



RATHBONES

RATHBONE STRATEGIC BOND FUND

ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2026

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RATHBONE STRATEGIC BOND FUND

AUTHORISED FUND MANAGER (THE MANAGER)

Rathbones Asset Management Limited
30 Gresham Street
London EC2V 7QN
Telephone 020 7399 0399

A member of the Rathbones Group
Authorised and regulated by the
Financial Conduct Authority and member
of The Investment Association

DEALING OFFICE

SS&C Financial Services Europe Limited
SS&C House
St Nicholas Lane
Basildon
Essex SS15 5FS
Telephone 0330 123 3810
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REGISTRAR

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SS&C House
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Authorised and regulated by the
Financial Conduct Authority

INDEPENDENT AUDITOR

Deloitte LLP
Statutory Auditor
110 Queen Street
Glasgow G1 3BX

DIRECTORS OF THE MANAGER

T Carroll – Chief Investment Officer and
Chief Executive Officer
JA Rogers – Chief Distribution Officer and
Chair of the Board (resigned 22 May 2026)
J Lowe – Non-Executive Director
J Ide – Non-Executive Director

ADMINISTRATOR

HSBC Securities Services
1-2 Lochside Way
Edinburgh Park
Edinburgh EH12 9DT
Authorised and regulated by the
Financial Conduct Authority

TRUSTEE

NatWest Trustee and Depositary Services Limited
250 Bishopsgate
London EC2M 4AA
Authorised and regulated by the
Financial Conduct Authority

INVESTMENT OBJECTIVE AND POLICY

INVESTMENT OBJECTIVE

The objective of the fund is to deliver a greater total return than the IA Sterling Strategic Bond sector, after fees, over any rolling five-year period. We aim to deliver this return with a lower volatility than the IA Sterling Strategic Bond sector.

There is no guarantee that this investment objective will be achieved over five years, or any other time period.

We use the IA Sterling Strategic Bond sector as a target for our fund's return because we aim to achieve a better return than the average of funds that are similar to ours. We aim to limit the amount of volatility risk our fund can take because we want our investors to understand the risk they are taking compared to funds similar to ours.

INVESTMENT POLICY

To meet the objective, the fund manager will invest in government and corporate bonds, with no restriction on their credit quality. Up to 10% of the fund can be invested directly in contingent convertible bonds. The fund will also use a mixture of specialist funds and direct investment in bonds, with no limits on either.

The fund manager defines restrictions on how much of the fund can be invested in different types of bonds. The restrictions are set at the discretion of the fund manager and will change over time. The restrictions are reviewed annually and in response to market events. Further details in relation to the current restrictions may be obtained by contacting Rathbones Asset Management Limited.

The fund may invest globally but at least 80% of the portfolio will be invested in sterling denominated assets or hedged back to sterling.

Derivatives may be used by the fund for investment purposes, efficient portfolio management and hedging. The use of derivatives for investment purposes may increase the volatility of the fund's Net Asset Value and may increase its risk profile. The manager may use all investment powers as permitted by the prospectus, outside the ranges described above, to ensure the fund is managed in the best interest of investors in times of market irregularities or stress.

INVESTMENT REPORT FOR THE YEAR ENDED 30 JUNE 2026

PERFORMANCE

In the 12 months to 30 June 2026, the Rathbone Strategic Bond Fund (I-class units) returned 4.95%, while our benchmark, the IA Sterling Strategic bond sector, returned 5.23%.

MARKET OVERVIEW

Financial markets were considerably less hectic in the second half of 2025 than in the preceding six months. But concerns about President Donald Trump's trade tariffs, resurgent inflation and very hefty levels of government borrowing continued to weigh on investors. As global inflation pressures eased and labour markets cooled, central banks shifted toward more accommodative monetary policy and resumed interest rate cuts in the late summer. That drove the yields on most government bonds (which run in the opposite direction to their prices) lower, with the benchmark 10-year US government yield beginning the period at 4.26% and dipping to 4.18% by the end of 2025.

UK government bond (gilt) markets were more twitchy than many of their global counterparts, in large part because bondholders were unsettled by endless leaks, rumours and policy false starts ahead of the government's Autumn Budget on 26 November. In the event, the Budget proved more gilt-friendly than many had feared. That aligned to drive a sharp rally in the 10-year gilt yield towards year-end, with the yield falling from a peak of about 4.80% between September and October to 4.47% by the close of 2025.

Early 2026 then saw a massive spike in global geopolitical tensions as President Trump ordered a dramatic US military intervention in Venezuela swiftly followed by high-stakes stand-offs with Iran and Greenland. Those tensions subsequently intensified still further with the outbreak of a full-blown war in the Middle East that triggered a global energy shock. The war severely curtailed energy flows through the vital Strait of Hormuz, through which about 20% of the world's oil and liquified natural gas (LNG) had previously moved. As a result, the price of a barrel of Brent crude, which was about \$60 at the start of 2026, spiked to a peak of above \$115 in early May. More expensive energy means virtually everything will cost more. That's literally the definition of inflation. And there's nothing that

hurts the value of bonds' fixed cashflows more than much higher-than-expected inflation.

Fears that higher energy costs might feed into wider consumer price and wage inflation drove government bond yields much higher. The 10-year US Treasury stood at 4.15% at the start of the year and spiked to above 4.50% in May. It fell back again in June as investors grew more optimistic about a war-ending peace deal but has surged above 4.60% as fighting has resumed.

Bets that the world's big central banks would continue cutting interest rates have vanished, with investors pricing in potential rate hikes in the US, the UK and Europe during 2026. While the energy shock has kept most government bond markets on edge in 2026, the gilt market has proved particularly volatile. That's because it's a government bond market that tends to swing more sharply than its US and European peers, it's grappling with stretched public finances, it's harder to trade in and out of than its bigger cousins, and inflation can quickly feed through to the UK's wider economy. Gilt market volatility has been further stoked by the slow-motion collapse of Sir Keir Starmer's premiership and fears he could be replaced by someone less wedded to fiscal discipline. Against this backdrop, the 10-year gilt yield began the year at 4.70% but hit 5.10% on 13 May (its highest level since 2008). It then rallied back to around 4.80% by 30 June, though it was back above 5.0% in late July.

High gilt yields are unsettling and dent gilt prices, but they simultaneously allow investors to capture generous income streams or 'carry' regardless of their price volatility. Recent Bank of America analysis suggests more and more international investors are buying gilts to capture their outsized yields: overseas investors now own around a third of total gilt issuance.

Notwithstanding the volatility in government bond markets over the period, higher-quality (investment-grade) credit has proved remarkably resilient. Credit spreads (the extra yield investors get for lending to companies versus governments) ground tighter throughout 2025. Spreads, as measured by the iTraxx European Crossover Index, narrowed from 283 basis points (bps) at the start of the period to 244bps by the end of 2025. They briefly blew above 360bps in March over war worries, but had tightened again to 245bps by the end of the period.

INVESTMENT REPORT FOR THE YEAR ENDED 30 JUNE 2026

(continued)

PORTFOLIO ACTIVITY

We were very active in managing our exposure to duration (the sensitivity of a bond's value to changes in interest rates). As a result, we traded our government bonds throughout the period, for example buying more green UK Treasury 0.875% 2033s and UK Treasury 4.25% 2040s and 3.25% 2044s when their yields spiked and selling some when they rallied. Going into last summer, we felt that investors' over-optimism about the likely scale and speed of rate cuts had driven up the prices of government bonds (especially longer-dated ones) too much. As a result, we sold some of our longer-dated UK Treasury 4.25% 2049s ahead of US Federal Reserve (Fed) and Bank of England (BoE) rate cuts in August and September. And we added to our higher-coupon UK Treasury 4.625% 2034s (these bonds' high coupons make them lower duration than low coupon gilts of a similar maturity).

In January, we bought some US Treasury Inflation Protected Securities (TIPS) 1.625% 2030s that we felt looked attractive in a couple of different possible scenarios. On the one hand, their prices would rally if the Fed cut rates more aggressively than investors expected at the time. And, on the other hand, since TIPS' coupons and face value are linked to the current rate of US inflation, we felt they offered decent protection if US inflation proved so sticky that the Fed kept rates on hold. In March, we trimmed some of our UK Index-Linked Treasury Gilt 0.125% 2029s as we felt that UK inflation expectations had got a bit ahead of themselves following the spike in energy costs in the first three months of 2026. In the event, UK inflation eased in April, dropping from March's 3.3% to 2.8% as the energy price cap came into effect.

OUTLOOK

The current investment landscape is certainly complex. Geopolitical tensions, steeper energy prices and uncertain policy responses all represent sizeable challenges.

Yet, there are positives. The starting yields on offer from many bonds are significantly higher than in recent decades, providing a strong income cushion and improving the long-term return outlook from higher-quality bonds. Even if inflation overshoots in the near term, many high quality bonds are yielding well above inflation, which has historically served as a strong predictor of positive forward returns.

Bryn Jones
Fund Manager

Stuart Chilvers
Fund Manager

NET ASSET VALUE PER UNIT AND COMPARATIVE TABLES

I-CLASS INCOME UNITS

	30.06.26 pence per unit	30.06.25 pence per unit	30.06.24 pence per unit
Change in net assets per unit			
Opening net asset value per unit	99.01p	98.25p	94.20p
Return before operating charges*	5.28p	6.60p	9.97p
Operating charges	(0.57p)	(0.48p)	(0.57p)
Return after operating charges*	4.71p	6.12p	9.40p
Distributions on income units	(5.27p)	(5.36p)	(5.35p)
Closing net asset value per unit	98.45p	99.01p	98.25p
*after direct transaction costs ¹ of:	0.02p	0.01p	0.01p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

PERFORMANCE

Return after charges	4.76%	6.23%	9.98%
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OTHER INFORMATION

Closing net asset value	£37,442,559	£35,630,180	£43,685,895
Closing number of units	38,031,663	35,984,654	44,465,387
Operating charges**	0.58%	0.56%	0.58%
Direct transaction costs	0.02%	0.02%	0.01%

PRICES***

Highest unit price	101.50p	102.37p	100.72p
Lowest unit price	97.98p	96.97p	92.98p

** The Operating charges are represented by the Ongoing Charges Figure (OCF) which is calculated in line with the IA SORP.

*** These prices may have been calculated on a different basis to the opening/closing net asset value per unit shown in the comparative table, this may result in the opening/closing net asset value per unit being higher or lower than the published highest or lowest prices for the period.

NET ASSET VALUE PER UNIT AND COMPARATIVE TABLES

(continued)

I-CLASS ACCUMULATION UNITS

	30.06.26 pence per unit	30.06.25 pence per unit	30.06.24 pence per unit
Change in net assets per unit			
Opening net asset value per unit	167.73p	157.71p	143.21p
Return before operating charges*	9.11p	11.10p	15.38p
Operating charges	(0.99p)	(1.08p)	(0.88p)
Return after operating charges*	8.12p	10.02p	14.50p
Distributions on accumulation units	(9.12p)	(8.78p)	(8.29p)
Retained distributions on accumulation units	9.12p	8.78p	8.29p
Closing net asset value per unit	175.85p	167.73p	157.71p
*after direct transaction costs ¹ of:	0.03p	0.03p	0.02p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

PERFORMANCE

Return after charges	4.84%	6.35%	10.12%
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OTHER INFORMATION

Closing net asset value	£82,990,917	£80,177,677	£74,761,120
Closing number of units	47,195,459	47,801,776	47,404,274
Operating charges**	0.58%	0.56%	0.58%
Direct transaction costs	0.02%	0.02%	0.01%

PRICES***

Highest unit price	176.42p	168.10p	158.81p
Lowest unit price	167.51p	157.66p	142.22p

** The Operating charges are represented by the Ongoing Charges Figure (OCF) which is calculated in line with the IA SORP.

*** These prices may have been calculated on a different basis to the opening/closing net asset value per unit shown in the comparative table, this may result in the opening/closing net asset value per unit being higher or lower than the published highest or lowest prices for the period.

RISK AND REWARD PROFILE

RISK AND REWARD PROFILE AS PUBLISHED IN THE FUND'S MOST RECENT KEY INVESTOR INFORMATION DOCUMENT



This indicator is a measure of the fund's past volatility (the extent and rapidity of up-and-down movements of the value of an investment). It may not be a reliable indication of the fund's future risk. The risk category shown is not a target or a guarantee and may change over time.

DISCRETE ANNUAL PERFORMANCE

QUARTER ENDING 30 JUNE 2026

	2026	2025	2024	2023	2022
I-class units	4.95%	6.26%	10.27%	-0.73%	-11.53%
IA Sterling Strategic Bond Sector	5.23%	6.58%	8.84%	-0.19%	-10.20%

Source performance data Morningstar, bid to bid, net income re-invested.

Past performance should not be seen as an indication of future performance.

The value of investments and the income from them may go down as well as up and you may not get back your original investment.

PERFORMANCE OVER 5 YEARS

	2026	2025	2024	2023	2022
Rathbone Strategic Bond Fund I Acc [#]	7.99%	10.99%	7.40%	0.52%	3.19%
Rathbone Strategic Bond Fund I Inc [#]	7.98%	11.00%	7.42%	0.58%	3.28%
Sector: IA Sterling Strategic Bond	9.14%	10.58%	6.53%	2.90%	3.55%

Source: Morningstar

[#] Launch date: 03/10/2011

PORTFOLIO AND NET OTHER ASSETS AS AT 30 JUNE 2026

Holding		Value £	Percentage of total net assets
United Kingdom (30.06.25: 60.40%)			
Government Bonds (30.06.25: 21.94%)			
£4,110,000	UK Treasury 0.5% 22/10/61	985,786	0.82
£5,750,000	UK Treasury 0.875% 31/07/33	4,487,818	3.73
£1,400,000	UK Treasury 1.5% 31/07/53	613,970	0.51
£3,000,000	UK Treasury 4.125% 07/03/31	2,977,410	2.47
£6,220,000	UK Treasury 4.25% 07/12/40	5,659,765	4.70
£11,850,000	UK Treasury 4.625% 31/01/34	11,880,455	9.86
		26,605,204	22.09
Government Index-Linked Bonds (30.06.25: 3.87%)			
£1,850,000	UK Treasury 0.125% IL 22/03/29	3,174,647	2.64
Corporate Bonds (30.06.2025: 34.40%)			
£800,000	Admiral 8.5% 06/01/34	911,110	0.76
£360,000	Associated British Foods 2.5% 16/06/34	303,496	0.25
£547,000	Aviva 4% VRN 03/06/55	470,869	0.39
£401,000	Aviva 6.125% VRN 12/09/54	406,191	0.34
£500,000	Aviva 6.875% VRN 27/11/53	529,533	0.44
£200,000	Aviva 7.75% VRN	210,307	0.17
\$950,000	Barclays 6.278% VRN Perp	739,028	0.61
£500,000	Barclays 6.174% VRN 29/07/36	507,592	0.42
€500,000	BP Capital Markets 3.625% VRN Perp	428,926	0.36
£800,000	Brit Insurance 6.625% VRN 09/12/30	717,508	0.60
£500,000	Channel Link FRN 30/12/50*	398,165	0.33
£980,000	Cooperative Bank L 11.75% VRN 22/05/34	1,118,512	0.93
£300,000	Cooperative Bank P 5.579% VRN 19/09/28	302,848	0.25
£300,000	Cooperative 8.25% 15/12/31	307,874	0.26
£338,000	Coventry Building Society 12.125% Perp	626,083	0.52
£401,000	Coventry Building Society 5.875% VRN Perp	410,049	0.34
£200,000	Deuce Finco 7% 20/11/31	204,488	0.17
£400,000	Esure 6% VRN	400,400	0.33
£400,000	Finance For Residential Soc Housing 8.569% 04/10/58*	196,391	0.16
\$250,000	HSBC 6% VRN Prep	189,113	0.16
£300,000	IG 6.125% 22/10/30	305,659	0.25
£949,000	Investec 1.875% VRN 16/07/28	919,637	0.76
£200,000	Investec 10.5% VRN Perp	219,940	0.18
£100,000	Investec 2.625% VRN 04/01/32	99,268	0.08
£586,000	Investec 9.125% VRN 06/03/33	617,580	0.51
£586,000	Investec 5.625% VRN 30/07/36	579,759	0.48

PORTFOLIO AND NET OTHER ASSETS AS AT 30 JUNE 2026

(continued)

Holding		Value £	Percentage of total net assets	
	£420,000	Just 5% VRN Perp	380,890	0.32
	£1,572,000	Just 6.875% 30/03/35	1,602,542	1.33
	£100,000	Just 8.125% 26/10/29	105,414	0.09
	£950,000	Just 6.5% VRN 30/09/37	956,971	0.79
	£500,000	Leeds Building Society 5.5% VRN 30/01/31	507,069	0.42
	£287,000	Legal and General 5.625% VRN Perp	275,752	0.23
	£599,000	Legal and General 3.75% VRN 26/11/49	568,817	0.47
	£145,000	Legal and General 4.5% VRN 01/11/50	139,527	0.12
	\$400,000	Legal and General 5.25% VRN 21/03/47	301,336	0.25
	£100,000	LV Bonds 7.625% VRN 05/05/46	102,705	0.09
	£300,000	M&G 5% VRN 20/07/55	285,680	0.24
	£728,000	M&G 5.625% VRN 20/10/51	722,546	0.60
	£300,000	Metro Bank 12% VRN 30/04/29	329,685	0.27
	£300,000	Miller Homes Finco 7% 15/05/29	298,261	0.25
	£400,000	National Gas Transmission 7.125% 08/02/44	414,364	0.34
	£300,000	Nationwide BS 7.859% VRN Perp	309,247	0.26
	£200,000	Nationwide BS 7.875% VRN Perp	208,790	0.17
	£400,000	Nationwide Building Society 5.5% VRN 14/07/36	398,932	0.33
	£1,621,000	NatWest 2.105% VRN 28/11/31	1,614,215	1.34
	£200,000	NatWest 7.5% VRN Perp	201,774	0.17
	£300,000	Oaknorth Bank 10% VRN 09/01/35	324,262	0.27
	£300,000	OSB 9.993% VRN 27/07/33	322,490	0.27
	£1,000,000	Paragon Banking 4.375% VRN 25/09/31	997,732	0.83
	£200,000	Paragon Banking 7.5% VRN Perp	196,751	0.16
	£900,000	Pension Insurance Corp 5.625% 20/09/30	895,164	0.74
	£941,000	Pension Insurance Corp 6.875% 15/11/34	966,479	0.80
	£200,000	Pension Insurance Corp 7.375% VRN Perp	205,022	0.17
	£917,000	Pension Insurance Corp 8% 13/11/33	1,002,804	0.83
	£750,000	Principality Building Society 8.625% 12/07/28	801,372	0.67
	£700,000	Quilter 8.625% VRN 18/04/33	733,131	0.61
	£150,000	RCB Bonds 7.5% 16/06/33	155,579	0.13
	£700,000	RL Finance Bonds NO 3 6.125% 13/11/28	714,334	0.59
	£2,264,000	RL Finance Bonds NO 4 4.875% VRN 07/10/49	1,898,297	1.58
	£341,000	RL Finance Bonds NO 6 10.125% VRN Perp	396,898	0.33
	\$1,147,000	Rothsay Life 4.875% VRN Perp	858,278	0.71
	£1,400,000	Rothsay Life 5% VRN Perp	1,271,718	1.06
	£491,000	Rothsay Life 7.019% 10/12/34	518,370	0.43
	£200,000	Saffron Building Society 12.5% VRN 19/10/34	216,040	0.18
	£393,000	Schroders 6.346% VRN 18/07/34	404,497	0.34
	£961,000	Scottish Widows 7% 16/06/43	990,591	0.82

PORTFOLIO AND NET OTHER ASSETS AS AT 30 JUNE 2026

(continued)

Holding		Value £	Percentage of total net assets
£500,000	Secure Trust Bank 13% VRN 28/08/33	543,678	0.45
£400,000	Shawbrook Group 8.375% VRN	400,877	0.33
£598,000	Skipton Building Society 6.25% VRN 25/04/29	612,594	0.51
£300,000	South West Water Finance 5.75% 11/12/32	302,701	0.25
\$300,000	Standard Chartered 6.409% VRN Perp	220,922	0.18
£300,000	Starling 6.625% VRN 17/09/36	301,932	0.25
£105,000	TP ICAP Finance 6.375% 12/06/32	107,458	0.09
£150,000	TP ICAP Finance 7.875% 17/04/30	160,713	0.13
£300,000	UTB Partners 13% VRN Perp	327,868	0.27
£800,000	Utmost 4% 15/12/31	729,931	0.61
£271,000	Vital Energi Midco LTD 10.5% 13/08/30	272,830	0.23
£300,000	Weir 6.875% 14/06/28	307,788	0.26
£200,000	Yorkshire Building Society 6.375% VRN 15/11/28	203,756	0.17
£500,000	Yorkshire Building Society 7.375% VRN 12/09/27	502,518	0.42
		40,710,218	33.80
Equities (30.06.25: 0.19%)			
£125,000	Santander UK 10.375% Preference Perp	203,500	0.17
Total United Kingdom		70,693,568	58.70
Argentina (30.06.25: 0.00%)			
Government Bonds (30.06.25: 0.00%)			
\$250,000	Argentine Republic Government 0.125% 09/07/35	150,499	0.13
Australia (30.06.25: 0.00%)			
Corporate Bonds (30.06.25: 0.00%)			
£900,000	QBE Insurance 2.5% VRN 13/09/38	855,838	0.71
Austria (30.06.25: 0.00%)			
Corporate Bonds (30.06.25: 0.00%)			
€400,000	Erste Group Bank AG 6.375% VRN Perp	363,207	0.30
Belgium (30.06.25: 0.62%)			
Corporate Convertibles (30.06.25: 0.62%)			
€400,000	Ageas 3.875% VRN Perp	337,108	0.28
€750,000	BNP Paribas Fortis SA CV FRN Perp	620,534	0.52
Total Belgium		957,642	0.80

PORTFOLIO AND NET OTHER ASSETS AS AT 30 JUNE 2026

(continued)

Holding		Value £	Percentage of total net assets
Bermuda (30.06.25: 0.79%)			
Corporate Bonds (30.06.25: 0.79%)			
€300,000	Aegon 5.625% VRN Perp	264,569	0.22
€400,000	Athora 5.875% 10/09/34	365,436	0.30
\$200,000	Hiscox Ltd 7% VRN 11/06/36	159,340	0.13
\$1,100,000	RLGH Finance Bermuda Ltd 6.75% 02/07/35	860,363	0.72
Total Bermuda		1,649,708	1.37
Canada (30.06.25: 0.86%)			
Corporate Bonds (30.06.25: 0.86%)			
\$300,000	Algonquin Power Utilities C 4.75% VRN 18/01/82	223,835	0.19
CAD600,000	Bank of Nova ScotiaThe 3.7% VRN 27/07/81	316,392	0.26
CAD1,000,000	Manulife Financial Corp 3.375% VRN 19/06/81	531,344	0.44
CAD1,500,000	Scotiabank Capital Trust 5.65% VRN 31/12/56	851,017	0.71
Total Canada		1,922,588	1.60
Cayman Islands (30.06.25: 0.17%)			
Corporate Bonds (30.06.25: 0.17%)			
£200,000	Phoenix 5.625% 28/04/31	199,681	0.17
Channel Islands (30.06.25: 1.63%)			
Corporate Bonds (30.06.25: 1.63%)			
£250,000	AA Bond Co Ltd 6.85% 31/07/50	262,153	0.22
£250,000	AA Bond Co Ltd 7.375% 31/07/50	261,050	0.21
Total Channel Islands		523,203	0.43
Chile (30.06.25: 0.00%)			
Corporate Bonds (30.06.25: 0.00%)			
\$200,000	Latam Airlines SA 7.625% 07/01/31	156,097	0.13
Czech Republic (30.06.25: 0.23%)			
Corporate Bonds (30.06.25: 0.23%)			
€300,000	Ceska Sporitelna AS 4.824% VRN 15/01/30	266,445	0.22
€300,000	JT Banka AS 4.5% VRN 28/05/31	258,214	0.21
Total Czech Republic		524,659	0.43

PORTFOLIO AND NET OTHER ASSETS AS AT 30 JUNE 2026

(continued)

Holding	Value £	Percentage of total net assets
Ecuador (30.06.25: 0.00%)		
Government Bonds (30.06.25: 0.00%)		
\$200,000 Ecuador Government International 8.75% 29/01/34	151,968	0.13
Estonia (30.06.25: 0.00%)		
Corporate Bonds (30.06.25: 0.00%)		
€200,000 Apollo 7% 20/03/31	170,269	0.14
France (30.06.25: 6.64%)		
Corporate Bonds (30.06.25: 6.64%)		
€500,000 AXA SA 0% VRN Perp	423,189	0.35
\$3,000,000 AXA SA 4.5% VRN Perp	2,033,314	1.69
€129,000 AXA SA 5.75% VRN	114,999	0.10
€719,030 BNP Paribas FRN Perp	574,385	0.48
€100,000 BPCE SA 4.25% VRN 16/07/35	87,374	0.07
AUD500,000 BPCE SA 4.5% 26/04/28	256,695	0.21
£300,000 BPCE SA 5.25% 31/07/32	298,859	0.25
AUD870,000 BPCE SA 6.3424% VRN 29/09/28	458,388	0.38
£600,000 Credit Agricole SA 5.5% VRN 31/07/32	607,682	0.50
€300,000 Korian SA 2.25% 15/10/28	248,907	0.21
\$1,181,000 La Mondiale 4.8% VRN 18/01/48	880,942	0.73
Total France	5,984,734	4.97
Germany (30.06.25: 0.41%)		
Corporate Bonds (30.06.25: 0.41%)		
€300,000 Commerzbank AG 4.125% VRN 30/06/37	259,963	0.22
£200,000 Commerzbank AG 8.625% VRN 28/02/33	209,182	0.17
€300,000 Deutsche Bank AG 4.45% VRN 15/05/41	258,297	0.21
€300,000 Gothaer Allgemeine Versicherun 5 % VRN 20/06/45	268,968	0.22
€200,000 JDC AG FRN 28/08/39	173,142	0.14
€100,000 Lifefit Midco GmbH FRN 29/08/29	90,051	0.08
€300,000 Oldenburgische Landesbank AG 8.5% VRN 24/04/34	286,634	0.24
€200,000 Secop GmbH FRN 15/06/29	172,446	0.14
€200,000 Smava GmbH FRN 22/05/29	178,868	0.15
€200,000 Vossloh AG 5.375% VRN Perp	175,576	0.15
€300,000 Wuestenrot Wuerttembergisc 2.125% VRN 10/09/41	232,085	0.19
Total Germany	2,305,212	1.91

PORTFOLIO AND NET OTHER ASSETS AS AT 30 JUNE 2026

(continued)

Holding	Value £	Percentage of total net assets
Hungary (30.06.25: 0.00%)		
Corporate Bonds (30.06.25: 0.00%)		
€200,000 MBH Bank Nyrt 6.875% VRN 8/11/35	178,458	0.15
Government Bonds (30.06.25: 0.00%)		
€330,000 Hungary Government International 4.875% 25/03/38	298,572	0.25
Total Hungary	477,030	0.40
Ireland (30.06.25: 3.16%)		
Corporate Bonds (30.06.25: 3.16%)		
£500,000 Zurich Finance Ireland Desi 5.125% VRN 23/11/52	491,066	0.41
\$500,000 Zurich Finance Ireland II DA 6.25% VRN 22/11/55	388,737	0.32
Total Ireland	879,803	0.73
Italy (30.06.25: 2.08%)		
Corporate Bonds (30.06.25: 2.08%)		
£500,000 Intesa Sanpaolo SpA 6.625% 31/05/33	537,674	0.45
€200,000 Omnia Della Toffola SpA FRN 05/11/31	172,104	0.14
Total Italy	709,778	0.59
Japan (30.06.25: 0.26%)		
Corporate Bonds (30.06.25: 0.26%)		
\$200,000 Meiji Yasuda Life Insurance C 6.1% VRN 11/06/55	152,460	0.13
€400,000 Nippon Life Insurance Co 4.165% VRN 02/09/55	340,343	0.28
\$200,000 Nippon Life Insurance Co 6.5% VRN 30/04/55	157,559	0.13
Total Japan	650,362	0.54
Jersey (30.06.25: 0.00%)		
Corporate Bonds (30.06.25: 0.00%)		
£400,000 Biffa 7.375% 15/06/31	403,288	0.34
£1,350,000 HSBC Bank Fund 5.844% VRN Perp	1,388,108	1.15
Total Jersey	1,791,396	1.49

PORTFOLIO AND NET OTHER ASSETS AS AT 30 JUNE 2026

(continued)

Holding		Value £	Percentage of total net assets
Luxembourg (30.06.25: 2.48%)			
Corporate Bonds (30.06.25: 0.25%)			
\$400,000	Swiss RE Finance 5% VRN 02/04/49	300,927	0.25
€200,000	Quintet Private Bank Europe SA 7% VRN Perp	176,482	0.15
		477,409	0.40
Corporate Convertibles (30.06.25: 0.87%)			
€250,000	Ageasfinlux SA CV FRN Perp	208,872	0.17
€2,000,000	Mitsubishi UFJ Investor Serv FRN CV 15/12/50	1,201,754	1.00
		1,410,626	1.17
Total Luxembourg		1,888,035	1.57
Netherlands (30.06.25: 3.11%)			
Corporate Bonds (30.06.25: 3.11%)			
£400,000	Aegon 6.625% 16/12/39	429,121	0.36
\$400,000	ARG SWI 4.625% VRN Perp	301,963	0.25
€500,000	Athora Netherlands NV 6.75% VRN Perp	455,472	0.38
€200,000	ING Groep NV 3.875% VRN 20/08/37	171,106	0.14
€300,000	ING Groep NV 4.125% VRN 20/05/36	261,580	0.22
€950,000	Lifetri Groep BV 5.25% VRN 01/06/32	822,426	0.68
\$1,040,000	Rothschild Co Continuation Finance BV FRN Perp	581,021	0.48
Total Netherlands		3,022,689	2.51
Norway (30.06.25: 0.99%)			
Corporate Bonds (30.06.25: 0.99%)			
€300,000	B2 Impact ASA FRN 31/03/30	266,504	0.22
NOK2,000,000	OMDA AS FRN 04/12/28	152,277	0.13
€400,000	Parc Bidco AS FRN 21/11/28	354,899	0.29
Total Norway		773,680	0.64
Poland (30.06.25: 0.00%)			
Corporate Bonds (30.06.25: 0.00%)			
€300,000	mBank SA 4.7784% VRN 25/09/35	264,330	0.22

PORTFOLIO AND NET OTHER ASSETS AS AT 30 JUNE 2026

(continued)

Holding		Value £	Percentage of total net assets
Portugal (30.06.25: 0.44%)			
Corporate Bonds (30.06.25: 0.44%)			
€500,000	Novo Banco SA Luxembourg 0% 09/04/52	146,375	0.12
Serbia (30.06.25: 0.00%)			
Corporate Bonds (30.06.25: 0.00%)			
\$300,000	Telecommunications Co Telekom 7.25% 18/05/31	225,456	0.19
South Africa (30.06.25: 0.00%)			
Government Bonds (30.06.25: 0.00%)			
\$300,000	Republic of South Africa (Government of) 7.10% 19/11/36	242,574	0.20
Spain (30.06.25: 2.60%)			
Corporate Bonds (30.06.25: 2.60%)			
€600,000	Abanca Corp Bancaria SA 4.625% VRN 11/12/36	529,140	0.44
£1,000,000	Banco Bilbao Vizcaya Argent 3.104% VRN 15/07/31	999,560	0.83
£800,000	Banco Santander SA 2.25% VRN 04/10/32	776,916	0.65
€650,000	Banco Santander SA FRN Perp	511,201	0.42
€300,000	EDreams ODIGEO SA 4.875% 31/12/30	241,150	0.20
Total Spain		3,057,967	2.54
Supranational (30.06.25: 0.15%)			
Supranational Bonds (30.06.25: 0.15%)			
£1,500,000	EIB 6% 07/12/2028	1,557,235	1.29
£200,000	European Investment Bank 0% 07/12/28	180,542	0.15
Total Supranational		1,737,777	1.44
Sweden (30.06.25: 0.52%)			
Corporate Bonds (30.06.25: 0.52%)			
SEK1,250,000	B3 Consulting FRN 24/06/27	98,171	0.08
€100,000	FC Husky HoldCo AB FRN 24/04/29	87,647	0.07
SEK1,250,000	Flower Infrastructure Technologies FRN 13/02/29	100,049	0.09
SEK2,500,000	Norion Bank AB FRN 10/12/35	206,088	0.17
€200,000	Trustly AB FRN 08/10/30	128,798	0.11
Total Sweden		620,753	0.52

PORTFOLIO AND NET OTHER ASSETS AS AT 30 JUNE 2026

(continued)

Holding		Value £	Percentage of total net assets
United States (30.06.25: 8.93%)			
Government Index-linked (30.06.25: 6.39%)			
\$7,000,000	US Treasury 1.25% IL 15/04/28	5,758,730	4.78
\$4,900,000	US Treasury 1.625% IL 15/04/30	3,813,960	3.17
\$3,350,000	US Treasury 3.375% 15/05/33	2,383,913	1.98
		11,956,603	9.93
Corporate Bonds (30.06.25: 2.54%)			
\$300,000	BAC Capital Trust XIV 4% VRN Prep	185,138	0.15
\$300,000	Carscom Inc 6.375% 01/11/28	224,190	0.19
\$200,000	Crocs Inc 4.25% 15/03/29	146,205	0.12
\$2,000,000	Dresdner Funding Trust 8.151% 30/06/31	1,618,689	1.34
£400,000	Ford Motor Credit 6.12% 16/12/32	404,229	0.34
\$200,000	Gran Tierra Energy Inc 7.75% 23/05/27	127,560	0.11
\$1,000,000	HSBC USA Inc 7.2% 15/07/97	884,256	0.73
\$200,000	MM Proton I 9.875% 05/10/29	150,115	0.12
\$200,000	Nordstrom Inc 4.25% 01/08/31	141,498	0.12
\$200,000	Wayfair LLC 7.75% 15/09/30	158,409	0.13
		4,040,289	3.35
Total United States		15,996,892	13.28
Structured Products^ (30.06.25: 0.00%)			
€100	iTraxx Europe Crossover WTS 16/09/26 (JPM)	4,479	—
Forward Foreign Exchange Contracts (30.06.25: 0.22%)			
	Buy £26,227,334 Sell \$35,020,468	(158,152)	(0.13)
	Buy £693,278 Sell AUD1,326,848	1,636	—
	Buy £152,442 Sell NOK1,939,948	4,893	—
	Buy £395,900 Sell SEK5,022,169	3,249	—
	Buy £11,846,794 Sell €13,666,755	36,487	0.03
	Buy £1,661,997 Sell CAD3,090,265	15,260	0.01
	Buy £251,199 Sell €289,421	1,092	—
	Buy \$3,006,687 Sell £2,275,521	(10,192)	—
	Buy £396,242 Sell €457,711	706	—
	Buy £613,511 Sell €709,142	697	—
Total Forward Foreign Exchange Contracts		(104,324)	(0.09)

PORTFOLIO AND NET OTHER ASSETS AS AT 30 JUNE 2026

(continued)

Holding	Value £	Percentage of total net assets
Total value of investments (30.06.25: 96.77%)	118,993,925	98.80
Net other assets (30.06.25: 3.23%)	1,439,551	1.20
Total value of the fund as at 30 June 2026	120,433,476	100.00

All investments are fixed income and admitted to an official stock exchange, unless otherwise stated.

^ Structured Products are not listed on an official stock exchange

VRN = Variable Rate Note

* These two securities are different with respect to interest rate and hence disclosed separately

Hard-to-value asset

Perp = Perpetual

FRN = Floating Rate Note

Sectors/Countries eliminated since the beginning of the year:

Denmark

Corporate Bonds 0.08%

Luxembourg

Collective Investment Schemes 1.36%

STATEMENT OF TOTAL RETURN FOR THE YEAR ENDED 30 JUNE 2026

	Note	30.06.26 £	30.06.26 £	30.06.25 £	30.06.25 £
Income					
Net capital (losses)/gains	3		(169,041)		1,636,238
Revenue	4	6,291,715		6,066,488	
Expenses	5	(666,862)		(597,590)	
Net revenue before taxation		5,624,853		5,468,898	
Taxation	6	(6,420)		(15,651)	
Net revenue after taxation			5,618,433		5,453,247
Total return before distributions			5,449,392		7,089,485
Distributions	7		(6,284,639)		(6,046,733)
Change in net assets attributable to unitholders from investment activities			(835,247)		1,042,752

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE YEAR ENDED 30 JUNE 2026

	30.06.26 £	30.06.26 £	30.06.25 £	30.06.25 £
Opening net assets attributable to unitholders		115,807,857		118,447,015
Amounts receivable on issue of units	35,620,748		16,732,356	
Amounts payable on cancellation of units	(34,612,796)		(24,413,499)	
		1,007,952		(7,681,143)
Change in net assets attributable to unitholders from investment activities (see Statement of total return above)		(835,247)		1,042,752
Retained distributions on accumulation units		4,452,914		3,999,076
Unclaimed distributions		—		157
Closing net assets attributable to unitholders		120,433,476		115,807,857

BALANCE SHEET AS AT 30 JUNE 2026

	Note	30.06.26 £	30.06.26 £	30.06.25 £	30.06.25 £
Assets					
Fixed assets:					
Investments			119,162,269		112,193,476
Current assets:					
Debtors	8	2,056,789		2,132,312	
Cash and bank balances		503,622		2,499,432	
Total current assets			2,560,411		4,631,744
Total assets			121,722,680		116,825,220
Liabilities					
Investment liabilities		(168,344)		(126,780)	
Creditors:					
Other creditors	9	(573,204)		(415,586)	
Distribution payable on income units		(547,656)		(474,997)	
Total liabilities			(1,289,204)		(1,017,363)
Net assets attributable to unitholders			120,433,476		115,807,857

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

a) Basis of accounting

The annual financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice (SORP) for Financial Statements of UK Authorised Funds issued by The Investment Association in May 2014, and as amended in June 2017.

As stated in the Statement of the Manager's responsibilities in relation to the report and accounts of the fund on page 36, the Manager continues to adopt the going concern basis in the preparation of the financial statements of the fund.

b) Critical accounting judgments

Significant judgment and estimation uncertainty were applied in the valuation of Level 3 assets. Note 1f provides more details on this.

c) Recognition of revenue

All dividends including distributions from collective investment schemes on investments marked ex-dividend up to the accounting date are included in revenue inclusive of any tax deducted at source and net of attributable tax credits. Bank and other interest receivable is accrued up to the accounting date, and this forms part of the distribution.

Revenue on debt securities has been accounted for on an effective interest method.

Revenue received from investments in authorised collective investment schemes, which are purchased during the financial year, will include an element of equalisation which represents the average amount of revenue included in the price paid for shares or units. The equalisation is treated as capital and deducted from the cost of the investment.

Management fee rebates arising from the holding of units or shares in underlying funds are recognised on an accrual basis. Where the policy of the underlying fund is to charge its management fee to capital, in determining its distributions, then the management fee rebates are recognised in capital. Otherwise, the management fee rebates are recognised in revenue.

d) Treatment of scrip and special dividends

Any stock received in lieu of cash dividends is credited to capital in the first instance, followed by a transfer to revenue of the cash equivalent being offered, and this forms part of the distribution made by the fund.

Special dividends are treated as revenue or capital depending on the facts of each particular case.

e) Treatment of expenses

All expenses (excluding overdraft interest) are charged against capital.

f) Basis of valuation of investments

The quoted investments of the fund have been valued at the closing bid-market prices excluding any accrued interest in the case of debt securities ruling on the principal markets on which the stocks are quoted on the last business day of the accounting year. If no market price is available assets will be priced at cost until a market price becomes available.

If the Stock Exchange quotation of an investment has been suspended, and in the opinion of the Manager, it is unlikely to be reinstated, this has been indicated in the portfolio of investments. Suspended investments are value based on the latest financial statements of the respective company and agreed with the Trustee.

Authorised collective investment schemes are valued at the bid price for dual price funds and at the quoted price for single price funds.

The Company may use warrants, derivative and structured products in order to generate long or short exposures. Such structured products may include notes, certificates or any other eligible transferable security whose returns are linked to an index, currencies, interest rates, transferable securities, a basket of transferable securities, or a UCI. Where market prices are unavailable, valuation models are applied considering relevant transaction characteristics, observable inputs or unobservable market parameters. The pricing source of these warrants and structured products is in most cases the issuer, however the prices are reviewed and relayed through third party market providers, such as Atlantic House and Fortem Capital, which is a well-known structurer or collector of the issuer prices, and internally controlled by independent pricing vendors such as Markit.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1 ACCOUNTING POLICIES (continued)

f) Basis of valuation of investments (*continued*)

In the event that extraordinary circumstances render such a valuation impracticable or inadequate, the Board of Directors of the Company may, at their discretion, prudently and in good faith follow other methods of valuation to be used if they consider such method of valuation better reflects the value and is in accordance with good accounting practice in order to achieve a fair valuation of the assets of the Company.

Profits or losses arising on the disposal of investments are calculated by reference to the net sales proceeds and the average cost attributable to those investments.

For assets considered as 'Hard-to-value' the valuer applies Fair Value as the basis of valuation and estimates the implied rating of the investment by assessing the contractual cash flows as at the Acquisition Date and estimating the Yield-To-Maturity and Z-spread required for the discounted cash flow ("DCF") to result in a principal amount of par as at the Acquisition Date.

On a quarterly basis Rathbone Asset Management Fair Value Pricing Committee review the daily checks that were performed during the previous quarter to ensure the prices used reflected fair value.

During the year the fund entered into derivative transactions in the form of forward foreign currency contracts. For forward foreign currency contracts, market value is determined by reference to forward currency exchange rates at the year end.

All assets are recognised and derecognised on trade date. Any trades occurring between valuation point and close of business are included in the financial statements.

Unquoted investments are valued at fair value, which represents the Manager's view of the amount for which an asset could be exchanged between knowledgeable and willing parties in an arm's length transaction. This does not assume that the underlying business is saleable at the reporting date or that its current shareholders have an intention to sell their holding in the near future.

The unquoted investments are valued by the Manager based upon information from an independent valuation firm, taking into account, where appropriate, latest dealing prices, achievement or not of key milestones, valuations from reliable sources, financial performance, and other relevant factors.

g) Exchange rates

The functional currency of the fund is pound sterling. Transactions in foreign currencies are recorded in sterling at the rate ruling at the date of the transactions. Assets and liabilities expressed in foreign currencies at the end of the accounting year are translated into Sterling at the closing mid exchange rates ruling on that date.

h) Taxation/Deferred Tax

i) Corporation tax is provided for at 20% on taxable revenue, after deduction of expenses.

ii) Where overseas tax has been deducted from taxable overseas revenue, that tax can, in some instances, be set off against the corporation tax payable by the fund, by way of double taxation relief.

iii) The charge for deferred tax is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is provided using the liability method on all timing differences, calculated at the rate at which it is anticipated the timing differences will reverse.

Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax assets can be offset. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

i) Unit classes rights on termination, allocation of tax and distributable income

The fund may be terminated if an order declaring the fund to be an authorised unit trust scheme is revoked, or the Financial Conduct Authority (FCA) determines to revoke the order at the request of the Trustee or the Manager. In the case of a reconstruction or an amalgamation of the fund with another body or trust, on the passing of an extraordinary resolution of holders of units approving the amalgamation. The Trustee shall wind up the fund in accordance with that resolution.

On the termination of the fund in any other case, the Trustee shall sell the investments, and out of the proceeds of the sale shall settle the fund's liabilities and pay the costs and expenses of the winding up before distributing the proceeds of the realisation to unitholders and the Manager proportionally to their respective interests in the fund. Any unclaimed proceeds or cash held by the Trustee after the expiration of 12 months from the date on which the same became payable shall be paid by the Trustee into court subject to the Trustee having a right to retain any expenses incurred by it in making such payment into court.

On the completion of the winding-up the trustee must notify the FCA to revoke the relevant authorisation order.

Allocation of tax and distributable income is done proportionally to the unitholders respective interests in the fund.

j) Cash and bank balances

Cash and bank balances includes deposits held with banks. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

2 DISTRIBUTION POLICY

Revenue arising from the fund's investments accumulates during each accounting period. If, at the end of the accounting period, revenue exceeds expenses, the net revenue of the fund is available to be distributed to unitholders.

For the purpose of calculating the distribution available to unitholders, all expenses are charged to capital, offsetting expenses against capital may constrain future growth in revenue and capital.

For the purpose of calculating the distribution available to unitholders, revenue on debt securities is computed as the higher of the amount determined on an accrual of coupon basis and on an effective yield basis. A reconciliation of the net distribution to the net revenue of the fund as reported total return is shown in note 7.

In order to conduct a controlled dividend flow to unitholders, interim distributions will be made at the Managers' discretion, up to a maximum of the distributable revenue available for the year. All remaining revenue is distributed in accordance with the regulations.

Distributions remaining unclaimed after 6 years are paid into the fund as part of the capital property.

There may be instances where marginal tax relief is due to/from revenue for the utilisation of allowable expense.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3 NET CAPITAL (LOSSES)/GAINS

	30.06.26 £	30.06.25 £
The net capital (losses)/gains during the year comprise:		
Non-derivative securities	558,234	(429,460)
Currency losses	(15,179)	(8,564)
Forward currency contracts	(700,638)	2,108,495
Transaction charges	(11,458)	(34,233)
Net capital (losses)/gains	(169,041)	1,636,238

4 REVENUE

	30.06.26 £	30.06.25 £
Dividends — UK Ordinary	12,969	12,967
— Overseas	(1)	—
Interest on debt securities	6,189,484	5,939,374
Bank interest	89,263	114,147
Total revenue	6,291,715	6,066,488

5 EXPENSES

	30.06.26 £	30.06.26 £	30.06.25 £	30.06.25 £
Payable to the Manager, associates of the Manager and agents of either of them:				
Manager's periodic charge	594,135		561,468	
Refund of expenses by the Manager	(72,314)		—	
		521,821		561,468
Payable to the Trustee, associates of the Trustee and agents of either of them:				
Trustee's fees	19,532		18,770	
Safe custody and other bank charges	9,207		(2,092)	
		28,739		16,678
Other expenses:				
Interest on bank overdrafts	52		—	
Administration fees	50,728		(6,762)	
Audit fee*	17,484		16,762	
Listing fee	34		—	
Printing and publication costs	3,598		3,043	
Registration fees	44,406		6,380	
Bank interest payable	—		21	
		116,302		19,444
Total expenses		666,862		597,590

* Audit fees for 2026 are £14,570 excluding VAT (2025: £14,000 excluding VAT).

NOTES TO THE FINANCIAL STATEMENTS (continued)

6 TAXATION

	30.06.26 £	30.06.25 £
a) Analysis of charge in the year		
Overseas tax	6,194	16,782
Windfall overseas tax recoveries	—	(1,131)
Reclaimable tax written off	226	—
Total tax charge for the year (note 6b)	6,420	15,651

b) Factors affecting current tax charge for the year

The tax assessed for the year is higher/lower than the standard rate of corporation tax in the UK for an Authorised Unit Trust (20%). The differences are explained below.

	30.06.26 £	30.06.25 £
Net revenue before taxation	5,624,853	5,468,898
Corporation tax at 20%	1,124,971	1,093,780
Effects of:		
Revenue not subject to taxation	(2,558)	(2,594)
Tax deductible interest distributions	(1,097,993)	(1,056,863)
Tax relief on Index Linked Gilt	(24,420)	(34,323)
Corporate tax charge	—	—
Overseas tax	6,194	16,782
Windfall overseas tax recoveries	—	(1,131)
Reclaimable tax written off	226	—
Total tax charge for the year (note 6a)	6,420	15,651

c) Deferred tax

At the year end the fund had no surplus management expenses (30.06.25: £nil) and no deferred tax asset has been recognised.

NOTES TO THE FINANCIAL STATEMENTS (continued)

7 DISTRIBUTIONS

The distributions take account of amounts received on the issue of units and amounts deducted on the cancellation of units, and comprise:

	30.06.26 £	30.06.25 £
First Interim	1,497,124	1,445,299
Second Interim	1,505,726	1,657,729
Third Interim	1,530,490	1,384,836
Final	1,746,421	1,526,637
	6,279,761	6,014,501
Add: Amounts deducted on cancellation of units	233,283	156,174
Deduct: Amounts received on issue of units	(228,405)	(123,942)
Net distribution for the year	6,284,639	6,046,733

Reconciliation of net distribution for the year to net revenue/(expense) after tax:

Net distribution for the year	6,284,639	6,046,733
Expenses charged to capital:		
Manager's periodic charge	(521,821)	(561,468)
All other fees	(144,989)	(36,101)
Balance brought forward	(4,357)	(274)
Balance carried forward	4,961	4,357
Net revenue after taxation	5,618,433	5,453,247

8 DEBTORS

	30.06.26 £	30.06.25 £
Amounts receivable for issue of units	281,202	725,551
Sales awaiting settlement	12,209	8,500
Accrued revenue	1,763,378	1,398,035
Taxation recoverable	—	226
Total debtors	2,056,789	2,132,312

NOTES TO THE FINANCIAL STATEMENTS (continued)

9 OTHER CREDITORS

	30.06.26 £	30.06.25 £
Amounts payable for cancellation of units	472,017	195,152
Purchases awaiting settlement	6,977	145,948
Accrued expenses	44,376	25,704
Accrued manager's periodic charge	49,834	48,782
Total other creditors	573,204	415,586

10 RECONCILIATION OF UNITS

	I-class income	I-class accumulation
Opening units issued at 01.07.25	35,984,654	47,801,776
Unit movements 01.07.25 to 30.06.26		
Units issued	13,457,326	12,990,441
Units cancelled	(11,410,317)	(13,596,758)
Closing units issued at 30.06.26	38,031,663	47,195,459

11 RELATED PARTY TRANSACTIONS

Management fees paid to Rathbones Asset Management Limited (the Manager) are disclosed in note 5 and amounts outstanding at the year end in note 9.

Details of units created and cancelled by the Manager are shown in the Statement of Change in Net Assets Attributable to Unitholders and note 10.

There were no commissions paid to stockbroking of the Manager in respect of dealings in the investments of Rathbone Strategic Bond Fund during the year (30.06.25: nil).

All other amounts paid to or received from the related parties, together with the outstanding balances are disclosed in the financial statements.

At the year end there were significant unitholders. Aviva Pension Trustees UK Limited held a total of 21.44% (30.06.25: 6.74%). Allfunds Nominee Limited (Formerly Rathbones Nominees Limited) held a total of 12.00% (30.06.25: 11.30%), Fil Nominee (Shareholdings) Limited held a total of 11.98% (30.06.25: 11.34%) and Transact Nominees Limited held a total of 11.42% (30.06.25: 11.28%).

12 CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or outstanding commitments at the balance sheet date (30.06.25: nil).

NOTES TO THE FINANCIAL STATEMENTS (continued)

13 RISK DISCLOSURES ON FINANCIAL INSTRUMENTS

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for creations and payable for liquidations and debtors for accrued revenue.

There is little exposure to credit or cash flow risk. There are no net borrowings and little exposure to liquidity risk because assets can be readily realised to meet redemptions.

The main risks arising from the financial instruments are:

(i) **Foreign currency risk**, being the risk that the value of assets and liabilities will fluctuate as a result of exchange rate movements. The value of the fund's underlying investments will be affected by movements in exchange rate against sterling, in respect of non-sterling denominated rates.

The table below shows the foreign currency risk profile at the balance sheet date:

	30.06.26 £	30.06.25 £
Currency:		
Australian dollar	32,806	29,741
Canadian dollar	77,141	44,376
Euro	535,009	418,892
Norwegian krone	5,893	21,250
Swedish krona	13,646	2,570
US dollar	989,231	811,326
Pound sterling	118,779,750	114,479,476
	120,433,476	115,807,631
Other net assets not categorised as financial instruments	—	226
Net assets	120,433,476	115,807,857

If GBP to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the fund would have decreased by £150,339 (30.06.25: £120,741). If GBP to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the fund would have increased by £183,747 (30.06.25: £147,573). These calculations assume all other variables remain constant.

The comparative figures have been restated to better reflect the currency hedging which reduces the currency exposure.

NOTES TO THE FINANCIAL STATEMENTS (continued)

13 RISK DISCLOSURES ON FINANCIAL INSTRUMENTS (continued)

(ii) **Interest rate risk**, being the risk that the value of assets and liabilities will fluctuate as a result of interest rate changes.

The table below shows the interest rate risk profile at the balance sheet date:

	30.06.26 £	30.06.25 £
Fixed rate assets:	58,068,852	65,157,871
Floating rate assets:	61,325,040	47,362,677
Assets on which no interest is paid:	2,328,788	4,304,445
Liabilities on which no interest is paid:	(1,289,204)	(1,017,362)
	120,433,476	115,807,631
Other net assets not categorised as financial instruments	—	226
Net assets	120,433,476	115,807,857

If interest rates had increased by 1% as at the balance sheet date, the net asset value of the fund would have decreased by £9,676,740 (30.06.25: £9,534,389). If interest rates had decreased by 1% as at the balance sheet date, the net asset value of the fund would have increased by £9,676,740 (30.06.25: £9,534,389). These calculations assume all other variables remain constant.

The floating rate financial assets and liabilities comprise bank balances, floating rate securities and index linked bonds that earn or pay interest at rates linked to the UK base rate or its international equivalents.

	30.06.26 Value (note 1e) £	Percentage of total net assets	30.06.25 Value (note 1e) £	Percentage of total net assets
Bond credit ratings				
Investment grade	98,754,406	82.00	92,249,111	79.64
Below investment grade	8,603,578	7.15	10,753,276	9.28
Unrated stocks***	11,532,286	9.57	7,018,729	6.08
Total Bonds	118,890,270	98.72	110,021,116	95.00

***Stocks not rated by S&P, Moody and Fitch.

There are no material amounts of non-interest bearing financial assets and liabilities, other than equities and collective investment schemes, which do not have maturity dates.

(iii) **Market price risk**, being the risk that the value of investment holdings will fluctuate as a result of changes in market prices caused by factors other than currency or interest rate movements.

The investment portfolio is exposed to market price fluctuations which are monitored by the Manager in pursuance of the investment objective and policy set out in the Prospectus. Adherence to investment guidelines and to investment and borrowing powers set out in the Trust Deed and Prospectus and the rules of the FCA's Collective Investment Scheme Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer.

If market prices had increased by 10% as at the balance sheet date the net asset value of the fund would have increased by £11,899,392 (30.06.25: £11,206,670). If market prices had decreased by 10% as at the balance sheet date the net asset value of the fund would have decreased by £11,899,392 (30.06.25: £11,206,670). These calculations assume all other variables remain constant.

NOTES TO THE FINANCIAL STATEMENTS (continued)

13 RISK DISCLOSURES ON FINANCIAL INSTRUMENTS (continued)

(iv) **Credit risk/Counterparty risk.** Credit risk arises firstly from the issuer of a security not being able to pay interest and principal in a timely manner and also from counterparty risk, where the counterparty will not fulfil its obligations or commitments to deliver the investments for a purchase or the cash for a sale after the fund has fulfilled its responsibilities. In order to manage the risk, the fund will only buy and sell investments through brokers which have been approved as an acceptable counterparty. Brokers are monitored on an on-going basis for suitability and creditworthiness. In addition, the fund is subject to investment limits for issuers of securities and issuer credit ratings are evaluated periodically.

(v) **Fair value.** There is no material difference between the carrying value and fair value of the financial instruments disclosed in the balance sheet.

(vi) **Leverage.** There is no significant leverage in the fund which would increase its exposure.

14 PORTFOLIO TRANSACTION COST

For the year ended 30 June 2026

Analysis of total purchase costs

	Value £	Commissions £	%	Taxes £	%
Equity transactions	437,349	125	0.03	—	—
Bond transactions	86,656,893	13,495	0.02	—	—
Total purchases before transaction costs	87,094,242	13,620			
Total purchases including commission and taxes	87,107,862				

Analysis of total sales costs

	Value £	Commissions £	%	Taxes £	%
Equity transactions	3,629	—	—	—	—
Bond transactions	67,551,061	10,234	0.02	—	—
Fund transactions	1,610,665	—	—	—	—
Corporate actions	11,944,593	—	—	—	—
Total sales including transaction costs	81,109,948	10,234			
Total sales net of commission and taxes	81,099,714				

The fund had paid £nil as commission on purchases and sale derivative transactions for the year ended 30 June 2026.

Commissions and taxes as % of average net assets	
Commissions	0.02%
Taxes	0.00%

NOTES TO THE FINANCIAL STATEMENTS (continued)

14 PORTFOLIO TRANSACTION COST (continued)

For the year ended 30 June 2025

Analysis of total purchase costs

	Value £	Commissions £	%	Taxes £	%
Equity transactions	248,731	59	0.02	—	—
Bond transactions	62,907,034	8,759	0.01	—	—
Total purchases before transaction costs	63,155,765	8,818			
Total purchases including commission and taxes	63,164,583				

Analysis of total sales costs

	Value £	Commissions £	%	Taxes £	%
Equity transactions	19,502	3	0.02	—	—
Bond transactions	52,273,702	8,384	0.02	—	—
Fund transactions	1,416,779	—	—	—	—
Corporate actions	13,576,242	—	—	—	—
Total sales including transaction costs	67,286,225	8,387			
Total sales net of commission and taxes	67,277,838				

The fund had paid £nil as commission on purchases and sale derivative transactions for the year ended 30 June 2025.

Commissions and taxes as % of average net assets

Commissions	0.02%
Taxes	0.00%

In the case of shares, commissions and taxes are paid by the fund on each transaction. In addition, there is a dealing spread between the buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment. At the balance sheet date the dealing spread was 0.36% (30.06.25: 0.38%).

NOTES TO THE FINANCIAL STATEMENTS (continued)

15 FAIR VALUE OF INVESTMENTS

The fair value of investments has been determined using the following hierarchy:

- Level 1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3 Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

For the year ended 30 June 2026

Category	1	2	3*	Total
	£	£	£	£
Investment assets				
Equities	203,500	—	—	203,500
Bonds	42,580,066	75,715,648	594,556	118,890,270
Structured Products	—	—	4,479	4,479
Derivatives	—	64,020	—	64,020
	42,783,566	75,779,668	599,035	119,162,269

Category	1	2	3	Total
	£	£	£	£
Investment liabilities				
Derivatives	—	(168,344)	—	(168,344)
	—	(168,344)	—	(168,344)

For the year ended 30 June 2025

Category	1	2	3	Total
	£	£	£	£
Investment assets				
Equities	216,500	—	—	216,500
Bonds	37,295,433	72,121,464	604,219	110,021,116
Collective Investment Schemes	—	1,572,545	—	1,572,545
Structured Products	—	—	3,683	3,683
Derivatives	—	379,632	—	379,632
	37,511,933	74,073,641	607,902	112,193,476

Category	1	2	3	Total
	£	£	£	£
Investment liabilities				
Derivatives	—	(126,780)	—	(126,780)
	—	(126,780)	—	(126,780)

* See note 1b in Accounting Policies section.

DISTRIBUTION TABLES FOR THE YEAR ENDED 30 JUNE 2026

INTEREST DISTRIBUTION (PENCE PER UNIT)

First Interim

Group 1 – Units purchased prior to 1 July 2025

Group 2 – Units purchased on or after 1 July 2025 and on or before 30 September 2025

I-class income units	Income	Equalisation	Paid 28.11.25	Paid 30.11.24
Group 1	1.31	—	1.31	1.30
Group 2	0.57	0.74	1.31	1.30

I-class accumulation units	Income	Equalisation	Accumulated 28.11.25	Accumulated 29.11.24
Group 1	2.21	—	2.21	2.09
Group 2	1.04	1.17	2.21	2.09

Second Interim

Group 1 – Units purchased prior to 1 October 2025

Group 2 – Units purchased on or after 1 October 2025 and on or before 31 December 2025

I-class income units	Income	Equalisation	Paid 27.02.26	Paid 28.02.25
Group 1	1.27	—	1.27	1.50
Group 2	0.45	0.82	1.27	1.50

I-class accumulation units	Income	Equalisation	Accumulated 27.02.26	Accumulated 28.02.25
Group 1	2.19	—	2.19	2.44
Group 2	1.08	1.11	2.19	2.44

Third Interim

Group 1 – Units purchased prior to 1 January 2026

Group 2 – Units purchased on or after 1 January 2026 and on or before 31 March 2026

I-class income units	Income	Equalisation	Paid 29.05.26	Paid 30.05.25
Group 1	1.25	—	1.25	1.24
Group 2	0.62	0.63	1.25	1.24

I-class accumulation units	Income	Equalisation	Accumulated 29.05.26	Accumulated 30.05.25
Group 1	2.18	—	2.18	2.05
Group 2	1.02	1.16	2.18	2.05

DISTRIBUTION TABLES FOR THE YEAR ENDED 30 JUNE 2026

(continued)

INTEREST DISTRIBUTION (PENCE PER UNIT) (continued)

Final

Group 1 – Units purchased prior to 1 April 2026

Group 2 – Units purchased on or after 1 April 2026 and on or before 30 June 2026

I-class income units	Income	Equalisation	Payable 29.08.26	Paid 29.08.25
Group 1	1.44	—	1.44	1.32
Group 2	0.98	0.46	1.44	1.32

I-class accumulation units	Income	Equalisation	Allocated 29.08.26	Accumulated 29.08.25
Group 1	2.54	—	2.54	2.20
Group 2	1.35	1.19	2.54	2.20

Equalisation

Equalisation applies only to units purchased during the distribution period (Group 2 units). It represents the accrued revenue included in the purchase price of the units. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the units for Capital Gains Tax purposes.

DIRECTORS' STATEMENT

This report is approved in accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook.

J Ide T Carroll
for Rathbones Asset Management Limited
Manager of Rathbone Strategic Bond Fund
3 September 2026

STATEMENT OF THE MANAGER'S RESPONSIBILITIES IN RELATION TO THE ANNUAL REPORT AND ACCOUNTS OF THE RATHBONE STRATEGIC BOND FUND

The Financial Conduct Authority's Collective Investment Schemes Sourcebook requires the Manager to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the fund and of the net revenue and of the net capital gains or losses on the property of the fund for that year. In preparing those financial statements, the Manager is required to:

1. select suitable accounting policies, as described in the attached financial statements, and then apply them consistently;
2. make judgements and estimates that are reasonable and prudent;
3. comply with the disclosure requirements of the SORP relating to financial statements of UK authorised funds issued by The Investment Association;
4. follow UK generally accepted accounting principles, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice: 'Financial Statements of UK Authorised Funds' issued by The Investment Association in May 2014 and amended in June 2017;
5. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the fund will continue in operation; and
6. keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the Scheme and which enable it to demonstrate that the financial statements as prepared comply with the above requirements.

The Manager is responsible for the management of the scheme in accordance with its Trust Deed, Prospectus and the Financial Conduct Authority's Collective Investment Schemes Sourcebook and for the system of internal controls and for safeguarding the assets of the Scheme. The Manager has general responsibility for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Manager is aware:

1. there is no relevant audit information of which the fund's auditor is unaware; and
2. the Manager has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information; and
3. the Manager is of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the financial statements as the assets of the fund consist predominantly of securities that are readily realisable and, accordingly, the fund has adequate resources to continue in operational existence for the period of at least twelve months from when the financial statements are authorised for issue.

In accordance with COLL 4.5.8 R, the Annual Report and the audited financial statements were approved by the board of directors of the Manager of the Scheme and authorised for issue on 3 September 2026.

STATEMENT OF THE TRUSTEE'S RESPONSIBILITIES AND REPORT OF THE TRUSTEE TO THE UNITHOLDERS OF RATHBONE STRATEGIC BOND FUND (THE SCHEME) FOR THE YEAR ENDED 30 JUNE 2026

The Trustee must ensure that the Scheme is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (together "the Scheme documents") as detailed below.

The Trustee must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Scheme and its investors.

The Trustee is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Scheme in accordance with the Regulations.

The Trustee must ensure that:

1. the Scheme's cash flows are properly monitored and that cash of the Scheme is booked into the cash accounts in accordance with the Regulations;
2. the sale, issue, redemption and cancellation of units are carried out in accordance with the Regulations;
3. the value of units in the Scheme is calculated in accordance with the Regulations;
4. any consideration relating to transactions in the Scheme's assets is remitted to the Scheme within the usual time limits;
5. the Scheme's income is applied in accordance with the Regulations; and
6. the instructions of the Authorised Fund Manager ("the AFM") are carried out (unless they conflict with the Regulations).

The Trustee also has a duty to take reasonable care to ensure that the Scheme is managed in accordance with the Regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Scheme.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Trustee of the Scheme, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Scheme, acting through the AFM:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Scheme's units and the application of the Schemes income in accordance with the Regulations and the Scheme documents, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Scheme.

NatWest Trustee and Depositary Services Limited
Trustee of Rathbone Strategic Bond Fund
3 September 2026

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF RATHBONE STRATEGIC BOND FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion the financial statements of Rathbone Strategic Bond Fund (the 'fund'):

- give a true and fair view of the financial position of the fund as at 30 June 2026 and of the net revenue and the net capital loss on the property of the fund for the year ended 30 June 2026; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Statement of Recommended Practice "Financial Statements of UK Authorised Funds", the rules in the Collective Investment Schemes Sourcebook and the Trust Deed.

We have audited the financial statements which comprise:

- the statement of total return;
- the statement of change in net assets attributable to unitholders;
- the balance sheet;
- the distribution tables; and
- the notes 1 to 15

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), the Statement of Recommended Practice: "Financial Statements of UK Authorised Funds" issued by the Investment Association in May 2014, as amended in June 2017, the Collective Investment Schemes Sourcebook and the Trust Deed.

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 fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, 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

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

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 fund'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.

Our responsibilities and the responsibilities of the manager with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The manager is responsible for the other information contained within the annual report. 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.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF RATHBONE STRATEGIC BOND FUND (continued)

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

RESPONSIBILITIES OF TRUSTEE AND MANAGER

As explained more fully in the trustee's responsibilities statement and the manager's responsibilities statement, the trustee is responsible for the safeguarding the property of the fund and the manager is 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 manager determines 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 manager is responsible for assessing the fund'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 manager either intends to liquidate the fund or to cease operations, or has 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

EXTENT TO WHICH 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the fund's industry and its control environment, and reviewed the fund's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the Authorised Fund Manager about their own identification and assessment of the risks of irregularities, including those that are specific to funds.

We obtained an understanding of the legal and regulatory frameworks that the fund operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included Collective Investment Schemes Sourcebook and relevant tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the fund's ability to operate or to avoid a material penalty.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF RATHBONE STRATEGIC BOND FUND (continued)

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the valuation and existence of quoted investments. There is an incentive to manipulate holdings and prices used in closing value of quoted investments due to their significance to the net asset values of the funds. In response we have: involved our financial instruments specialists to assess the applied valuation methodologies; agreed investment holdings to independent confirmations; and agreed quoted investment valuations to reliable independent source.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and those charged with governance concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COLLECTIVE INVESTMENT SCHEMES SOURCEBOOK

In our opinion:

- proper accounting records for the fund have been kept and the financial statements are in agreement with those records;
- we have received all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit; and
- the information disclosed in the annual report for the year ended 30 June 2026 for the purpose of complying with Paragraph 4.5.9R of the Collective Investment Schemes Sourcebook is consistent with the financial statements.

USE OF OUR REPORT

This report is made solely to the fund's unitholders, as a body, in accordance with Paragraph 4.5.12R of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the fund's unitholders 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 fund and the fund's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte LLP
Statutory Auditor
Glasgow, United Kingdom
3 September 2026

GENERAL INFORMATION

AUTHORISED STATUS

The Rathbone Strategic Bond Fund is an authorised unit trust scheme, authorised by the Financial Conduct Authority on 20 June 2007 and launched on 3 October 2011.

It is a 'UCITS Scheme' authorised under Section 243 of the Financial Services and Markets Act 2000, and the currency of the fund is pound sterling.

VALUATION OF THE FUND

The fund is valued on each business day at 12 noon for the purpose of determining prices at which units in the fund may be bought or sold. Valuations may be made at other times on business days with the Trustee's approval.

STEWARDSHIP CODE

Rathbones Asset Management Limited fully supports the UK Stewardship Code sponsored by the Financial Reporting Council.

BUYING AND SELLING OF UNITS

The Manager is available to receive requests for the buying and selling of units on normal business days between 9.00am and 5.00pm and transactions will be effected at prices determined by the next valuation. Application forms for the purchase of units (obtainable from the Manager) should be completed and sent to the dealing office. In respect of telephoned orders, remittances should be sent on receipt of the contract note. Contract notes confirming transactions will be issued by the close of business on the next business day after the dealing date. Purchasers of units are required to enter their registration details on the form supplied with their contract note. Once units are paid for these details will be entered on the unit register.

Units can be sold by telephone, fax or letter followed by despatch to the dealing office of the authorisation to sell duly completed by all unitholders.

In the absence of clear written instructions signed by all the registered holders, a Form of Renunciation will be sent out together with the repurchase contract note. This will need to be signed by all registered holders, and returned to our dealing office before settlement can be made. Settlement will be made on whichever is the later of four business days after the dealing date or four days after the receipt of written confirmation.

Unitholders may sell units on submitting the purchase contract note and a duly executed Deed of Transfer. The issue and redemption of units will not take place if dealing in the units is suspended by operation of law or any statute for the time being in place.

The minimum initial investment for units at present is to the value of £1,000 which may be varied by the Manager. Thereafter holders may invest additional amounts to the value of £500 or more from time to time as they wish. Any number of units may be subscribed, sold or transferred so long as transaction complies with applicable minimums.

There is no preliminary charge for I-class units.

The Manager currently receives an annual remuneration for managing the I-class property of the fund at the rate of 0.50%.

STATEMENTS

A distribution statement showing the rate per unit and your unit holding will be sent half yearly on the 28 February and 31 August.

The current value of your units is shown on a valuation statement, which shows the number of units bought over the previous six months, the total number of units in your account and their current value.

Twice yearly on the last day in February and 31 August, unitholders will receive a consolidated statement showing, where applicable, their unit trust, ICVC and ISA holdings for each fund held.

GENERAL INFORMATION (continued)

PRICES

Prices are available on our website rathbonesam.com

OTHER INFORMATION

Copies of the Prospectus, Key Investor Information Document, Supplementary Information Document and the most recent Annual and Interim Reports may be obtained free of charge on application to the Manager or seen by visiting their registered office.

The Register of Unitholders can be inspected, by or on behalf of the shareholders, during normal business hours at the office of the Registrar, SS&C Financial Services International Limited, SS&C House, St Nicholas Lane, Basildon, Essex SS15 5FS.

Further copies of this report are available upon request, free of charge, from Client Services Department, Rathbones Asset Management Limited, 30 Gresham Street, London EC2V 7QN.

If you have any queries or complaints about the operation of the fund you should put them to the Compliance Officer, Rathbones Asset Management Limited, 30 Gresham Street, London EC2V 7QN. Any complaint we receive will be handled in accordance with our internal complaint procedures. A copy of these are available from the Compliance Officer.

If you have occasion to complain, and in the unlikely event that you do not receive a satisfactory response, you may direct your complaint to the Financial Ombudsman Service at Exchange Tower, London E14 9SR. Further details about the Financial Ombudsman Service are available on their website at financial-ombudsman.org.uk

ISA ELIGIBILITY

The fund has been managed throughout the year to ensure that it is eligible to qualify and be included in an Individual Savings Account (ISA). The fund will at all times be invested in such a way that the units will constitute 'Qualifying Investments' for the purposes of the Individual Savings Account (ISA) Regulations 1998, as amended from time to time.

RISK FACTORS

An investment in a unit trust should be regarded as a medium to long term investment. Investors should be aware that the price of units and the revenue from them can fall as well as rise and investors may not receive back the full amount invested. Past performance should not be seen as an indication of future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

OTHER FUNDS

Rathbones Asset Management Limited is also the Manager of the following funds:

Rathbone Active Income and Growth Fund
Rathbone Ethical Bond Fund
Rathbone Global Opportunities Fund
Rathbone Income Fund
Rathbone UK Opportunities Fund
Rathbones Charity Growth & Income Fund

and the Authorised Corporate Director of:

Rathbone Defensive Growth Portfolio
Rathbone Dynamic Growth Portfolio
Rathbone Enhanced Growth Portfolio
Rathbone Greenbank Global Sustainability Fund
Rathbone Greenbank Global Sustainable Bond Fund
Rathbone Greenbank Defensive Growth Portfolio
Rathbone Greenbank Dynamic Growth Portfolio
Rathbone Greenbank Strategic Growth Portfolio
Rathbone Greenbank Total Return Portfolio
Rathbone High Quality Bond Fund
Rathbone Strategic Growth Portfolio
Rathbone Strategic Income Portfolio
Rathbone Total Return Portfolio
Rathbones LED (L) Global Fixed Income Fund
Rathbones LED (E) Global Equity-Type Risk Fund
Rathbones LED (D) Global Diversifiers Fund

GENERAL INFORMATION (continued)

FURTHER DETAILS

Should you require further details of this fund or any of the other funds managed by Rathbones Asset Management Limited, a Prospectus, Key Investor Information Document and Supplementary Information Document or an application form for the purchase of shares or units, please write to:

Client Services Department
Rathbones Asset Management Limited
30 Gresham Street
London EC2V 7QN

All literature is available free of charge. Information is also available on our website: [rathbonesam.com](https://www.rathbonesam.com)

DATA PROTECTION

Where relevant, Rathbones' privacy notice for clients, together with our relevant terms of business, sets out how your personal data (as further detailed in the privacy notice) shall be processed by Rathbones. A copy of the privacy notice is available on request or on Rathbones' website.

From time to time Rathbones Asset Management Limited may wish to communicate with you with information on other products and services offered by the Rathbones Group. If you do not wish to receive these communications, please advise us in writing at the following address:

Data Protection Officer
Rathbones Asset Management Limited
30 Gresham Street
London EC2V 7QN

SUSTAINABILITY

The Financial Conduct Authority has asked for organisations to make climate-related disclosures, consistent with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD). These reports aim to promote transparency on climate-related risks and opportunities and to enable clients to make considered choices.

<https://www.rathbonesam.com/Strategic-Bond-Fund-TCFD-Product-Report>

DILUTION

Swing pricing is used to adjust the Net Asset Value per unit for the Fund in order to reduce the effect of dilution on the Fund, thereby reflecting the true cost of buying or selling investments for the Fund.

The Fund uses "partial" swing pricing. This means that if on any Dealing Day the aggregate value of transactions in units of the Fund results in a net increase or decrease of units which exceeds a threshold set by the Board of Directors from time to time for the Fund, the Net Asset Value of the Fund will be adjusted by an amount typically not exceeding 3% of that Net Asset Value. This maximum amount may vary in case of exceptional circumstances (it may be increased in unusual market conditions, e.g., pandemic, natural disaster, economic slowdown caused by terrorist attack or war, high market volatility, disruption of markets, etc.).

GENERAL INFORMATION

UCITS REMUNERATION

In line with the requirements of the UCITS Directive, Rathbones Asset Management Limited (the Manager) has adopted a remuneration policy which is consistent with the remuneration principles applicable to UCITS management companies. Its purpose is to ensure that the remuneration of the staff of the Manager is consistent with and promotes sound and effective risk management, does not encourage risk-taking which is inconsistent with the risk profiles of the Manager and the UCITS that it manages and does not impair the Manager's compliance with its duty to act in the best interests of the UCITS it manages. The remuneration policy applies to staff of the Manager whose professional activities have a material impact on the risk profile of the Manager or the UCITS that it manages (known as Remuneration Code Staff).

The aggregate remuneration paid by the Manager to its staff, and to those staff who are identified as Remuneration Code Staff, is disclosed below.

	Fixed remuneration £'000	Variable remuneration £'000	Total remuneration £'000	Headcount
Senior Management	1,771	3,751	5,522	8
Risk takers	3,662	5,062	8,724	26
Other	—	363	363	1
Total remuneration code staff	5,433	9,176	14,609	35
Non-remuneration code staff	2,876	1,237	4,113	58
Total for the Manager	8,309	10,413	18,722	93

The variable remuneration disclosed in the table above is for the financial year ended 31 December 2025, which is the most recent period for which data are available. Variable remuneration is determined annually based on, inter alia, the results of the Manager and the investment performance of the UCITS that it manages for discrete annual periods ending on 31 December each year. Consequently, it is not possible to apportion the variable award between calendar years.



Rathbones Asset Management

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Rathbones Asset Management Limited is authorised and regulated by the Financial Conduct Authority and a member of The Investment Association. A member of the Rathbones Group Plc. Registered office: 30 Gresham Street, London EC2V 7QN. Registered in England No. 02376568.