
Internal controls and risk management	Consideration of several key aspects of internal control and risk management operating within the AIFM, Portfolio Manager, depositary and registrar, including assurance reports on their controls.
Compliance with Section 1158 of the CTA	The Committee receives assurance from the Company's administrator that the Company has been in compliance with Section 1158 of the CTA.
Risk of misappropriation of assets and unsecured ownership of investments and management override of controls	The Committee reviews reports from its service providers on key controls over the assets of the Company. Any significant issues are raised by the Depositary and reported by the AIFM to the Board.
Going Concern determination	The Board receives regular updates from the Portfolio Manager on the various sales programs under active consideration, as to timing, probability and quantum; as well as updates on their regular discussions with the debt provider. In addition, the Committee has considered the Company's principal risks and uncertainties; has scrutinised the detailed cash flow forecast prepared by the Portfolio Manager; and considered their assessment of the likelihood and quantum of funds which could be raised from sales of investments. The Portfolio Manager has also performed a range of stress tests, and demonstrated to the Committee that even in an adverse scenario of depressed markets and restrictions on sales in the private equity market, the Company could still generate sufficient funds from sales of investments to meet its liabilities over the next twelve months.

Recommendations made to, and approved by, the Board

As a result of the work performed, the Committee has concluded that the annual report and accounts for the year ended 31 December 2021, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy, and has reported on these findings to the Board. The Board's conclusions in this respect are set out in the Statement of Directors' Responsibilities on page 50.

Audit, Risk and Valuation Committee Report

Effectiveness of the independent audit process

The Committee monitors the auditor's objectivity and independence on an ongoing basis. In determining the auditor's independence, the Committee has assessed all relationships with the auditor and received confirmation from the auditor that it remained independent and that it had implemented policies and procedures to meet the requirements of the Auditing Practices Board's Ethical Standards. The Committee has also received confirmation that no issues of conflict had arisen during the period. The Committee is therefore satisfied that Grant Thornton is independent.

The Committee monitors and reviews the effectiveness of the external audit process on an annual basis and makes recommendations to the Board on the auditor's re-appointment, remuneration and terms of engagement.

The Committee has reviewed the letter of engagement from Grant Thornton and agreed that it reflected the services outlined in the annual audit plan for the year.

The Committee has met with the audit team and assessed Grant Thornton's performance to date. The review has involved an examination of the auditor's remuneration, the quality of its work, including the quality of the audit findings report, the quality of the audit partner and audit team, the qualifications and expertise of the audit firm and the resources available to it, the identification of audit risk, the planning and execution of the audit, and the terms of engagement. The Committee has also reviewed feedback from service providers in respect of the conduct of the audit for the year ended 31 December 2021. The Committee was satisfied that Grant Thornton had carried out its duties effectively. Accordingly, the Committee has recommended to the Board that it proposes to shareholders via an ordinary resolution that Grant Thornton be re-appointed as auditor at the AGM. Grant Thornton has confirmed its willingness to continue in office.

The Committee has direct access to the Company's auditor and provides a forum through which the auditor reports to the Board. Representatives of the auditor attend the Committee meetings regularly.

Independent auditor

The Company's external auditor, Grant Thornton, was appointed prior to the listing of the Company in 2015 and is therefore in its sixth year of tenure. Under the FRC's ethical standards applicable to public interest entities, the Company is required to re-tender, at the latest, by 2025. The Committee intends to re-tender within the timeframe set by the FRC.

During the period under review, the Company's appointed audit partner was Paul Flatley. In accordance with UK legislation, the audit partner must rotate at least every five years and this is Mr Flatley's first audit since succeeding Marcus Swales as audit partner. The audit fees for the period under review can be found in note 4 to the accounts on page 67.

Provision of non-audit services

The Committee has reviewed and implemented a policy on the engagement of the auditor to supply non-audit services.

During the year ended 31 December 2021, the auditor has not provided any non-audit services.

It was agreed that all requests for non-audit services to be provided by the auditor should be submitted to the Committee and will include a description of the services to be rendered and an anticipated cost. Following the annual review of this policy, the Committee has concluded that it still remains appropriate.

Stephen Cohen

Audit, Risk and Valuation Committee Chairman

20 April 2022

Recommendations made to, and approved by, the Board:

- That Grant Thornton be re-appointed as auditor and the Committee be authorised to determine its remuneration.

Management Engagement Committee Report

The Management Engagement Committee is responsible for (1) monitoring and evaluating the Portfolio Manager's investment performance and compliance with the terms of the Portfolio Management Agreement, and confirming its ongoing suitability; and (2) reviewing and assessing the Company's other service providers, including reviewing their fees. All Directors are members of the Committee and it is chaired by the SID, Jane Tufnell. Its terms of reference are available on the Company's webpages, www.schroders.com/publicprivatetrust.

Approach	
Oversight of the Portfolio Manager	Oversight of other service providers
The Committee: - reviews the Portfolio's Manager's performance, over the short- and long-term, against peer group and the market. - considers the reporting it has received from the Portfolio Manager throughout the year, and the reporting from the Portfolio Manager to the shareholders. - assesses management fees on an absolute and relative basis, receiving input from the Company's broker, including peer group and industry figures, as well as the structure of the fees. - reviews the appropriateness of the Portfolio Manager's contract, including terms such as notice period. - assesses whether the Company receives appropriate administrative, accounting, company secretarial and marketing support from the Portfolio Manager.	The Committee reviews the performance and competitiveness of the following service providers on at least an annual basis: - AIFM - Depository and custodian - Corporate broker - Registrar The Committee also receives a report from the Company Secretary on ancillary service providers, and considers any recommendations.

Application during the year	
The Committee undertook a detailed review of the Portfolio Manager's performance and agreed that it has the appropriate depth and quality of resource to deliver superior returns over the longer term. The Committee reviewed the management fee structure and confirmed that they remained appropriate. The Committee also reviewed the terms of the AIFM agreement and agreed they remained fit for purpose. The Committee reviewed the other services provided by the Portfolio Manager and agreed they were satisfactory.	The annual review of each of the other service providers was satisfactory. The Committee noted that the Audit, Risk and Valuation Committee had undertaken a detailed evaluation of the Portfolio Manager, registrar, and depository and custodian's internal controls.

Recommendations made to, and approved by, the Board:

- That the ongoing appointment of the Portfolio Manager on the terms of the portfolio management agreement was in the best interests of shareholders as a whole.
- That the Company's service providers' performance remained satisfactory.

Nomination Committee Report

The Nomination Committee is responsible for (1) the recruitment, selection and induction of Directors; (2) their assessment during their tenure and their fees; and (3) the Board’s succession. Jane Tufnell is the Chair of the Committee and all Directors are members. Its terms of reference are available on the Company’s webpages, www.schroders.com/publicprivatetrust.

Oversight of Directors



Approach		
Selection and induction	Board evaluation and Directors’ fees	Succession
- Committee prepares a job specification for each role, which is shared with an independent recruitment firm. For the Chair and the chairs of committees, the Committee considers current Board members too. - Job specification outlines the knowledge, professional skills, personal qualities and experience requirements. - Potential candidates assessed against the Company’s diversity policy. - Committee discusses the long list, invites a number of candidates for interview and makes a recommendation to the Board. - Committee reviews the induction and training of new Directors.	- Committee assesses each Director annually and considers whether an internal or external evaluation should take place. - Evaluation focuses on whether each Director continues to demonstrate commitment to their role and provides a valuable contribution to the Board during the year, taking into account time commitment, independence, conflicts and training needs. - Following the evaluation, the Committee provides a recommendation to shareholders with respect to the annual re-election of Directors at the AGM. - All Directors retire at the AGM and their re-election is subject to shareholder approval. - Committee reviews Directors’ fees, taking into account comparative data and reports to shareholders. - Any proposed changes to the remuneration policy for Directors discussed and reported to shareholders.	- Having considered diversity and the need for regular refreshment the Board’s policy is that Directors’ tenure, including the Chair of the Board, will be for no longer than nine years, except in exceptional circumstances, and that each Director will be subject to annual re-election at the AGM. - Committee reviews the Board’s current and future needs at least annually. Should any need be identified the Committee will initiate the selection process. - Committee oversees the handover process for retiring Directors.
For application, see page 46		

Nomination Committee Report

Application during the year		
Selection and induction	Board evaluation and Directors' fees	Succession
- An independent director search consultancy (Nurole Ltd) with no other connections to any Director was engaged to assist with the identifying candidates and providing a diverse long-list of individuals suitable to succeed the incumbent Chair. The Committee interviewed candidates and met to recommend the appointment of Tim Edwards to the Board. Tim was selected due to a number of his attributes, key of which is his experience with healthcare and private companies. The Committee agreed this background would complement the existing skills and experience of the Board following a consideration of such by the Committee in November 2020. - Tim Edwards was appointed as Chair of the Board following the retirement of Susan Searle at the AGM held on 4 June 2021. - On appointment, Directors receive a full, formal and tailored induction. Directors are also regularly provided with key information on the Company's policies, regulatory and statutory requirements and internal controls. Changes affecting Directors' responsibilities are advised to the Board as they arise. Directors also regularly participate in relevant training and industry seminars.	- Board composition materially changed in 2019 and following the appointment of Schroders as Portfolio Manager and the appointment of Tim Edwards to the Board in 2021, the Committee agreed that an external valuation Board evaluation should be deferred to 2022. The Committee has appointed Board Level Partners Ltd to facilitate the board evaluation, which will be completed in the second half of 2022 and reported on in the Company's next Annual Report. - The Committee reviewed each Director's time commitment and independence by reviewing a complete list of appointments, including pro bono not for profit roles, to ensure that each Director remained free from conflict and had sufficient time available to discharge each of their duties effectively. All Directors were considered to be independent in character and judgement. - The Committee considered each Director's contributions, and noted that in addition to extensive experience as professionals and non-executive directors, each Director had valuable skills and experience, as detailed in their biographies on pages 35 and 36. - Based on its assessment, the Committee provided individual recommendations for each Director's re-election at the AGM. - The Committee reviewed Directors' fees, using external benchmarking, and recommended changes to Directors' fees, as detailed in the Directors' Remuneration Report.	The Committee believes it is important for appropriate new skills to be brought to the Board and will continue to look to refresh Board composition in two to three year intervals.



Recommendations made to, and approved by, the Board:

- That all Directors continue to demonstrate commitment to their roles, provide a valuable contribution to the deliberations of the Board, contribute towards the Company's long-term sustainable success, and remain free from conflicts with the Company and its Directors, so should all be recommended for re-election by shareholders at the AGM except for Susan Searle, who is retiring at the AGM and is not recommended for re-election.

Directors' Remuneration Report

Statement from the Senior Independent Director

I am pleased to present the Directors' Remuneration Report for the year ended 31 December 2021.

The Company's auditor is required to verify certain information within this report as part of its statutory audit per the Companies Act 2006. Where information set out below has been audited, it is indicated as such.

As at 31 December 2021 and the date of this report, the Board consists entirely of independent non-executive directors and the Company has no employees.

The Board reviewed the Directors' remuneration following the year end, analysing third party research on trends within the investment trust sector, comparisons to other investment trusts of similar size and with reference to the prevailing rate of CPI. Following this review, it was agreed that with effect from 1 April 2022, the fee for the Chair of the Board be increased by 4.5% and for all other Directors fees to be increased by 3.5%. Annual remuneration for Directors will therefore be as follows:

Chair	£48,070
Chairman of the Audit, Risk and Valuation Committee	£41,400
SID	£36,225
Non-executive Directors	£31,050

It is the Board's view that smaller, annual increases in remuneration are preferable and Directors' remuneration and any increases of such will continue to be considered on annual basis.

Ordinary resolutions resolution to approve the Directors' Remuneration Report and the Directors' Remuneration Policy will be put to shareholders at the AGM to be held on Wednesday, 18 May 2022.

The remuneration policy is substantially unchanged from that approved by shareholders at the Company's AGM held on 16 May 2019. If approved by shareholders, the remuneration policy will apply until the AGM to be held in 2025. Shareholder approval will be sought for any changes to the remuneration policy proposed by the Directors prior to the expiration of the policy in 2025.

Expected fees for the year to 31 December 2022	Fees for the year ended 31 December 2021
--	--

Chair	£47,550	£46,000
Senior Independent Director and Chair of the Management Engagement and Nomination Committees	£35,918	£35,000
Chairman of the Audit, Risk and Valuation Committee	£41,050	£40,000
Non-executive director	£30,788	£30,000

Directors' remuneration policy

The determination of the Directors' fees is a matter dealt with by the Board and the Nomination Committee.

It is the Board's policy to determine the level of Director remuneration having regard to amounts payable to non-executive Directors in the industry generally, the role that individual Directors fulfil in respect of Board and committee responsibilities, and time committed to the Company's affairs, taking into account the aggregate limit of fees set out in the Company's articles of association. This aggregate level of Directors' fees is currently set at £500,000 per financial year and any increase in this level requires approval by the Board and the Company's shareholders.

The Chair of the Board, Chair of the Audit, Risk and Valuation Committee and Senior Independent Director each receive fees at a higher rate than the other Directors to reflect their additional responsibilities. Directors' fees are set at a level to recruit and retain individuals of sufficient calibre, with the level of knowledge, experience and expertise necessary, and to promote the success of the Company in reaching its short and long-term strategic objectives.

The Board and its committees exclusively comprise nonexecutive Directors. No Director past or present has an entitlement to a pension from the Company and the Company has not, and does not intend to, operate a share scheme for Directors or to award any share options or long-term performance incentives to any Director. No Director has a service contract with the Company, however Directors have a letter of appointment. Directors do not receive exit payments and are not provided with any compensation for loss of office.

Any Director who performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid additional remuneration to be determined by the Directors, subject to the previously mentioned fee cap and in accordance with the Company's articles of association. No other payments are made to Directors other than the reimbursement of reasonable out-of-pocket expenses incurred in attending to the Company's business.

Directors' Remuneration Report

Fees paid to Directors

The following amounts were paid by the Company to directors for their services in respect of the year ended 31 December 2021 and the preceding financial year. Directors' remuneration is all fixed; they do not receive any variable remuneration. The performance of the Company over the financial year is presented on page 2, under the heading "Financial highlights".

Director	Fees (audited) 2021 £	2020 £	Change in annual fee over years ended 31 December	
			2021 %	2020 %
Tim Edwards (Chair) ¹	34,262	–	–	–
Raymond Abbott	30,000	30,000	–	N/a
Scott Brown	30,000	30,000	–	–
Stephen Cohen	40,000	50,000	(20.0)	24.0
Susan Searle ²	19,874	46,000	N/a	–
Jane Tufnell	35,000	35,000	–	–
	189,136	191,000		

¹Appointed as a director on 26 February 2021. Appointed Chair on 4 June 2021.

²Retired as Chair and from the Board on 4 June 2021.

The table below compares the remuneration payable to Directors, to distributions made to shareholders during the year under review and the prior year. In considering these figures, shareholders should take into account the Company's investment objective.

	Year ended 31 December 2021 £'000	Year ended 31 December 2020 £'000	% Change
Remuneration payable to Directors	189	191	(1.0)
Distributions paid to shareholders	–	–	–

Directors' interests (audited)

There is no requirement for any Director to own shares in the Company. The interests of the Directors in the shares of the Company are set out below:

	31 December 2021	31 December 2020
Tim Edwards	210,203	–
Raymond Abbott	100,000	27,075
Scott Brown	78,269	78,269
Stephen Cohen	309,737	309,737
Jane Tufnell	500,000	280,000
Susan Searle ¹	–	151,062

¹Susan Searle retired from the Board on 4 June 2021.

Since 31 December 2021, there have been no changes to Directors' interests in the shares of the Company.

Voting at AGM

At the AGM held on 16 May 2019, 98.34% of the votes cast (including votes cast at the Chair's discretion) in respect of approval of the remuneration policy were in favour, while 1.65% were against. 494,360 votes were withheld.

At the AGM held on 4 June 2021, 99.49% of the votes cast (including votes cast at the Chair's discretion) in respect of approval of the remuneration report for the year ended 31 December 2020 were in favour, 0.51% were against and 441,349 votes were withheld.

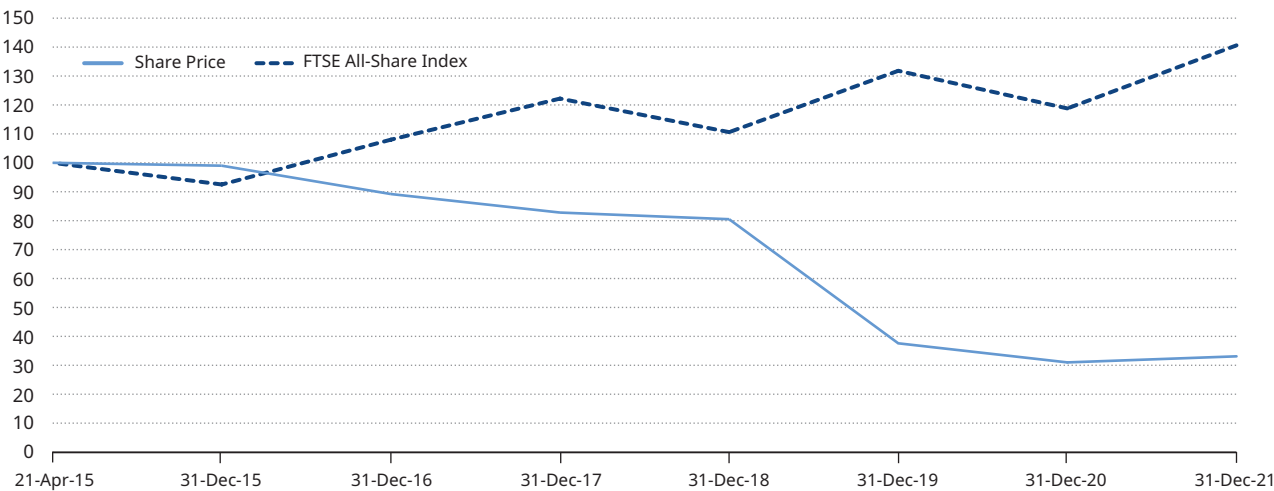
Directors' Remuneration Report

Company performance

The graph below shows the total return to shareholders compared to the total shareholder returns of the FTSE All-Share Index during the period since inception. This index has been selected as the most relevant, although there is no listed index that is directly comparable to the Company's portfolio.

Performance graph since 21 April 2015 (launch date)

Share price total return versus FTSE All-Share Index total return for the period from 21 April 2015 to 31 December 2021.



Source: Morningstar/Thomson Reuters. Rebased to 100 at 21 April 2015. Definitions of terms and performance measures are provided on page 87.

Approval of the annual report on remuneration

The annual report on remuneration was approved by the Board on 20 April 2022.

On behalf of the Board

Jane Tufnell
Senior Independent Director

20 April 2022

Statement of Directors' Responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable laws and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company as at the end of each financial year and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- present fairly the financial position, financial performance and cash flows of the Company;
- select suitable accounting policies in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP) and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for preparing the Strategic Report, the Directors' Report, the Directors' Remuneration Report and the report of the Audit, Risk and Valuation Committee in accordance with the Companies Act 2006 and applicable regulations, including the requirements of the Listing Rules and the Disclosure Guidance and Transparency Rules.

The Directors have delegated responsibility to the Portfolio Manager for the maintenance of the Company's corporate and financial information included on its web pages. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors, whose names are listed on pages 35 and 36, confirms that, to the best of their knowledge:

- the financial statements, prepared in accordance with applicable accounting standards, give a true and fair

view of the assets, liabilities, financial position and profit/loss of the Company; and

- the Strategic Report contained in the annual report and financial statements include a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

The AIC Code of Corporate Governance requires directors to ensure that the annual report and financial statements are fair, balanced and understandable. In order to reach a conclusion on this matter, the Board has requested that the Audit, Risk and Valuation Committee advises on whether it considers that the annual report and financial statements fulfil these requirements. The process by which the Audit, Risk and Valuation Committee has reached these conclusions is set out in its report on pages 41 to 43. As a result, the Board has concluded that the annual report and financial statements for the year ended 31 December 2021, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Signed on behalf of the Board of Directors by:

Tim Edwards
Chair

20 April 2022

Independent Auditor's Report to the Members of Schroder UK Public Private Trust plc

Opinion

Our opinion on the financial statements is unmodified

We have audited the financial statements of Schroders UK Public Private Trust Plc (the 'company') for the year ended 31 December 2021, which comprise the Income Statement, the Statement of Changes in Equity, the Statement of Financial Position, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its net profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease or continue as a going concern.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting include an assessment of the Company's cashflow forecast prepared by management, its liquid resources, and the assumptions used mainly increase in expenses and future sale and purchase of investments. We also reviewed the sensitivity analysis prepared by management and challenged management on the impact to the forecast from potential changes in assumptions.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

In relation to the company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Independent Auditor’s Report to the Members of Schroder UK Public Private Trust plc

Our approach to the audit



Overview of our audit approach

Overall materiality: £7,992,324, which represents approximately 1.8% of the company’s net assets.

Key audit matters were identified as:

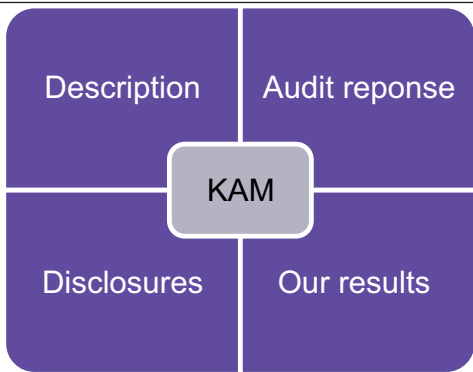
- Valuation of Level 1 quoted investments (same as previous year)
- Valuation of Level 3 quoted and unquoted investments (same as previous year)

Our auditor’s report for the year ended 31 December 2020 included one key audit matter that has not been reported as a key audit matter in our current year’s report. This relates to Going concern which was included as a key audit matter as a result of the uncertainties relating to the Covid-19 pandemic. The company has sufficient readily available funds to meet its current liabilities, forecasted expenses and further investment acquisitions, therefore, we no longer consider this a key audit matter.

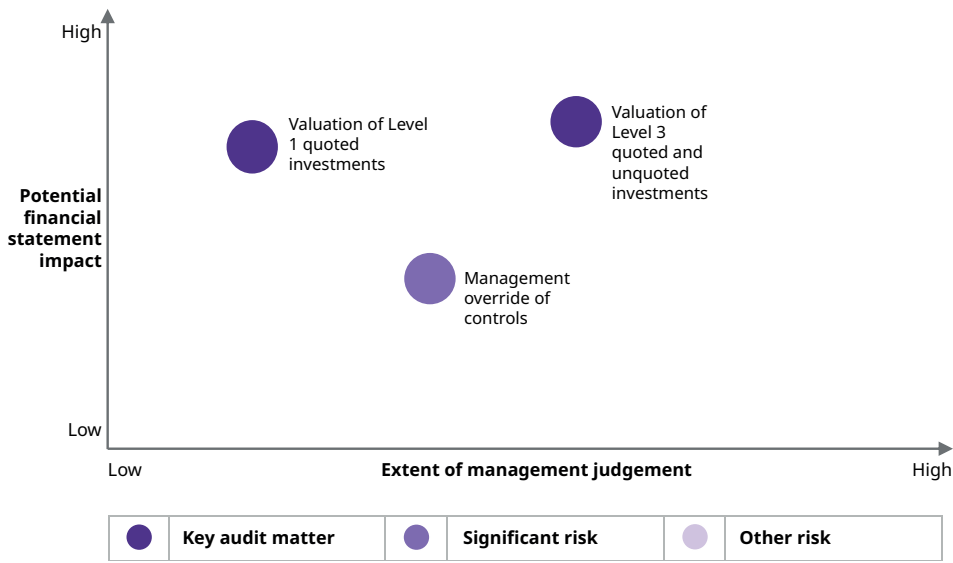
Our audit approach was a risk-based substantive audit focused on the investment activities of the company. There was no change in our approach from the prior year.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



In the graph below, we have presented the key audit matters, significant risks and other risks relevant to the audit.



Independent Auditor's Report to the Members of Schroder UK Public Private Trust plc

Key audit matter	How our scope addressed the matter
Valuation of Level 1 quoted investments We identified valuation of Level 1 quoted investments as one of the most significant assessed risks of material misstatement due to error. In accordance with the company's long-term objectives, the company holds a significant portfolio of Level 1 quoted investments. These investments represent 50.36% or £222,031,000 (2020: 7.76% or £32,697,000) of the company's total investments of £440,899,000 (2020: £421,152,000). Incorrect asset pricing of these investments held by the company could have a material impact on its portfolio of investments and Net Asset Value. Relevant disclosures in the Annual Report and Accounts 2021 The company's accounting policy on valuation of investments is shown in note 1(b) to the financial statements and related disclosures are included in note 9 and note 19. The Audit, Risk and Valuation Committee identified valuation of the investment portfolio as a significant issue in its report on page 41 where the Audit, Risk and Valuation Committee also described the action that it has taken to address this issue.	Our audit work included, but was not restricted to: – assessing the design and implementation of the processes and controls in place at the company's administrators in relation to the investment valuation process; – assessing the appropriateness of the company's accounting policy on investment valuation and whether it was in accordance with the financial reporting framework, including FRS 102, and checking its consistent application; – agreeing the valuation of all Level 1 quoted investments to externally quoted prices; and – testing that the investments were trading in an active market by checking the trading volumes around the year end Our results Our audit work did not identify any material misstatements relating to the valuation of quoted investments.

Independent Auditor's Report to the Members of Schroder UK Public Private Trust plc

Key audit matter	How our scope addressed the matter
Valuation of Level 3 quoted and unquoted investments We identified Valuation of Level 3 quoted and unquoted investments as one of the most significant assessed risks of material misstatement due to error. In accordance with the company's long-term objectives, the company holds a significant portfolio of Level 3 investments, which are valued using inputs which are unobservable. These investments represent 49.64% or £218,868,000 (2020: 92.24% or £388,455,000) of the company's total investments of £440,899,000 (2020: £421,152,000). Valuations of unquoted investments are subjective and can include judgements and subjective estimates. These include the valuation methodology to be used and key input assumptions such as discount rates and probability weightings on possible outcome scenarios. The subjective nature and complexity inherent in the process introduces a risk that the fair value measurements of these unquoted companies may not be accurate. Valuation of quoted investments require fair value measurement using prices in active market. There is a risk that the quoted investments are not actively traded in the market and therefore they do not have an active market price.	Our audit work included, but was not restricted to: – assessing the appropriateness of the company's accounting policy in relation to investment valuations and whether it was in accordance with the requirements of FRS 102 and International Private Equity and Venture Capital Valuation Guidelines, and checking its consistent application year on year; – assessing the design and implementation of the processes and controls in place at the Alternative Investment Fund Manager (AIFM) in relation to the investment valuation process for Level 3 investments; – assessing the independence, qualifications, experience and expertise of the company's AIFM and its outsourced service provider (collectively the 'valuers') to prepare investment valuations on behalf of the company; – obtaining an understanding of key developments of investee companies and key drivers in the valuation through discussions with the investment manager and research of publicly available information; – substantively testing key financial inputs to supporting documentation including capital structures and checking the mathematical accuracy of the models; – using our internal valuation specialists to assess the appropriateness of key judgements and assumptions used in the valuations. Specifically: – assessing the appropriateness of the valuation models used by the valuers; – challenging the valuers on the appropriateness of key assumptions used in the valuations, such as the discount rates used, the probability weightings applied and potential outcome scenarios; – assessing post year end transactions and their impact on the valuation of these investments at the year end.

Independent Auditor's Report to the Members of Schroder UK Public Private Trust plc

Key audit matter	How our scope addressed the matter
Relevant disclosures in the Annual Report and Accounts 2021 The company's accounting policy on valuation of investments is shown in note 1(b) to the financial statements and related disclosures are included in note 9 and note 19. The Audit, Risk and Valuation Committee identified valuation of the investment portfolio, including the unquoted holdings as a significant issue in its report on page 41 where the Audit, Risk and Valuation Committee also described the action that it has taken to address this issue.	Our results Our audit work did not identify any material misstatements relating to the valuation of unquoted investments.

Our application of materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements, if any, on the financial statements and in forming the opinion in the auditor's report.

Materiality was determined as follows:

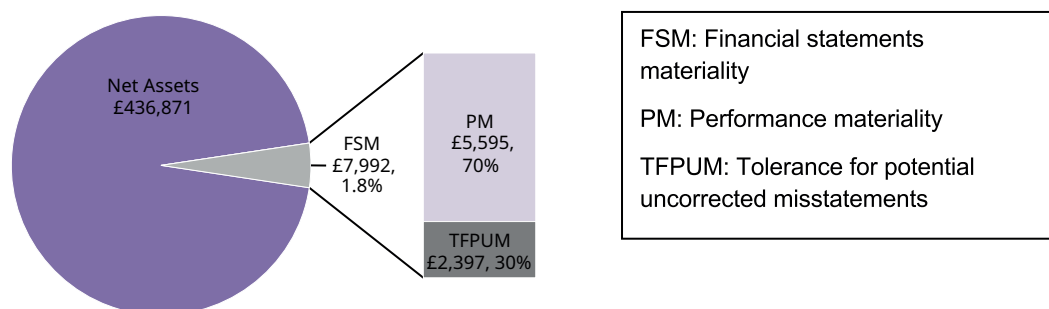
Materiality measure	Company
Materiality for financial statements as a whole	We define materiality as the magnitude of misstatement in the financial statements that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of these financial statements. We use materiality in determining the nature, timing and extent of our audit work.
Materiality threshold	£7,992,324 which is approximately 1.8% of Company's net assets
Significant judgements made by auditor in determining the materiality	In determining materiality, we made the following significant judgements – Net assets is considered the most appropriate benchmark as it is the Company's primary performance measure for internal and external reporting and is the measure most relevant to the stakeholders of the Company – 1.8% was considered to be an appropriate percentage as it is within the acceptable range used in the industry Materiality for the current year is higher than the level that we determined for the year ended 31 December 2020 to reflect the increase in company's net assets.
Performance materiality used to drive the extent of our testing	We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.
Performance materiality threshold	£5,594,627 which is 70% of financial statement materiality.
Significant judgements made by auditor in determining the performance materiality	In determining materiality, we made the following significant judgements – the key functions are outsourced, and no significant control deficiencies have been identified in the prior years and in the current year; – no significant misstatements identified in the prior years; and – lower fraud risk due to improved performance of the company.

Independent Auditor's Report to the Members of Schroder UK Public Private Trust plc

Materiality measure	Company
Specific materiality	We determine specific materiality for one or more particular classes of transactions, account balances or disclosures for which misstatements of lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.
Specific materiality	We determined a lower level of specific materiality for the following areas: – Investment management fees and finance cost; and – Related party transactions including Director's remuneration.
Communication of misstatements to the audit committee	We determine a threshold for reporting unadjusted differences to the audit committee.
Threshold for communication	£399,600 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

The graph below illustrates how performance materiality interacts with our overall materiality and the tolerance for potential uncorrected misstatements.

Overall materiality (£'000)



An overview of the scope of our audit

We performed a risk-based audit that requires an understanding of the company's business and in particular matters related to:

Understanding the company and its environment, including controls

- Obtaining audit, risk and valuation Committee meetings minutes in order to document our understanding of the company's investment valuation process, review of controls and UK Corporate Governance Code requirements;
- Obtaining an understanding of the company and its control environment and assessing the risk of material misstatement;
- Obtaining an understanding of the relevant controls in place at the third-party service providers. This included documenting the description and design effectiveness of internal controls at the custodian and administrator;
- Performing walkthrough to assess design effectiveness of internal controls in relation to valuations of unquoted investments at the Alternative Investment Fund Manager (AIFM).

Work to be performed on financial information of the company (including how it addressed the key audit matters)

- Performing substantive audit procedures on specific transactions and material balances and disclosures. The extent of this testing was based on various factors such as the control environment and our overall risk assessment.

Performance of our audit

- An audit of the financial information of the company was undertaken using the financial statement materiality (full-scope audit); and
- we identified valuation of Level 1 quoted and Level 3 quoted and unquoted investments as key audit matters and the procedures performed in respect of these have been included in the key audit matters section of our report.

Independent Auditor's Report to the Members of Schroder UK Public Private Trust plc

Changes in approach from previous period

- There have been no changes in the scope of current year's audit from the scope of the audit in prior year.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Report and Accounts, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Our opinions on other matters prescribed by the Companies Act 2006 are unmodified

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the directors' remuneration report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Corporate governance statement

The Listing Rules require us to review the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the company's compliance with the provisions of the UK Corporate Governance Statement specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements and the directors' identification of any material uncertainties to the company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- the directors' explanation in the report and accounts as to how they have assessed the prospects of the company, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they

Independent Auditor's Report to the Members of Schroder UK Public Private Trust plc

fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions;

- the directors' statement that they consider the report and accounts and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's performance, business model and strategy;
- the directors' confirmation in the report and accounts that they have carried out a robust assessment of the principal and emerging risks facing the company including the impact of Brexit and Covid-19 and the disclosures in the report and accounts that describe the principal risks, procedures to identify emerging risks and an explanation of how they are being managed or mitigated including the impact of Brexit and Covid-19;
- the section of the report and accounts that describes the review of the effectiveness of the company's risk management and internal control systems, covering all material controls, including financial, operational and compliance controls; and
- the section of the report and accounts describing the work of the audit committee, including significant issues that the audit committee considered relating to the financial statements and how these issues were addressed.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Company and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and management. We determined that the most significant laws and regulations were United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Companies Act 2006, the Association of Investment Companies (AIC) Statement of Recommended Practice (SORP) 'Financial Statements of Investment Trust Companies and Venture Capital Trusts', the AIC Code of Corporate Governance, sections 1158 to 1164 of the Corporation Tax Act 2010 and the Listing Rules of the Financial Conduct Authority (the 'FCA');
- We enquired of the directors and management to obtain an understanding of how the Company is complying with those legal and regulatory frameworks and whether there were any instances of non-compliance with laws and regulations and whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of the minutes of the Company's board and audit committee meetings
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by evaluating management's incentives and opportunities for manipulation of the financial statements. This

Independent Auditor's Report to the Members of Schroder UK Public Private Trust plc

included an evaluation of the risk of management override of controls. Audit procedures performed by the engagement team in connection with the risks identified included:

- evaluation of the design and implementation of controls that management has put in place to prevent and detect fraud;
- testing journal entries, including manual journal entries processed at the year-end for financial statements preparation; and
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with, audit engagements of a similar nature and complexity, through appropriate training and participation;
 - knowledge of the industry in which the Company operates; and
 - understanding of the legal and regulatory frameworks applicable to the Company.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Other matters which we are required to address

Following the recommendation of the audit, risk and valuation committee, we were appointed by Board and approved at the Annual General Meeting on 24 February 2015 to audit the financial statements for the year ending 31 December 2015 and subsequent financial periods.

The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 7 years, covering the periods ending 31 December 2015 to 31 December 2021.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the company and we remain independent of the company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Flatley

Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

20 April 2022

Income Statement

for the year ended 31 December 2021

	Note	Revenue £'000	2021 Capital £'000	Total £'000	Revenue £'000	2020 Capital £'000	Total £'000
Gains/(losses) on investments held at fair value through profit or loss	9	-	124,583	124,583	-	(126,095)	(126,095)
Losses on foreign exchange		-	(466)	(466)	-	(193)	(193)
Income from investments	2	112	-	112	-	-	-
Gross return/(loss)		112	124,117	124,229	-	(126,288)	(126,288)
Portfolio management fee	3	(3,019)	-	(3,019)	(1,923)	-	(1,923)
Administrative expenses	4	(1,448)	-	(1,448)	(1,240)	-	(1,240)
Net (loss)/return before finance costs and taxation		(4,355)	124,117	119,762	(3,163)	(126,288)	(129,451)
Finance costs	5	(960)	-	(960)	(1,909)	-	(1,909)
Net (loss)/return before taxation		(5,315)	124,117	118,802	(5,072)	(126,288)	(131,360)
Taxation	6	-	-	-	-	-	-
Net (loss)/return after taxation		(5,315)	124,117	118,802	(5,072)	(126,288)	(131,360)
Basic and diluted (loss)/earnings per share	8	(0.58)p	13.66p	13.08p	(0.56)p	(13.90)p	(14.46)p

The "Total" column of this statement is the income statement account of the Company. The "Revenue" and "Capital" columns represent supplementary information prepared under guidance issued by The Association of Investment Companies. The Company has no other items of other comprehensive income, and therefore the net return/(loss) after taxation is also the total comprehensive income for the year, therefore no separate Statement of Comprehensive Income has been prepared.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the year.

The notes on pages 64 to 78 form an integral part of these accounts.

Statement of Changes in Equity for the year ended 31 December 2021

	Note	Called-up share capital £'000	Share premium £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 31 December 2019		9,086	891,017	(436,934)	(13,740)	449,429
Net loss after taxation		-	-	(126,288)	(5,072)	(131,360)
At 31 December 2020		9,086	891,017	(563,222)	(18,812)	318,069
Net return/(loss) after taxation		-	-	124,117	(5,315)	118,802
At 31 December 2021	13/14	9,086	891,017	(439,105)	(24,127)	436,871

The notes on pages 64 to 78 form an integral part of these accounts.

Statement of Financial Position at 31 December 2021

	Note	2021 £'000	2020 £'000
Fixed assets			
Investments held at fair value through profit or loss	9	440,899	421,152
Current assets	10		
Debtors		171	26
Cash at bank and in hand		19,077	6,379
		19,248	6,405
Current liabilities			
Creditors: amounts falling due within one year	11	(1,276)	(109,488)
Net current assets/(liabilities)		17,972	(103,083)
Total assets less current liabilities		458,871	318,069
Creditors: amounts falling due after more than one year	12	(22,000)	–
Net assets		436,871	318,069
Capital and reserves			
Called-up share capital	13	9,086	9,086
Share premium	14	891,017	891,017
Capital reserves	14	(439,105)	(563,222)
Revenue reserve	14	(24,127)	(18,812)
Total equity shareholders' funds		436,871	318,069
Net asset value per share	15	48.08p	35.00p

These accounts were approved and authorised for issue by the Board of Directors on 20 April 2022 and signed on its behalf by:

Tim Edwards
Chair

The notes on pages 64 to 78 form an integral part of these accounts.

Registered in England and Wales as a public company limited by shares

Company registration number: 09405653

Cash Flow Statement

for the year ended 31 December 2021

		2021 £'000	2020 £'000
Cash flows from operating activities			
Return/(loss) before finance costs and taxation		119,762	(129,451)
Adjustments for:			
(Gains)/losses on investments held at fair value through profit or loss		(124,583)	126,095
(Increase)/decrease in debtors	10	(145)	4
(Decrease)/increase in creditors		(1,231)	1,430
Net cash flow from operating activities		(6,197)	(1,922)
Cash flows from investment activities			
Purchases of investments		(61,199)	(6,859)
Proceeds from sales of investments		166,035	20,727
Net cash flow from investment activities		104,836	13,868
Cash flows from financing activities			
Finance costs		(909)	(1,933)
Bank loan drawn down	13	22,000	-
Repayment of bank loan		(107,032)	(5,868)
Net cash flow from financing activities		(85,941)	(7,801)
Change in cash and cash equivalents		12,698	4,145
Cash and cash equivalents at the beginning of the year		6,379	2,234
Cash and cash equivalents at the end of the year		19,077	6,379

The notes on pages 64 to 78 form an integral part of these accounts.

Notes to the Accounts

1. Accounting Policies

(a) Basis of accounting

Schroder UK Public Private Trust plc ("the Company") is registered in England and Wales as a public company limited by shares. The Company's registered office is 1 London Wall Place, London EC2Y 5AU.

The accounts are prepared in accordance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice ("UK GAAP"), in particular in accordance with Financial Reporting Standard (FRS) 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and with the Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" (the "SORP") issued by the Association of Investment Companies in April 2021, except for certain details about private assets. In particular, the Company has not disclosed the proportion of the share class held in each of its material private asset holdings, and other information from investees accounts which is not publicly available. All of the Company's operations are of a continuing nature.

The accounts have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of investments and derivative financial instruments held at fair value through profit or loss. The directors believe that the Company has adequate resources to continue operating for at least 12 months from the date of approval of these accounts. In forming this opinion, the directors have taken into consideration: the controls and monitoring processes in place; the Company's level of debt and other payables; the low level of operating expenses, comprising largely variable costs which would reduce pro rata in the event of a market downturn; the Company's cash flow forecasts and the liquidity of the Company's investments. Further details of the Directors' considerations in forming this opinion are given on page 34. The financial statements have been prepared on the assumption that approval as an investment trust will continue to be granted. The Company has been approved by HM Revenue & Customs ("HMRC") as an investment trust in accordance with Sections 1158 and 1159 of The Corporation Tax Act 2010, subject to the Company continuing to meet the eligibility condition.

The Company has adopted the provisions of Sections 11 and 12 of FRS 102 for measuring and disclosing its financial instruments.

The accounts are presented in sterling and amounts have been rounded to the nearest thousand.

The accounting policies applied to these accounts are consistent with those applied in the accounts for the year ended 31 December 2020.

Certain judgements, estimates and assumptions have been required in valuing the Company's investments and these are detailed below.

(b) Valuation of investments

Investments that are quoted on an exchange are valued using closing bid prices. If there has been no material trading in an investment, it will be valued using the process for unquoted investments, described below.

Investments in shares that are not quoted on any Stock Exchange (unquoted investments) represent a significant part of the Company's portfolio.

Such investments are held at fair value, which requires significant estimation in concluding on their fair value. While there is a robust and consistent valuation process undertaken by the AIFM, it is recognised that in stating these assets at fair value there is a significant element of estimation uncertainty. Central to this uncertainty is the assumption that such assets will continue to progress in line with their stated business plan and will be held for the longer term until exit, generally where either the company is sold to an interested party or lists on an appropriate exchange. The core to that estimation judgement is the potential failure of any individual unquoted investment to progress in accordance with their business plan and such failure could result in a material change to the fair valuation of that company. In line with the LFS Fair Value Policy for reviewing investment valuations, the assumptions and estimates made in determining the fair value of each unquoted investment are considered at least each six months or sooner if there is a triggering event. An example of where a valuation would be considered out of the six-month cycle is the failure of a drug under development to meet an anticipated outcome of its trial, or other performance against tangible development milestones. A full valuation review is undertaken by LFS in June and December, with a review undertaken in March and September. In the event of a triggering event being identified intra the valuation review process, an ad hoc valuation will be undertaken.

The judgements to the estimations of fair value are considered on an ongoing basis including considering impact of events in the wider market. In making these estimates, appropriate care is taken to consider the nature and inherent uncertainties of market events and their impact on the fair value of unquoted assets.

While there may be market speculation about potential transaction activity in portfolio companies, such matters are not taken into account in the valuation process until the information is public and can be considered as an observable market transaction.

In determining the fair value of the unquoted investments, the AIFM, as set out in the unquoted securities valuation policy above, has done so in accordance with the following principles, which are consistent with the IPEVCV guidelines. It should be

Notes to the Accounts

noted that the IPEVCV guidelines were revised in December 2018, which was made to reinforce the premise that fair value must be estimated at each measurement date, which ensures a level of consistency with applicable accounting standards.

1. the following factors will be considered in determining the fair value of an asset:
 - (i) the price of a recent investment, whilst an indicator of fair value, is not a default that would preclude re-estimating the valuation at the valuation date. However, if the price of recent investment is determined to be fair value then it is used to calibrate inputs to the valuation model(s); or
 - (ii) where a value is indicated by a recent material arms-length transaction by an independent third party in the shares of a company, and after it is established that this is fair then this value will be used, unless the rights attributable to the shares impact the overall capital structure and rights of existing investors; or
 - (iii) in the absence of (i) and (ii), and depending upon both the subsequent trading performance and investment structure of an investee company, the valuation basis will usually move to an earnings multiple basis or, if appropriate, other valuation models such as:
 - (a) Probability-weighted expected return method (PWERM), which considers on a probability weighted basis the future outcomes for the investment.
 - (b) Option priced modelling (OPM) is used to value early stage companies where outcomes are uncertain.
 - (c) Adjusted recent transaction prices (which consider the company's performance against key milestones and the complexity of the capital structure) are also used.
 - (d) Discounted cash flow model which values a business based on estimates of future cash-flows with an appropriate discount rate
 - (iv) if the investment is in a fund then the valuation will be based on the NAV of the fund (which is invariably comprised of early-stage unquoted investments), or on an adjusted basis to recognise the underlying performance of the investments.

Where models are used in valuing an investment, significant judgements are made in estimating the various inputs into the models and recognising the sensitivity of such estimates, especially in early-stage pre-revenue enterprises. Examples of the factors where significant judgement is made include, but are not limited to – the probability assigned to the relative success or failure of an enterprise; the probable future outcome paths; discount rates; growth rates; terminal value; selection of appropriate market comparable companies, the reliability of future revenue and growth forecasts and the likely exit scenarios for the investor company, for example, IPO or trade sale. In making judgements in regard to the probability of an investee outcome, it must be noted that due to the nature of the investee company's activity, its future outcome may, to a greater or lesser extent, be binary, for example, if an investee company is developing one particular drug and that fails its required trials then the outcome may be terminal for that enterprise. It should be noted that the most significant event that will drive valuation change in investee companies are company-specific events that would give rise to a valuation inflexion point (known also as a 'triggering event'). An example of a material inflexion point in a bio-pharma company would be the successful completion of a drug trial or its approval by a regulatory authority.

These valuation methods may lead to a company being valued on a suitable price-earnings ratio to that company's historic, current or forecast post-tax earnings before interest and amortisation (the ratio used being based on a comparable sector but the resulting value being adjusted to reflect points of difference identified when compared to the market sector (which the investment would reside in were it listed) including, inter alia, a lack of marketability).

At 31 December 2021, 24.2% (2020: nil %) of the NAV was valued in accordance with 1(i); 59.9% (2020: 43.6%) in accordance with 1(ii); 14.4% (2020: 77.0%) in accordance with 1(iii); and 2.4% (2020: 2.1%) in accordance with 1(iv).

(c) Accounting for reserves

Capital reserve

The capital reserve reflects any:

- gains and losses on disposals of investments;
- exchange differences of a capital nature;
- increase and decreases in the fair value of investments which have been recognised in the capital column of the Income Statement; and
- expenses which are capital in nature

Any gains in the fair value of investments that are not readily convertible to cash are treated as unrealised gains in the capital reserve.

Notes to the Accounts

Revenue reserve

The revenue reserve reflects all income and expenditure recognised in the revenue column of the Income Statement and any surplus is distributable by way of dividend.

(d) Income

Dividends receivable are included in revenue on an ex-dividend basis except where, in the opinion of the Board, the dividend is capital in nature, in which case it is included in capital.

Overseas dividends are included gross of any withholding tax.

Deposit interest outstanding at the year-end is calculated and accrued on a time apportionment basis using market rates of interest.

(e) Expenses

All expenses are accounted for on an accruals basis. Expenses are allocated wholly to revenue, except that:

- Any performance fee is charged wholly to capital.
- Expenses incidental to the purchase or sale of an investment are charged to capital. These expenses are commonly referred to as transaction costs and mainly comprise brokerage commission. Details of transaction costs are given in note 9 on page 70.

(f) Finance costs

Finance costs, comprising loan and overdraft interest, are charged wholly to revenue.

(g) Financial instruments

Cash at bank and in hand may comprise cash and demand deposits which are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value. Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method. Bank overdrafts and loans are included in current liabilities, or creditors falling due after more than one year, depending on the terms of the facility agreement.

Other debtors and creditors do not carry any interest, are short-term in nature and are accordingly stated at nominal value, with debtors reduced by appropriate allowances for estimated irrecoverable amounts.

Any derivative financial instruments held at the year end, including forward foreign currency contracts, are included in current assets or current liabilities in the Statement of Financial Position at fair value, using market prices. Forward foreign currency contracts are valued at the gain or loss if the contracts had been closed out at the accounting date, at prevailing market rates.

Gains or losses on derivative financial instruments are treated as capital or revenue depending on the motive and circumstances of the transaction. Where positions are undertaken to protect or enhance capital, the returns are capital and where they are generating or protecting revenue, the returns are revenue.

(h) Taxation

The tax charge for the year includes a provision for all amounts expected to be received or paid. Deferred tax is provided on all timing differences that have originated but not reversed by the accounting date. Deferred tax liabilities are recognised for all taxable timing differences but deferred tax assets are only recognised to the extent that it is probable that taxable profits will be available against which those timing differences can be utilised. Deferred tax is measured at the tax rate which is expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates that have been enacted or substantively enacted at the balance sheet date and is measured on an undiscounted basis.

(i) Value added tax ("VAT")

Expenses are disclosed inclusive of any related irrecoverable VAT.

(j) Foreign currency

In accordance with FRS 102, the Company is required to nominate a functional currency, being the currency in which the Company predominantly operates. The Board, having regard to the currency of the Company's share capital and the predominant currency in which its shareholders operate, has determined that sterling is the functional currency and the currency in which the accounts are presented.

Transactions denominated in foreign currencies are converted at actual exchange rates as at the date of the transaction.

Notes to the Accounts

(k) Share issues

Shares issued are recognised based on the proceeds or fair value received, with the excess of the amount received over their nominal value being credited to the share premium account. Direct issue costs are deducted from share premium.

2. Income

	2021 £'000	2020 £'000
Income from investments:		
UK dividends	112	–
	112	–

3. Portfolio management fee

	2021 £'000	2020 £'000
Portfolio management fee	3,019	1,923
	3,019	1,923

The Company appointed Schroder Investment Management Limited (SIML) as Portfolio Manager, effective from 13 December 2019. Under the terms of the new management agreement, SIML is entitled to a management fee, effective from 13 March 2020 and a performance fee, subject to achieving performance targets. Details of these calculations are set out in the Directors' Report on page 38. No performance fee is payable for the current or prior year and no provision is required at 31 December 2021.

Details of all transactions with the Portfolio Manager are given in note 17 on page 72.

4. Other administrative expenses

	2021 £'000	2020 £'000
Other administration expenses	818	562
Valuation fees	303	293
Directors' fees ¹	189	191
Company secretarial fee	–	44
Auditor's remuneration for the audit of the Company's annual accounts ²	138	150
	1,448	1,240

¹Full details are given in the remuneration report on pages 47 to 49.

²Includes VAT amounting to £23,000 (2020: £25,000).

5. Finance costs

	2021 £'000	2020 £'000
Bank loan/overdraft fees and interest	960	1,909
	960	1,909

Notes to the Accounts

6. Taxation

(a) Analysis of tax charge for the year

	Revenue £'000	2021 Capital £'000	Total £'000	Revenue £'000	2020 Capital £'000	Total £'000
Taxation for the year	-	-	-	-	-	-

The Company has no corporation tax liability for the year ended 31 December 2021 (2020: nil).

(b) Factors affecting tax charge for the year

	Revenue £'000	2021 Capital £'000	Total £'000	Revenue £'000	2020 Capital £'000	Total £'000
Net (loss)/return before taxation	(5,315)	124,117	118,802	(5,072)	(126,288)	(131,360)
Net (loss)/return before taxation multiplied by the Company's applicable rate of corporation tax for the year of 19.0% (2020: 19.0%)	(1,010)	23,582	22,572	(964)	(23,995)	(24,959)
Effects of:						
Capital returns and losses on investments	-	(23,582)	(23,582)	-	23,995	23,995
UK dividends which are not taxable	(21)	-	(21)	-	-	-
Unrelieved loan relationship deficit	182	-	182	363	-	363
Unrelieved management expenses	849	-	849	601	-	601
Taxation on ordinary activities	-	-	-	-	-	-

(c) Deferred taxation

Given the Company's intention to meet the conditions required to retain its status as an Investment Trust Company, no provision has been made for deferred tax on any capital gains or losses arising on the revaluation or disposal of investments.

The Company has an unrecognised deferred tax asset £6,027,000 (2020: £3,731,000) arising from unutilised tax losses of £24,106,000 (2020: £19,639,000) based on a prospective corporation tax rate of 25.0% (2020: 19%). In its 2021 budget, the government announced that the main rate of corporation tax would increase to 25% for the fiscal year beginning on 1 April 2023. This deferred tax asset has arisen due to the cumulative excess of deductible expenses over taxable income. Given the composition of the Company's portfolio, it is not likely that this asset will be utilised in the foreseeable future and therefore no asset has been recognised in the accounts.

7. Dividends

No dividends have been paid or proposed in respect of the year ended 31 December 2021 (2020: nil).

8. Basic and diluted loss per share

	2021 £'000	2020 £'000
Revenue loss	(5,315)	(5,072)
Capital return/(loss)	124,117	(126,288)
Total return/(loss)	118,802	(131,360)
Weighted average number of shares in issue during the year	908,639,238	908,639,238
Revenue loss per share	(0.58)p	(0.56)p
Capital return/(loss) per share	13.66p	(13.90)p
Total basic and diluted return/(loss) per share	13.08p	(14.46)p

The basic and diluted loss per share is the same because there are no dilutive instruments in issue.

Notes to the Accounts

9. Investments held at fair value through profit or loss

(a) Movement in investments

	2021 £'000	2020 £'000
Opening book cost	759,715	820,226
Opening investment holding losses	(338,563)	(259,111)
Opening fair value	421,152	561,115
Purchases at cost	88,680	11,855
Sales proceeds	(193,516)	(25,723)
Gains/(losses) on investments held at fair value through profit or loss	124,583	(126,095)
Closing fair value	440,899	421,152
Closing book cost	622,857	759,715
Closing investment holding losses	(181,958)	(338,563)
Closing fair value	440,899	421,152

The Company received £193,516,000 (2020: £25,723,000) from investments sold in the year. The book cost of the investments when they were purchased was £225,538,000 (2020: £72,366,000). These investments have been revalued over time and, until they were sold, any unrealised gains/losses were included in the fair value of the investments.

Purchases and sales include non-cash transactions in relation to Athenex and Kuur (2020: Ombu and RateSetter).

(b) Unquoted investments, including investments quoted in inactive markets

Material revaluations of unquoted investments during the year

	Opening valuation at 31/12/20 ¹ £'000	Valuation adjustment £'000	Closing valuation at 31/12/21 £'000
Atom Bank	37,759	8,450	46,209
Benevolent AI	21,339	7,145	28,484
Rutherford Health	33,889	(12,577)	21,312
HP Environmental Technologies Fund	6,600	4,077	10,677

¹Based on the closing holding at opening prices.

Material disposals of unquoted investments during the year

	Book cost £'000	Carrying value at 31/12/20 £'000	Sales proceeds £'000	Gain/(loss) based on carrying value at 31/12/20 £'000
Inivata	21,428	26,137	36,924	10,787
Carrick Therapeutics	20,492	11,155	16,643	5,488
Mission Therapeutics	13,553	4,488	8,945	4,457
Psioxus	1,800	615	686	71
Kymab	17,888	68,145	64,562	(3,583)

Notes to the Accounts

(c) Transaction costs

The following transaction costs, comprising stamp duty and brokerage commission, were incurred in the year:

	2021 £'000	2020 £'000
On acquisitions	78	1
On disposals	397	296
	475	297

10. Current assets

	2021 £'000	2020 £'000
Debtors		
Accrued income	54	–
Other debtors	117	26
	171	26

The Directors consider that the carrying amount of accrued income and debtors approximate to their fair value.

Cash at bank and in hand

The carrying amount of cash at bank, amounting to £19,077,000 (2020: £6,379,000) represents its fair value.

11. Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Bank loan	–	107,032
Portfolio management fee payable	765	1,923
Other creditors and accruals	511	533
	1,276	109,488

The bank loan at the prior year end was drawn on the Company's previous facility with The Northern Trust Company, and which expired on 15 January 2021.

The Directors consider that the carrying amount of creditors falling due within one year approximates to their fair value.

12. Creditors: amounts falling due after more than one year

	2021 £'000	2020 £'000
Bank loan	22,000	–

The Company arranged a new, amended loan facility agreement with The Northern Trust Company, effective from 15 January 2021, and fully paid down the amount outstanding out of the proceeds of sales transactions. Under the terms of the new loan facility agreement, following the above repayment, the arrangement changes to a "Revolving Facility Commitment", and the principal terms of this are as follows:

- The facility limit was reduced to £55 million, and further reduced to £40 million following an amendment dated 22 October 2021;
- The termination date is 30 January 2023;
- Interest on any drawings will accrue daily and will be calculated at the aggregate of The Bank of England base rate, a 2% margin; and
- Drawings on the facility are secured on all of the Company's assets.

Notes to the Accounts

The Directors consider that the carrying amount of the bank loan approximates to its fair value.

13. Called-up share capital

	2021 £'000	2020 £'000
Ordinary shares allotted, called up and fully paid:		
Ordinary shares of 1p each:		
908,639,238 ordinary shares of 1p each	9,086	9,086

14. Reserves

	Share premium ¹ £'000	Capital reserves Losses on sales of investments ² £'000	Investment holding losses ³ £'000	Revenue reserve ⁴ £'000
Opening balance	891,017	(224,465)	(338,757)	(18,812)
Losses on sales of investments based on historic cost	–	(32,022)	–	–
Net movement in investment holding gains and losses	–	–	156,605	–
Exchange losses	–	–	(466)	–
Retained revenue loss for the year	–	–	–	(5,315)
Closing balance	891,017	(256,487)	(182,618)	(24,127)

The Company's articles of association permit dividend distributions out of realised capital profits.

¹The share premium is a non distributable reserve and represents the amount by which the fair value of the consideration received from shares issued exceeds the nominal value of shares issued.

²This is a realised (distributable) capital reserve and a positive balance may be used to repurchase the Company's own shares or distributed as dividends. However, the Company is not currently in a position to make such a distribution as the balance is negative.

³This reserve may include some holding gains on liquid investments (which may be deemed to be realised) and other amounts which are unrealised. An analysis has not been made between those amounts that are realised (and may be distributed as dividends or used to repurchase the Company's own shares) and those that are unrealised. The Company is not currently in a position to make any distributions due to total net negative balances on its distributable reserves.

⁴A positive balance on the revenue reserve may be distributed as dividends or used to repurchase the Company's own shares. However the Company is not currently in a position to make such a distribution as the balance is negative.

15. Net asset value per share

	2021	2020
Net assets attributable to shareholders (£'000)	436,871	318,069
Shares in issue at the year end	908,639,238	908,639,238
Net asset value per share	48.08p	35.00p

16. Financial commitments

The Company had nil (2020: £2,900,000) uncalled capital commitments at the year end.

Notes to the Accounts

17. Transactions with the Portfolio Manager and Alternative Investment Fund Manager (AIFM)

A management fee amounting to £3,019,000 (2020: £1,923,000) is payable to Schroder Investment Management Limited for the year ended 31 December 2021, of which £765,000 (2020: £1,923,000) was outstanding at the year end.

Fees amounting to £88,000 (2020: £88,000) were payable to Link Fund Solutions Limited for services as AIFM, of which £22,000 (2020: £22,000) was outstanding at the year end.

Fees amounting to nil (2020: £44,000) were payable to Link Company Matters Limited for company secretarial services, of which nil (2020: nil) was outstanding at the year end.

No Director of the Company served as a director of any member of the Schroder Group, Link Fund Solutions Limited or its affiliates at any time during the year.

18. Related party transactions

Details of the remuneration payable to directors and details of directors' shareholdings are given in the Directors' Remuneration Report on page 48. Details of transactions with the Portfolio Manager, the AIFM and its associated companies are given in note 17 above. There have been no other transactions with related parties during the year (2020: nil).

19. Disclosures regarding financial instruments measured at fair value

The Company's financial instruments within the scope of FRS 102 that are held at fair value comprise its investment portfolio and derivative financial instruments.

FRS 102 requires that financial instruments held at fair value are categorised into a hierarchy consisting of the three levels below. A fair value measurement is categorised in its entirety on the basis of the lowest level input that is significant to the fair value measurement.

Level 1 – valued using unadjusted quoted prices in active markets for identical assets.

Level 2 – valued using observable inputs other than quoted prices included within Level 1.

Level 3 – valued using inputs that are unobservable.

Details of the Company's policy for valuing investments and derivative instruments are given in note 1(b) on page 64 and 1(g) on page 66. Level 3 investments have been valued in accordance with note 1(b) (i) - (iv).

At 31 December, the Company's investment portfolio and any derivative financial instruments were categorised as follows:

	2021			
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments in equities – quoted	222,031	–	21,312	243,343
– unquoted	–	–	197,556	197,556
Total	222,031	–	218,868	440,899

	2020			
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments in equities – quoted	32,697	–	33,889	66,586
– unquoted	–	–	354,566	354,566
Total	32,697	–	388,455	421,152

Immunocore £21,044,000 (2020: £25,570,000) and Oxford Nanopore £162,641,000 (2020: £68,707,000) transferred from Level 3 to Level 1 during the year following their respective IPOs on NASDAQ and London Stock Exchange. There were no transfers between Levels 1, 2 or 3 during the year ended 31 December 2020.

Notes to the Accounts

Movements in fair value measurements included in Level 3 during the year are as follows:

	2021 £'000	2020 £'000
Opening book cost	663,223	702,358
Opening investment holding losses	(274,768)	(194,719)
Opening valuation	388,455	507,639
Purchases at cost	39,437	9,952
Sales proceeds	(185,825)	(11,654)
Transfer between unquoted/quoted	(66,197)	-
Net movement in investment holding gains and losses	42,998	(117,482)
Closing valuation	218,868	388,455
Closing book cost	482,416	663,223
Closing investment holding losses	(263,548)	(274,768)
Total level 3 investments held at fair value through profit or loss	218,868	388,455

The company received £185,825,000 (2020: £11,654,000) from Level 3 investments sold in the year. The book cost of the investments when they were purchased was £154,047,000 (2020: £49,087,000). These investments have been revalued overtime until they were sold, any unrealised gains/losses were included in the fair value of the investments.

20. Financial instruments exposure to risk and risk management policies

The investment objective is set out on the inside front cover of this report. In pursuing this objective, the Company is exposed to a variety of financial risks that could result in a reduction in the Company's net assets or a reduction in the profits available for dividends. These financial risks include market risk (comprising currency risk, interest rate risk and market price risk), liquidity risk and credit risk. The directors' policy for managing these risks is set out below. The Board coordinates the Company's risk management policy.

The objectives, policies and processes for managing the risks and the methods used to measure the risks that are set out below, have not changed from those applying in the comparative year.

The Company's classes of financial instruments may comprise the following:

- investments in shares of quoted and unquoted companies which are held in accordance with the Company's investment objective;
- short-term debtors, creditors and cash arising directly from its operations;
- a bank loan from Northern Trust Company, the purpose of which is to assist in financing the Company's operations; and
- forward foreign currency contracts, the purpose of which is to manage the currency risk arising from the Company's investment activities.

(a) Market risk

The fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements: currency risk, interest rate risk and other price risk. Information to enable an evaluation of the nature and extent of these three elements of market risk is given in parts (i) to (iii) of this note, together with sensitivity analyses where appropriate. The Board reviews and agrees policies for managing these risks and these policies have remained unchanged from those applying in the comparative year. The Manager assesses the exposure to market risk when making each investment decision and monitors the overall level of market risk on the whole of the investment portfolio on an ongoing basis.

(i) Currency risk

Certain of the Company's assets, liabilities and income are denominated in currencies other than sterling, which is the Company's functional currency and the presentational currency of the accounts. As a result, movements in exchange rates will affect the sterling value of those items.

Notes to the Accounts

Management of currency risk

The AIFM monitors the Company's exposure to foreign currencies on a daily basis and reports to the Board, which meets on at least four occasions each year. The Manager measures the risk to the Company of the foreign currency exposure by considering the effect on the Company's net asset value and income of a movement in the rates of exchange to which the Company's assets, liabilities, income and expenses are exposed.

Income denominated in foreign currencies is converted into sterling on receipt.

It is currently not the Company's policy to hedge against currency risk, but the Portfolio Manager may, with the Board's consent and oversight, hedge against specific currencies, depending on their longer term view.

Foreign currency exposure

The fair value of the Company's monetary items that have foreign currency exposure at 31 December are shown below. The Company's investments (which are not monetary items) have been included separately in the analysis so as to show the overall level of exposure.

	2021					
	Australian Dollars £'000	Euro £'000	Norwegian Krone £'000	Swiss Francs £'000	US Dollars £'000	Total £'000
Cash at bank and in hand	–	10,078	–	–	1,167	11,245
Foreign currency exposure on net monetary items	–	10,078	–	–	1,167	11,245
Investments held at fair value through profit or loss	996	9,905	11,823	5,513	82,198	110,435
Total net foreign currency exposure	996	19,983	11,823	5,513	83,365	121,680

	2020					
	Australian Dollars £'000	Euro £'000	Norwegian Krone £'000	Swiss Francs £'000	US Dollars £'000	Total £'000
Cash at bank and in hand	–	–	–	–	124	124
Foreign currency exposure on net monetary items	–	–	–	–	124	124
Investments held at fair value through profit or loss	959	–	11,466	5,426	163,119	180,970
Total net foreign currency exposure	959	–	11,466	5,426	163,243	181,094

The above year end amounts are broadly representative of the exposure to foreign currency risk during the current and comparative year.

Foreign currency sensitivity

The following tables illustrate the sensitivity of net profit for the year and net assets with regard to the Company's monetary financial assets and financial liabilities and exchange rates. The sensitivity analysis is based on the Company's monetary currency financial instruments held at each accounting date and assumes a 10% (2020: 10%) appreciation or depreciation in sterling against all the currencies to which the Company is exposed, which is considered to be a reasonable illustration based on the volatility of exchange rates during the year.

If sterling had weakened by 10% this would have had the following effect:

	2021 £'000	2020 £'000
Income Statement – return after taxation		
Revenue return	–	–
Capital return	12,168	18,109
Total return after taxation	12,168	18,109
Net assets	12,168	18,109

Notes to the Accounts

Conversely if sterling had strengthened by 10% this would have had the following effect:

	2021 £'000	2020 £'000
Income Statement – return after taxation		
Revenue return	–	–
Capital return	(12,168)	(18,109)
Total return after taxation	(12,168)	(18,109)
Net assets	(12,168)	(18,109)

In the opinion of the directors, the above sensitivity analysis with respect to monetary financial assets and liabilities is broadly representative of the whole of the current and comparative year.

(ii) Interest rate risk

Interest rate movements may affect the level of income receivable on cash balances and the interest payable on the bank overdraft when interest rates are re-set.

Management of interest rate risk

Liquidity and borrowings are managed with the aim of increasing returns to shareholders. The Board would not normally expect gearing to exceed 20% where gearing is defined as borrowings used for investment purposes, less cash, expressed as a percentage of net assets.

Interest rate exposure

The exposure of financial assets and financial liabilities to floating interest rates, giving cash flow interest rate risk when rates are re-set, is shown below:

	2021 £'000	2020 £'000
Exposure to floating interest rates:		
Cash at bank and in hand	19,077	6,379
Creditors: amounts falling due after more than one year - bank loan	(22,000)	–
Creditors: amounts falling due within one year – bank loan	–	(107,032)
Net exposure	(2,923)	(100,653)

Interest receivable on cash balances is at a margin below LIBOR (2020: same).

The Company has a loan facility with The Northern Trust company on which £22,000,000 had been drawn down at the year end. Interest payable on any drawings will be calculated at the aggregate of The Bank of England base rate and a 2% margin. At the prior year end, the Company's had drawn down £107,032,000 on the previous facility with The Northern Trust Company which expired on 15 January 2021. Interest payable on that facility was calculated at LIBOR for one month, or other agreed loan period, plus a margin of 1.5%.

The above year end amounts are broadly representative of the exposure to interest rates during the year.

Notes to the Accounts

Interest rate sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to a 0.25% (2020: 0.25%) increase or decrease in interest rates in regards to the Company's monetary financial assets and financial liabilities. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on the Company's monetary financial instruments held at the accounting date with all other variables held constant.

	2021		2020	
	0.25% increase in rate £'000	0.25% decrease in rate £'000	0.25% increase in rate £'000	0.25% decrease in rate £'000
Income statement – return after taxation				
Revenue return	(7)	7	(252)	252
Capital return	-	-	-	-
Total return after taxation	(7)	7	(252)	252
Net assets	(7)	7	(252)	252

(iii) Market price risk

Market price risk includes changes in market prices, other than those arising from interest rate risk, which may affect the value of investments.

Management of other price risk

The Board meets on at least four occasions each year to consider the asset allocation of the portfolio and the risk associated with particular countries and industry sectors. The investment management team has responsibility for monitoring the portfolio, which is selected in accordance with the Company's investment objective and seeks to ensure that individual stocks meet an acceptable risk/reward profile. The Board may authorise the Portfolio Manager to enter derivative transactions for the purpose of protecting the portfolio against falls in market prices.

Market risk exposure

The Company's total exposure to changes in market prices at 31 December comprises the following:

	2021 £'000	2020 £'000
Investments held at fair value through profit or loss	440,899	421,152

The above data is broadly representative of the exposure to market price risk during the year.

Concentration of exposure to market price risk

A sector and geographical analysis of the Company's investments is given on page 18. This shows a concentration of exposure to economic conditions in the United Kingdom and predominantly to the healthcare sector.

In addition, the Company holds six investments amounting to approx £91.7m, representing 20.9% of NAV whose valuation is deemed to be potentially volatile, as it is dependent on a number of factors including future funding and meeting of anticipated milestones.

Additionally, as highlighted in the Portfolio Manager's Review on page 8, Rutherford Health's valuation may be impacted negatively or positively depending on the outcome of the ongoing process to secure long-term funding for the business.

Market price risk sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to an increase or decrease of 20% (2020: 20%) in the fair values of the Company's investments. This level of change is considered to be a reasonable illustration based on observation of current market conditions.

Notes to the Accounts

	2021		2020	
	20% increase in fair value £'000	20% decrease in fair value £'000	20% increase in fair value £'000	20% decrease in fair value £'000
Income statement – return after taxation				
Revenue return	–	–	–	–
Capital return	88,180	(88,180)	84,230	(84,230)
Total return after taxation and net assets	88,180	(88,180)	84,230	(84,230)
Percentage change in net asset value	20.2%	(20.2%)	26.5%	(26.5%)

(b) Liquidity Risk

This is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management of the risk

The Company had drawn down £22,000,000 on its facility with Northern Trust Company as at 31 December 2021. The loan drawn down at the prior year end was rolled over into a new facility with Northern Trust Company and repaid in full.

The Company's assets include readily realisable securities amounting to £222,031,000 (2020: £32,697,000), which can be sold to meet ongoing funding requirements. Additionally, the company has level 3 investments which are illiquid but can be realised to generate proceeds to pay down the loan. At 31 December 2021, the total level 3 securities are valued at £218,868,000 (2020: £388,455,000).

Liquidity risk exposure

Contractual maturities of financial liabilities, based on the earliest date on which payment can be required are as follows:

	2021			2020	
	Three months or less £'000	More than three months but not more than one year £'000	More than one year £'000	Three months or less £'0000	Total £'000
Creditors: amounts falling due within one year					
Bank loan – including interest	274	454	22,050	107,099	107,099
Other creditors and accruals	1,138	–	–	2,389	2,389
	1,412	454	22,050	109,488	109,488

(c) Credit risk

Credit risk is the risk that the failure of the counterparty to a transaction to discharge its obligations under that transaction could result in loss to the Company.

Management of credit risk

This risk is not significant and is managed as follows:

Portfolio dealing

The credit ratings of broker counterparties is monitored by the AIFM and limits are set on exposure to any one broker.

Exposure to the custodian

The custodian of the Company's assets is Northern Trust Company which has Long-Term Credit Ratings of AA with Fitch and Aa2 with Moody's.

The Company's investments are held in accounts which are segregated from the custodian's own trading assets. If the custodian were to become insolvent, the Company's right of ownership of its investments is clear and they are therefore protected. However the Company's cash balances are all deposited with the custodian as banker and held on the custodian's balance sheet. Accordingly, in accordance with usual banking practice, the Company will rank as a general creditor to the custodian in respect of cash balances.

Notes to the Accounts

(d) Fair values of financial assets and financial liabilities

All financial assets and liabilities are either carried in the balance sheet at fair value, or the balance sheet amount is a reasonable approximation of fair value.

21. Analysis of changes in net debt

	At 31 December 2020 £'000	Cashflows £'000	At 31 December 2021 £'000
Cash and Cash Equivalents			
Cash at bank and in hand	6,379	12,698	19,077
Borrowings			
Debt due within one year	(107,032)	107,032	-
Debt due after more than one year	-	(22,000)	(22,000)
Net debt	(100,653)	97,730	(2,923)

22. Capital management policies and procedures

The Company's objectives, policies and processes for managing capital are unchanged from the preceding year.

The Company's debt and capital structure comprises the following:

	2021 £'000	2020 £'000
Debt		
Bank loan	22,000	107,032
Equity		
Called-up share capital	9,086	9,086
Reserves	427,785	308,983
	436,871	318,069
Total debt and equity	458,871	425,101

Annual General Meeting – Recommendations

AGM

The Company's AGM will be held on Wednesday, 18 May 2022 at noon. Shareholders are being asked to vote on various items of business, being:

- the receipt of the Company's annual financial statements for the year ended 31 December 2021, together with the Strategic Report, Directors' Report and the Auditor's Report on those financial statements;
- the approval of proposed changes to the Company's investment objective and policy;
- approval of the Directors' Remuneration Policy;
- the receipt and approval of the Directors' Remuneration Report;
- the election/re-election of Directors; and
- the re-appointment of Grant Thornton UK LLP as auditor and the authorisation of the Audit, Risk and Valuation Committee to determine the remuneration of the auditor.

Resolutions relating to the following items of business will also be proposed at the forthcoming AGM.

Resolution 11: authority to allot shares

Resolution 11 set out in the Notice of AGM is an ordinary resolution and will, if passed, authorise the Directors to allot up to 90,863,900 ordinary shares of 1p each with a nominal value of £908,639 or 10 per cent of the Company's shares in issue at the date at which this resolution is passed, which will replace the current authority granted to the Directors at the last AGM. This authority will expire at the AGM to be held in 2023 when a resolution to renew the authority will be proposed.

The Directors do not intend to allot ordinary shares or sell treasury shares, on a non pre-emptive basis, pursuant to this authority other than to take advantage of opportunities in the market as they arise and only if they believe it to be advantageous to the Company as a whole. Shares issued or treasury shares reissued, under this authority, will be at a price that is equal to or greater than the Company's NAV per share, plus any applicable costs, as at the latest practicable date before the allotment of such shares.

Resolution 12: change of investment objective and policy

Resolution 12 set out in the Notice of AGM is an ordinary resolution. The Directors are seeking approval of a change to the Company's investment objective and policy to reflect the strategy that Schroders will aim to deploy in managing the portfolio.

The revised investment objective and policy, with the proposed changes highlighted, is set out below.

Investment objective

The investment objective of Schroder UK Public Private Trust PLC (SUPP or the Company) is to achieve long-term capital growth through investing in a diversified portfolio of public and private

equity companies with a focus on UK companies, both quoted and unquoted.

Investment Policy

The Portfolio Manager employs a collaborative, team-based approach combining skills, experience and research resources across its public and private equity teams. It aims to identify private equity investments which demonstrate an optimal combination of fast-growing, high-quality companies with strong management teams and co-investors, and public companies with innovative business models, a focus on organic growth and high-quality management.

The portfolio composition at any one time will reflect the opportunities available to the Portfolio Manager, the performance of the underlying investee companies and the maturity of the portfolio. The Company's portfolio will typically consist of 30-80 holdings, predominantly in UK companies. The Company may become a significant shareholder in any of the underlying portfolio companies. While the intention is for quoted public companies to represent not less than 20 per cent. of gross assets over the long-term, the actual exposure may vary from time to time reflecting the maturity of the portfolio and market environment at that time.

The Company's portfolio is constructed on the basis of an assessment of the fundamental value of individual securities and is not structured on the basis of country or sector weightings. The Company's portfolio is will be diversified across a number of sectors and, while there are no specific limits placed on exposure to any one country or sector, the Company will at all times invest and manage the portfolio in a manner consistent with spreading investment risk.

Investment restrictions

The Company is subject to the following investment restrictions:

- *the Company's portfolio shall be invested in a minimum of 30 holdings;*
- *the Company shall not invest more than 10 per cent of its net asset value at the time of initial investment in an investee company save that the Portfolio Manager may make further investments into an investee company subject to an aggregate investment limit in any investee company of 20 per cent of net asset value at the time of investment;*
- *the Company may invest in other investment funds, including listed closed-ended investment funds, to gain investment exposure, but such investment will be unleveraged and (other than in relation to investment in money market funds for the purposes of cash management) limited, in aggregate, to 10 per cent of net asset value at the time of investment; and*
- *with respect to cash deposits, the Company shall not have exposure of more than 10 per cent of net asset value, at the time of investment, to any one issuer.*

Annual General Meeting – Recommendations

Borrowing

The Company may employ gearing of up to 20 per cent of net asset value, calculated at the time of borrowing, for the purpose of capital flexibility, including for investment purposes.

The Board will oversee the level of gearing in the Company, and will review the position with the Portfolio Manager on a regular basis.

Resolution 13: authority to disapply pre-emption rights

Resolution 13 set out in the Notice of AGM is a special resolution and will, if passed, authorise the Directors to allot up to 90,863,900 ordinary shares of 1p each, with a total nominal value of £908,639 or 10 per cent of the Company's shares in issue at the date at which this resolution is passed, for cash on a non-pre-emptive basis, which will replace the current authority granted to the Directors at the last AGM. This authority will expire at the AGM to be held in 2023 when a resolution to renew the authority will be proposed.

The Directors intend to use this authority at a time when they believe it to be in the best interests of the shareholders as a whole and to satisfy demand for the Company's shares.

The shares will only be issued at NAV or at a premium to NAV at the time of issue.

Resolution 14: authority to buy back shares

Resolution 14 set out in the Notice of AGM is a special resolution and will, if passed, authorise the Directors to buy back up to 136,205,021 ordinary shares of 1p each, with a nominal value of £1,362,050.21, or 14.99 per cent of the Company's shares in issue, at the date at which this resolution is passed.

At the AGM held on 4 June 2021, the Company was granted authority to make market purchases of up to 136,205,021 ordinary shares of 1p each for cancellation or holding in treasury. No shares have been bought back under this authority and the Company therefore has remaining authority to purchase up to 136,205,021 ordinary shares. This authority will expire at the forthcoming AGM.

The maximum price (exclusive of expenses) which may be paid by the Company in relation to any such purchase is the higher of:

- (i) 5 per cent above the average of the mid-market value of shares for the five business days before the day of purchase; or
- (ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange.

The minimum price that may be paid is 1p per share, being the nominal price per share. The decision as to whether to buy back any ordinary shares will be at the discretion of the Board. Ordinary shares bought back in accordance with the authority granted to the Board will either be held in treasury or cancelled. If the shares are held in treasury, they may be reissued from treasury but will only be reissued at a price that is in excess of the Company's then prevailing NAV. The Company will fund any buyback by using the Company's cash resources. This authority will expire at the AGM to be held in

2023 when a resolution to renew the authority will be proposed.

Resolution 15: notice period for general meetings

Resolution 15 set out in the Notice of AGM is a special resolution and will, if passed, allow the Company to hold general meetings (other than annual general meetings) on a minimum notice period of 14 clear days, rather than 21 clear days as required by the Companies Act 2006. The approval will be effective until the Company's next AGM to be held in 2023. The Directors will only call general meetings on 14 clear days' notice when they consider it to be in the best interests of the Company's shareholders and will only do so if the Company offers facilities for all shareholders to vote by electronic means and when the matter needs to be dealt with expediently.

Recommendation

The Board considers that all of the resolutions described above are in the best interests of the Company's shareholders and are likely to promote the success of the Company. The Directors recommend that you vote in favour of the resolutions as they intend to do in respect of their own beneficial holdings.

Notice of Annual General Meeting

The following information to be discussed at the forthcoming AGM is important and requires your immediate attention. If you are in any doubt about the action you should take, you should seek advice from your stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000 (as amended).

If you have sold or transferred all of your ordinary shares in the Company, you should pass this document, together with any other accompanying documents, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

Notice of Annual General Meeting (AGM)

Notice is hereby given that the fifth AGM of Schroder UK Public Private Trust plc (the Company) will be held at noon on Wednesday, 18 May 2022 at the offices of Schroder Investment Management Limited, 1 London Wall Place, London EC2Y 5AU to transact the business set out in the resolutions below.

Resolutions 1 to 12 will be proposed as ordinary resolutions; this means that for each of those ordinary resolutions to be passed, more than half of the votes cast must be in favour. Resolutions 13 to 15 will be proposed as special resolutions; this means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour.

Ordinary resolutions

1. To receive the Company's Annual Report and Accounts for the year ended 31 December 2021 together with the Strategic Report, Directors' Report and the Auditor's Report on those financial statements.
2. To approve the Directors' Remuneration Report set out on pages 47 to 49 of the Company's Annual Report and Accounts for the year ended 31 December 2021.
3. To approve the Directors' remuneration policy set out on page 47 of the Directors' Remuneration Report
4. To re-elect Tim Edwards as a Director.
5. To re-elect Raymond Abbott as a Director.
6. To re-elect Scott Brown as a Director.
7. To re-elect Stephen Cohen as a Director.
8. To re-elect Jane Tufnell as a Director.
9. To re-appoint Grant Thornton UK LLP as auditor of the Company, to hold office from the conclusion of this meeting until the conclusion of the next meeting at which financial statements are laid before the Company.
10. To authorise the Audit, Risk and Valuation Committee to determine the remuneration of the auditor.
11. THAT, in accordance with Section 551 of the Companies Act 2006 (the Act), the Directors be and are hereby generally and unconditionally authorised to exercise all

the powers of the Company to allot ordinary shares in the Company up to a maximum aggregate nominal amount of £908,639, representing approximately 10 per cent of the Company's issued ordinary share capital as at the date of this Notice (or, if changed, the number representing 10 per cent of the issued share capital of the Company at the date at which this resolution is passed), such authority to expire at the conclusion of the AGM of the Company to be held in 2023, (unless previously renewed, varied, revoked or extended by the Company in general meeting), save that the Company may, before such expiry, make offers or agreements which would or might require ordinary shares to be allotted after such expiry, and the Directors may allot ordinary shares in pursuance of such offers or agreements as if the authority conferred by this resolution had not expired.

12. THAT the amended investment policy, as set out on pages 79 and 80 of the Company's Annual Report and Accounts for the year ended 31 December 2021 and produced to the meeting, be and is hereby approved in substitution for the Company's existing investment policy.

Special resolutions

13. THAT subject to the passing of Resolution 11, and in accordance with Sections 570 and 573 of the Act, the Directors be and are hereby generally empowered to allot equity securities (as defined in Section 560(1) of the Act) for cash pursuant to the authority conferred on the Directors by Resolution 11 and to sell ordinary shares from treasury for cash, as if Section 561 of the Act did not apply to any such allotment or sale, up to an aggregate nominal amount of £908,639 (being 10 per cent of the issued ordinary share capital of the Company at the date of this Notice), (or, if changed, the number representing 10 per cent of the issued share capital of the Company at the date at which this resolution is passed), such power to expire at the conclusion of the AGM of the Company to be held in 2023 (unless previously renewed, varied, revoked or extended by the Company in general meeting) save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require ordinary shares to be allotted or sold from treasury after the expiry of such power and the Directors may allot or sell ordinary shares from treasury in pursuance of such an offer or agreement as if such power had not expired.
14. THAT the Company be and is hereby generally and unconditionally authorised for the purpose of Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of ordinary shares of 1p each in the capital of the Company, provided that:
 - (a) the maximum number of ordinary shares which may be purchased is 136,205,021 (or if changed, the number representing 14.99 per cent of the ordinary

Notice of Annual General Meeting

shares in issue at the date which this resolution is passed);

- (b) the minimum price, exclusive of any expenses, which may be paid for each ordinary share is 1p;
- (c) the maximum price, exclusive of any expenses, which may be paid for each ordinary share shall be to the higher of:
 - (i) an amount equal to 105 per cent of the middle market quotations for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which the ordinary shares are purchased; and
 - (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out.

This authority shall expire at the conclusion of the AGM of the Company to be held in 2023 (unless previously revoked, varied, renewed or extended by the Company in general meeting) save that the Company may, before such expiry, enter into a contract to purchase shares which will or may be executed wholly or partly after the expiry of such authority.

15. THAT a general meeting, other than an annual general meeting, may be called on not less than 14 clear days' notice.

By order of the Board

Schroder Investment Management Limited

Company Secretary

1 London Wall Place
London EC2Y 5AU

20 April 2022

Important Notes to the Notice of Meeting

The following notes explain your general rights as a shareholder and your right to attend and vote at this AGM or to appoint someone else to vote on your behalf.

1. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders entered on the Company's register of members at close of business on Monday, 16 May 2022 or, if the meeting is adjourned, on the Company's register of members 48 hours before the time fixed for the adjourned meeting, shall be entitled to attend or vote at the meeting in respect of the number of ordinary shares registered in their name at that time. Changes to entries on the Company's register of members after close of business on Monday, 16 May 2022 or, if the meeting is adjourned, 48 hours before the time fixed for the adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.
2. Members are entitled to appoint a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the AGM. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. To appoint more than one proxy, members will need to complete a separate proxy in relation to each appointment.
3. Shareholders were duly notified that from 2018 onwards, the Company would no longer be posting proxy voting cards to shareholders in order to further reduce the environmental impact. This year, you can therefore appoint a proxy using one of the following methods:
 - via the registrar's website www.signalshares.com. To vote online, you will need to log on to your Signal Shares account or register if you have not already done so. To register, you will need your investor code which can be found on your share certificate. Once registered, you will immediately be able to vote.
 - by requesting a hard copy by calling the registrar Link Group on 0371 664 0300 or, if calling from overseas, on +44 (0) 371 664 0391. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales.
4. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).
5. Any person to whom this Notice is sent who is a person nominated under Section 146 of the Act to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
6. The statement of the rights of shareholders in relation to the appointment of proxies in notes 3, 4 and 8 does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
7. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion.
8. To be valid, any form of proxy or other instrument appointing a proxy must be received by the Company's Registrar, Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL. In the case of shares held through CREST, via the CREST system (see note 12 overleaf). In each case, for proxy appointments to be valid, they must be received by no later than noon on Wednesday, 2 June 2021 (being 48 hours prior to the time of the meeting, not including non-working days). If you return more than one proxy appointment, either by paper or electronic communication, that received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully.
9. The return of a completed form of proxy, other such instrument or any CREST Proxy Instruction (as described in note 12 overleaf) will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so. A member present in person or by proxy shall have one vote on a show of hands and on a poll every member present in person or by proxy shall have one vote for every share of which he/she is the holder. The termination of the authority of a person to act as proxy must be notified to the Company in writing.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM (and any adjournment of the AGM) by using the procedures described in the CREST Manual (available from <https://originenterprises.com/uploads/reports/statements/CREST-Reference-Manual-December-2020.pdf>). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
11. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted

Important Notes to the Notice of Meeting

so as to be received by the issuers' agent (ID RA10) by noon on Monday, 16 May 2022 (being 48 hours prior to the time of the meeting, not including non-working days). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuers agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

12. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
13. Any corporation that is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that no more than one corporate representative exercises powers in relation to the same shares. To be able to attend and vote at the meeting, corporate representatives will be required to produce prior to their entry to the meeting evidence satisfactory to the Company of their appointment.
14. As at 20 April 2022 (being the last practicable business day prior to the publication of this Notice), the Company's issued share capital comprised 908,639,238 ordinary shares of 1p each. Each ordinary share carries the right to one vote at a general meeting of the Company.
15. Under Section 527 of the Act, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Act. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under Section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under Section 527 of the Act to publish on a website.
16. Any shareholder attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
17. The following documents are available for inspection during normal business hours at the registered office of the Company on any business day until the time of the AGM and may also be inspected at the AGM venue from 10.15am on the day of the meeting until the conclusion of the AGM:
 - copies of the Directors' letters of appointment; and
 - a copy of the Articles of Association of the Company.
18. You may not use any electronic address provided in either this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated. A copy of this Notice, and other information required by Section 311A of the Act, can be found on the Company's webpages.
19. The Company's privacy policy is available on its webpages. Shareholders can contact Link for details of how Link processes their personal information as part of the AGM.

Alternative Investment Fund Management Directive disclosures

Report on remuneration

The AIFMD requires certain disclosures to be made with regard to the remuneration policy of the Company's AIFM.

Details of the Link Fund Solutions Limited (LFS) AIFM remuneration policy can be found at <https://www.linkfundsolutions.co.uk/media/gjcdba2w/lfs-explanation-of-compliance-with-remuneration-code.pdf>

Remuneration Policy

Link Fund Solutions Limited ('LFS') is committed to ensuring that its remuneration policies and practices are consistent with, and promote, sound and effective risk management. LFS's remuneration policy is designed to ensure that excessive risk taking is not encouraged by or within LFS including in respect of the risk profile of the Alternative Investment Funds ('AIFs') it operates, to manage the potential for conflicts of interest in relation to remuneration (having regard, inter alia, to its formal conflicts of interest policy) and to enable LFS to achieve and maintain a sound capital base.

None of LFS's staff receives remuneration based on the performance of any individual and. LFS acts as the operator of both UK UCITS funds and AIFs.

LFS delegates portfolio management for the AIFs to various investment management firms. The portfolio managers' fees for providing investment management services are paid by Schroder UK Public Private Trust ("Company"). The investment manager makes information on its remuneration publicly available in accordance with the disclosure requirements of Pillar 3 of the Capital Requirements Directive. This disclosure is in respect of LFS activities, and excludes activities undertaken by third party investment management firms. LFS staff do not perform duties solely for particular AIFs, nor are they remunerated by reference to the performance of any individual AIF. Accordingly, the information below is for LFS as a whole. No attempt has been made to attribute remuneration to the Company itself.

Information on LFS's remuneration arrangements is collated annually, as part of its statutory accounts preparation processes. Accordingly, the information disclosed relates to the year ended 30 June 2021, being the most recent accounting period which accounts have been prepared for LFS prior to the production of these accounts. As at 30 June 2021, LFS operated 92 UK UCITS and 111 AIFs, whose respective assets under management ('AuM') were £40,022 million and £49,171 million. The Company was valued at £369.4 million as at that date and represented 0.41% of LFS's total AuM and 0.75% of its AIF AuM.

The disclosure below represents that required under FUND 3.3.5 R (5) and (6) for funds subject to AIFMD obligations.

	Number of beneficiaries	Fixed £'000	Variable £'000	Total £'000
Total amount of remuneration paid by LFS for the financial year to 30 June 2021	177	7,903	395	8,298
Total amount of remuneration paid to members of staff whose activities have a material impact on the risk profile of the funds for the financial year to 30 June 2021				
Senior management (including all Board members)	8	736	175	911
Staff engaged in control functions	7	521	-	521
Risk takers and other identified staff	19	1,579	118	1,697
Any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers	-	-	-	-

LFS's remuneration arrangement includes fixed salaries, contributory pension arrangements and certain other benefits, and the potential for discretionary bonuses. The amount available for payment of discretionary bonuses is dependent on satisfactory performance by LFS, and the Link Group as a whole, rather than the performance of any individual fund. Bonuses may then be paid to staff to reflect their contribution to LFS's success. The precise metrics used will vary by function, but consideration is given to both qualitative and quantitative measures.

Further details can be found at: <https://www.linkfundsolutions.co.uk/investor-information/link-financial-solutions-limited-lfs-policies-and-information-1/>.

Other disclosures

The AIFMD requires that the AIFM ensures that certain other matters are actioned and/or reported to investors; each of these is set out below.

Provision and content of an annual report (FUND 3.3.2 and 3.3.5)

The publication of the annual report and financial statements of the company satisfies these requirements.

Alternative Investment Fund Management Directive disclosures

Material change of information

The AIFMD requires certain information to be made available to investors in the Alternative Investment Fund (AIF) before they invest and requires that material changes to this information be disclosed in the annual report of each AIF.

The AIFM notes that, during the period, there were no material changes approved by the Board.

Periodic disclosure (FUND 3.2.5 and 3.2.6)

There are no assets subject to special arrangements due to their illiquid nature, nor new arrangements for the managing of the liquidity of the Company.

There is no change to the arrangements, as set out in the Prospectus, for managing the AIF's liquidity.

The current risk profile of the AIF is set out in the annual report (Principal risks and uncertainties) and in further detail in note 19 (Risk management policies and procedures).

The AIF is permitted to be leveraged and the table below sets out the current maximum permitted and actual leverage.

As a percentage of net asset value	Gross Method	Commitment Method
Maximum level of leverage	310.0%	210.0%
Leverage as at 31 December 2021	107.6%	100.7%

Other matters

LFS can confirm that required reporting to the FCA has been undertaken in accordance with FUND 3.4.

Definitions of Terms and Performance Measures

The terms and performance measures below are those commonly used by investment companies to assess values, investment performance and operating costs. Some of the financial measures below are classified as Alternative Performance Measures as defined by the European Securities and Markets Authority, and some numerical calculations are given for those.

Net asset value (NAV) per share

The NAV per share of 48.08p (2020: 35.00p) represents the net assets attributable to equity shareholders of £436,871,000 (2020: £318,069,000) divided by the number of shares in issue, excluding any shares held in treasury, of 908,639,238 (2020: 908,639,238).

Share price discount/premium

The amount by which the share price of an investment trust is lower (discount) or higher (premium) than the NAV per share. The discount or premium is expressed as a percentage of the NAV per share. The discount at the year end amounted to 31.2% (2020: 11.4%), as the closing share price at 33.10p (2020: 31.00p) was 31.2% (2020: 11.4%) lower than the closing NAV of 48.08p (2020: 35.00p).

Gearing

The gearing percentage reflects the amount of borrowings (that is, bank loans or overdrafts) that the Company has used to invest in the market. This figure is indicative of the extra amount by which shareholders' funds would move if the Company's investments were to rise or fall. Gearing is defined as: borrowings used for investment purposes, less cash, expressed as a percentage of net assets. Gearing at the year end is calculated as follows:

	2021 £'000	2020 £'000
Borrowings used for investment purposes, less cash	2,923	100,653
Net assets	436,871	318,069
Gearing	0.7%	31.6%

Ongoing Charges

Ongoing Charges represents all operating expenses payable including any management fee, but excluding finance costs and transaction costs, amounting to £4,467,000 (2020: £3,163,000), expressed as a percentage of the average daily net asset values during the year of £370,576,000 (2020: £426,832,000).

Leverage

For the purpose of the Alternative Investment Fund Managers (AIFM) Directive, leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as the ratio of the Company's exposure to its net asset value and is required to be calculated both on a "Gross" and a "Commitment" method. Under the Gross method, exposure represents the sum of the absolute values of all positions, so as to give an indication of overall exposure. Under the Commitment method, exposure is calculated in a similar way, but after netting off hedges which satisfy certain strict criteria.

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Shareholder Information

Webpages

The Company's webpages can be found at www.schroders.com/publicprivatetrust. It provides visitors with a comprehensive range of performance statistics, Company information and literature downloads.

The Company's profile is also available on third-party sites such as www.trustnet.com and www.morningstar.co.uk.

Annual and half-yearly reports

Copies of the annual and half-yearly reports are available on the Company's webpages.

Association of Investment Companies

The Company is a member of the Association of Investment Companies. Further information on the Association can be found on its website, www.theaic.co.uk.

ISA status

The Company's shares are eligible for stocks and shares ISAs.

Non-Mainstream Pooled Investments Status

The Company currently conducts its affairs so that its shares can be recommended by IFAs to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The Company's shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

Publication of Key Information Document (KID) by the AIFM

Pursuant to the Packaged Retail and Insurance-based Products (PRIIPs) Regulation, the Manager, as the Company's AIFM, is required to publish a short KID on the Company. KIDs are designed to provide certain prescribed information to retail investors, including details of potential returns under different performance scenarios and a risk/reward indicator. The Company's KID is available on its webpages.

Please see our Privacy Policy to learn how we handle personal data.

Visit Schroders Talking Point for market news and expert views <http://www.schroders.com/talkingpoint>. For important disclaimers and regulatory information, please refer to www.schroders.com (Privacy Statement; and Important Information). Schroder Investment Management Limited is authorised and regulated by the Financial Conduct Authority (FCA reference number 119348). Registered in England and Wales under company number 1893220 with registered office address at 1 London Wall Place, London EC2Y 5AU. VAT identification number GB 243 8687 30.

www.schroders.com/publicprivatetrust

Directors

Tim Edwards (Chair)
Raymond Abbott
Scott Brown
Stephen Cohen (Chairman of Audit, Risk and Valuation Committee)
Jane Tufnell (Senior Independent Director)

Registered Office

1 London Wall Place
London EC2Y 5AU

Portfolio Manager

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

Alternative Investment Fund Manager

Link Fund Solutions Limited
6th Floor
65 Gresham Street
London EC2V 7NQ

Company Secretary

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

Corporate Broker

Winterflood Securities Limited
The Atrium Building
Cannon Bridge House
25 Dowgate Hill
London EC4R 2GA

Tax adviser

Duff & Phelps
The Shard, Level 14
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London SE1 9SG

Administrator

Northern Trust Global Services SE
50 Bank Street Canary Wharf
London E14 5NT

Depository

Northern Trust Investor Services Limited
50 Bank Street Canary Wharf
London E14 5NT

Authorised by the PRA and regulated by the FCA & PRA

Custodian

The Northern Trust Company
50 Bank Street Canary Wharf
London E14 5NT

Legal adviser

Stephenson Harwood LLP
1 Finsbury Circus
London EC2M 7SH

Auditor

Grant Thornton UK LLP
30 Finsbury Square
London EC2A 1AG

Registrar

Link Group
10th Floor
Central Square
29 Wellington Street
Leeds LS1 4DL

Shareholder enquiries

General enquiries about the Company should be addressed to the Company Secretary at the Company's Registered Office.

Dealing Codes

SEDOL: BVG1CF2
ISIN: GB00BVG1CF25
Ticker: SUPP

LEI: 2138008X94M7OVE73177
GIIN: U73RHA.99999.SL.826

The Company's privacy notice is
available on its webpages.



Schrode