

SPW Asset Allocator Fund

a sub-fund of SPW Investment Portfolio ICVC

Proposal for a Scheme of Arrangement to merge SPW Asset Allocator Fund, equally into SPW Tactical Fund 1 and SPW Tactical Fund 2, both sub-funds of SPW Managed ICVC.

Please contact us if you need this information in an alternative format such as Braille, large print or audio.

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This document is important and requires your immediate attention

If there is anything in this document that you do not understand or if you are in any doubt as to what action to take, you should consult a financial adviser.

Notice of a virtual Meeting of Shareholders of the SPW Asset Allocator Fund (the "Meeting") is set out at the end of this document. The Meeting is to be held at 3 p.m. on 2nd September 2024

Attendance at Meetings

Meetings will be held virtually using Microsoft Teams. You will be able to attend the virtual meetings by visiting, <https://www.microsoft.com/en-gb/microsoft-teams/join-a-meeting>, using the following access codes:

Meeting Date and Time	Meeting ID	Meeting Passcode
2nd September 2024 at 3.00 p.m.	321 141 670 681	aDueJo
9th September 2024 at 3.00 p.m.	322 087 906 759	vz2Y2q

You are requested to complete and return the enclosed Form of Proxy either by post, to Schroders Personal Wealth (ACD), Vote Management, 1 City Square, Leeds, LS1 2ES, or preferably by email to corporateactions@spw.com to arrive no later than 9.00 a.m. on 2nd September 2024.

Shareholders should feel free to contact the Client Services team on +44 (0) 344 822 8910 if they have any questions in relation to the proposal described in this Circular. The Client Services team cannot provide investment advice.

Copies of this document may be obtained by contacting Schroders Personal Wealth (ACD) at:

Schroders Personal Wealth (ACD)
PO Box 13482, Chelmsford, CM99 2GN
Email: spw@uk.sscinc.com

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Glossary of Terms

Defined terms shall be as defined below or otherwise as defined in the Prospectus. Some terms have also been included which are intended to guide the reader.

Accounting Period	the period to which a fund's financial statements relate;
Accumulation Share	a Share, or New Share that reinvests the income from that share back into the Fund so that it is reflected in the value of that share;
Active	an investment management style whereby the Investment Advisor seeks to outperform a benchmark by making decisions on which investments to buy, sell or hold depending on, for example company, market or economic factors;
ACD	the Authorised Corporate Director of the Company, being Scottish Widows Schroder Personal Wealth (ACD) Limited. The ACD oversees the running of the Funds, ensuring that the service providers to the Funds, including the Investment Advisor, and those marketing and distributing the Funds are doing what they should;
Adjourned Meeting	the adjourned extraordinary general meeting of Shareholders in the Merging Fund to be held at 3.00 p.m. on 9th September 2024 (if required) and convened by way of the Notice of Meeting below;
Asset Class	the type of investment, for example, bonds, shares or property;
Bond	A type of debt investment where a government or company borrows money from investors. Generally speaking, the investor who buys the bond is entitled to regular interest payments and the return of the nominal value of the bond once the lifespan of the bond is complete. Bonds are commonly referred to as fixed-income securities. Whilst bond prices can fluctuate, they are generally perceived as a more stable investment than equities;
Capital Growth	The increase in the value of the assets held by a fund;
COLL	the Collective Investment Schemes Sourcebook, which provides some of the key regulatory rules applicable to the Funds, as amended from time to time and forming part of the wider FCA Rules;
Company/Companies	For the Merging Fund - SPW Investment Portfolio ICVC, an open-ended investment company with variable capital, authorised and regulated by the FCA. For the Receiving Funds - SPW Managed ICVC, an open-ended investment company with variable capital, authorised and regulated by the FCA;
Conversion Ratio	the proportion of New Shares to be issued in the Receiving Funds for each Share of the Merging Fund. This will be an equal split.;
Cut-Off Date	in respect of the Merging Fund, the person or persons entered on the register as the Shareholder or Shareholders of that Share on 8th August 2024, but excluding any such persons who are known not to hold Shares in the Merging Fund at the time of the Meeting of the Merging Fund;
Depository	the depository of the Companies, currently being State Street Trustees Limited, which is an independent firm responsible for safeguarding each fund's assets on behalf of investors;
Derivative	a type of financial contract that is dependent on another underlying asset class (shares, bonds, etc);
Diversified portfolio	a portfolio that is invested across a range of asset classes in order to help spread risk with the aim of lessening the potential for loss of value and increasing the potential for growth and income;
Effective Date	the effective date of the Scheme, which shall be 00.01 a.m. on 21st September 2024, or such other date as may be agreed in writing between the Depository and the ACD;
Effective Time	00.01 a.m. on the Effective Date;
Emerging market debt	bonds issued by governments or companies based in less developed countries;

Equities	shares in the ownership of a company that are usually listed on a stock exchange;
Exposure	the portion of a fund or portfolio that is invested in a particular market or asset class;
Extraordinary Resolution	an extraordinary resolution of the Shareholders in the Merging Fund required to approve the implementation of the Scheme as set out in the Notice of Meeting;
FCA	the Financial Conduct Authority which regulates financial firms providing services to consumers;
FCA Rules	the FCA's Handbook of Rules and Guidance which all regulated firms must comply with;
Form of Proxy	a form which allows a Shareholder entitled to vote at the EGM who cannot or does not wish to attend the EGM to appoint someone else (a proxy) to vote in their place to be completed and returned either by post, to Schroders Personal Wealth (ACD), Vote Management, 1 City Square, Leeds, LS1 2ES, or preferably by email to corporateactions@spw.com to arrive no later than 9.00 a.m. on 2nd September 2024;
Fund or Funds	SPW Asset Allocator Fund, SPW Tactical Fund 1 and SPW Tactical Fund 2
Hedge/hedging	the application of an investment technique that aims to mitigate a specific risk:
High yield bonds	bonds that have the potential to pay a higher level of interest payment than other types of bonds. These bonds are issued by companies that the market believes have a higher risk than other companies:
Income	a payment or stream of payments;
Income Share	a Share, or New Share that distributes the income arising in respect of that share;
Instrument of Incorporation	the instrument of incorporation of the Company which is the constitutional document of the Company and defines the framework for its activities and governance;
Investment Adviser	Schroder Investment Management Limited, who is appointed by the ACD and has responsibility for the investment management of each Fund's assets, while also adhering to each Fund's investment objectives;
Investment grade bonds	bonds deemed to have a lower risk for investors than other types of bonds (for example, high yield bonds or emerging market debt);
Investment objective	a fund's investment goal as stated in the Prospectus or Key Investor Information Document (KIID);
Letter	the letter from Dominic Sheridan, a director the ACD, detailing information about the proposed merger;
Meeting	the extraordinary general meeting of Shareholders in the Merging Fund to be held at 3.00 p.m. on 2nd September 2024 and convened by way of Notice of Meeting;
Merger	the merger of the Merging Fund into the Receiving Funds;
Merging Fund	SPW Asset Allocator Fund;
Merging Fund Value	the value of the property of the Merging Fund excluding (i) any income to be distributed to Income Shares in the Merging Fund; and (ii) the Retained Amount, calculated on a mid-market basis, in accordance with COLL and the Instrument of Incorporation as at Midday on 20th September 2024;
New Shares	new shares in the Receiving Fund to be issued to Shareholders following implementation of the Scheme, and "New Accumulation Shares" and "New Income Shares" shall be interpreted accordingly;
Non-UCITS	a UK non-UCITS retail scheme as defined for the purposes of the FCA Rules;
Notice of Meeting	the notice of meeting set out in Appendix 5;
Ongoing Charge Figure	the costs of running the Fund, excluding the costs of buying and selling securities in the Fund, as set out in the Key Investor Information Document of the Fund from time to time;
Passive	an investment management style whereby a portfolio of investments or a fund is managed with the aim of tracking a benchmark;

Prospectus	the prospectus of the Companies which sets out the terms and conditions applicable to the Funds, including important information about the characteristics of the Funds;
Receiving Fund(s)	SPW Tactical Fund 1 (50%) and SPW Tactical Fund 2 (50%);
Receiving Fund Value	the value of the property of Receiving Funds calculated on a mid-market basis, in accordance with COLL and the Instrument of Incorporation as at midday on the Effective Date;
Responsible Investment	an investment approach that considers environmental, social and governance factors (known as 'ESG' factors) when researching and selecting investments. Environmental factors look at how a company impacts the environment in which they operate. Social criteria examine how a company manages its relationships and its impact on communities. Governance factors look at how well the company is managed;
Retained Amount	a sum estimated by the ACD after consultation with the Depositary, to be necessary to meet the actual, contingent and expected liabilities (including tax) of the Merging Fund and which is to be retained by the Depositary as attributable to the Merging Fund for the purpose of discharging such liabilities and any agreed amount reserved against the expected receivables of the Merging Fund at the Effective Date;
Return	the overall value you receive back from the original investment, taking into account any gain or loss on that investment and income;
Risk	the chance that an investment's actual returns will differ from expected returns;
Risk-adjusted return	the return from an investment that takes into account the degree of risk that must be accepted in order to achieve it;
Scheme or Scheme of Arrangement	the scheme of arrangement for the merger of the Merging Fund into the Receiving Fund, as described in Appendix 3 to this document (and subject to any modification, addition or condition made from time to time);
Share	a share in the Merging Fund;
Share Class	a class of Share relating to a Fund. A fund can have different share classes. These classes can vary by the type of investor they are designed for, and whether they pay out income or reinvest it. Different share classes can have different fees;
Shareholder	a holder of Shares in the Merging Fund, noting that only those holders holding Shares in the Merging Fund as identified at the Cut-Off Date are entitled to vote on the Extraordinary Resolution;
SPW	Scottish Widows Schroder Personal Wealth (ACD) Limited;
Synthetic Risk Reward Indicator or SSR	a rating is used to indicate the level of risk of a Fund by providing a number from 1 to 7, with 1 representing low risk and 7 representing high risk;
Tactical	the investment decisions made to manage a portfolio over short-term time periods, to respond to world/market events as required;
Tactical asset allocation	an active management portfolio strategy that shifts the percentage of assets held in various categories to take advantage of changes in market prices or market sectors;
Valuation Point	the time at which the ACD values the scheme property of a Fund for the purposes of determining the price at which shares may be issued, cancelled, sold, redeemed, or transferred.

Expected timetable for the proposed Merger

Register Cut Off	8th August 2024
Despatch circular to Shareholders	15th August 2024
Last date and time for receipt of Form of Proxy	9.00 a.m. on 2nd September 2024
Meeting of Shareholders of the Merging Fund	3.00 p.m. on 2nd September 2024
Shareholders notified of result of EGM on the Schroder Personal Wealth website - https://www.spw.com/fund-info	3rd September 2024
Last day and time by which valid Instructions to sell, buy or switch Shares in the Merging Fund may be received	11.59 a.m. on 19th September 2024
Last Dealing Day (Valuation Point) for the Merging Fund	Midday on 19th September 2024
End of Accounting Period for the Merging Fund	Midday on 20th September 2024
Valuation for the purposes of the Scheme and end of accounting period of the Merging Fund for the calculation of final distribution of income in relation to the Merging Fund	Midday on 20th September 2024
Effective Date and time of Merger	12.01 a.m. on 21st September 2024
First day of dealing in New Shares in the Receiving Fund (redemptions only)	23rd September 2024
Expected date when confirmation of the number of New Shares in the Receiving Fund will be sent to each Shareholder	24th September 2024
Adjourned Meeting (if any)	3.00 p.m. on 9th September 2024
Shareholders notified of result of EGM at the Adjourned Meeting on the Schroder Personal Wealth website - https://www.spw.com/fund-info	10th September 2024
First day of dealing in New Shares in the Receiving Fund (subscriptions)	1st October 2024



PLEASE NOTE

These times and dates may differ if the ACD and the Depositary agree. If any revised Effective Date is expected to be later than 31st October 2024, Shareholders will be notified accordingly.

Please also note that these times and dates may differ if the Meeting is adjourned. In this event, Shareholders will be notified accordingly.

Letter and Circular to Shareholders



Scottish Widows Schroder Personal Wealth (ACD) Limited
1 London Wall,
London,
EC2Y 5EA

Registered No. 11722973

Authorised and regulated by the Financial Conduct Authority

To all Shareholders of the:

SPW ASSET ALLOCATOR FUND

In this document, unless the context requires otherwise, the terms shall have the meaning set out in the Glossary of Terms on pages 3-7.

Dear Shareholder,

Proposed Scheme of Arrangement to merge SPW Asset Allocator Fund equally into SPW Tactical Fund 1 and SPW Tactical Fund 2.

We are writing to you to inform you of a proposal to merge SPW Asset Allocator Fund into SPW Tactical Fund 1 (50%) and SPW Tactical Fund 2 (50%) by way of a Scheme of Arrangement. SPW Asset Allocator Fund is a sub-fund of the SPW Investment Portfolio ICVC, a non-UCITS open-ended investment company with variable capital. SPW Tactical Fund 1 and SPW Tactical Fund 2 are sub funds of the SPW Managed ICVC, UK UCITS, open-ended investment company with variable capital. Both Companies are authorised and regulated by the FCA.

If the proposed Scheme of Arrangement is approved by Shareholders at the Meeting, the last day of dealing for the Shares of the SPW Asset Allocator Fund will be 19th September 2024. The first day of dealing for the Shares in the SPW Tactical Fund 1 and SPW Tactical Fund 2 will be 23rd September 2024.

This Letter explains the reason for, and the details of, the proposed Scheme of Arrangement and gives you the opportunity to vote on it.

If our proposal for the Scheme of Arrangement is approved and the Merger is effected, Shareholders of the Merging Fund will receive New Shares equally in the Receiving Funds at the Conversion Ratio. Shareholders' existing holdings in the Merging Fund will be cancelled and the Merging Fund will, in time, be terminated.

The Scheme of Arrangement requires the approval of an Extraordinary Resolution passed at a virtual extraordinary general meeting of the Shareholders of the Merging Fund to be held at 3.00 p.m. on 2nd September 2024.

If you are a Shareholder seven days before the date of this Letter and remain a Shareholder at the time of the Meeting (or any Adjourned Meeting), you will be entitled to vote.

The Extraordinary Resolution will be passed, and considered binding, by the support of not less than 75% of validly cast votes by Shareholders across all Share Classes in aggregate.

The Scheme of Arrangement by which the Merger will be effected is set out in Appendix 3 to this Letter. The Notice of Meeting is set out in Appendix 5 and the procedure for the Meeting is set out in Appendix 2.

Reasons for the proposed Merger

The Merging Fund is a key component in a range of risk-rated discretionary managed portfolios provided by our sister company, Scottish Widows Schroder Personal Wealth Limited ('Schroders Personal Wealth'). As at the 7th August 2024, these portfolios held 99.8% of the Shares in issue in the Merging Fund. There are just 11 shareholders in the Merging Fund, none of which are individuals.

As set out in the Prospectus of the Merging Fund and confirmed to you in writing recently by the ACD, the Merging Fund is designed to be held only as a component in the discretionary managed portfolios provided by Schroders Personal Wealth. This is also true of the Receiving Funds. We therefore recommend that you carefully consider your or your clients' continued investment in the Merging Fund and seek professional investment advice where necessary.

Recently, Schroders Personal Wealth advised that it was seeking to increase the investment choices available to it and its clients in risk-rated, discretionary investment portfolios. Currently, the Merging Fund is utilised by a range of risk-rated portfolios.

In discussion with the ACD, it was agreed that the desired increased investment granularity would be best delivered through the reallocation of assets currently invested in the Merging Fund into new SPW funds, investing tactically across a diverse range of assets but with some potential emphasis on either equities or bonds in normal market conditions. The new funds would have the ability to invest directly in assets rather than be restricted to investing largely through collective investment vehicles. These new SPW funds are the Receiving Funds and for the reasons set out below, we are now proposing to all Shareholders an equal allocation to both if the proposed Scheme of Arrangement is approved. The ACD expects Schroders Personal Wealth to adjust the initial equal allocation to the Receiving Funds over time as dictated by the risk profile of its clients.

Schroders Personal Wealth intends to transition investment in its risk-rated portfolios from the Merging Fund to the Receiving Funds later this year. Were the ACD not to make the proposal set out in this Circular, Schroders Personal Wealth would have no option other than to effect its desired transition through the disposal of its Shares in the Merging Fund (of which it owns close to all) and the resulting size of the Merging Fund would not be sufficient for it to be viable or for the product to continue to provide value to investors. The ACD would therefore seek to immediately close the Merging Fund. The ACD does not believe that this would be in the interests of any Shareholders. The ACD therefore believes that Shareholders are best served through a Scheme of Arrangement whereby the assets of the Merging Fund would be transferred into the Receiving Funds - providing continuity of investment exposure in a tax efficient manner. Schroders Personal Wealth has confirmed that it intends to support the proposals at the EGM set out below.

Whilst recommending that Shareholders not investing in the Merging Fund through a discretionary portfolio provided by Schroders Personal Wealth carefully consider their continued investment in the fund, we believe that the proposed a Scheme of Arrangement (which offers increased investment diversity) is appropriate for, and should be approved by such Shareholders if they remain invested.

Comparison of the Merging Fund and Receiving Funds

An analysis of the key differences between the Merging Fund and the Receiving Funds is set out in Appendix 1 below. Key Investor Information Documents for the Merging Fund and Receiving Funds, together with the Prospectuses for the Merging Fund and the Receiving Funds, are available on our website: <https://www.spw.com/fund-info>.

The first day of dealing for the Shares in the SPW Tactical Fund 1 and SPW Tactical Fund 2 will be 23rd September 2024.

Risk factors

Synthetic Risk Reward Indicator (SRRRI)

The Synthetic Risk Reward Indicator (SRRRI) of the Merging Fund is 4. The SRRIs of the Receiving Funds are:

SPW Tactical Fund 1	SPW Tactical Fund 2
5	4

The SRRRI is used to indicate a fund's risk level by providing a number from 1 to 7, with 1 representing lower risk and 7 representing higher risk. The intention is to make the understanding of the risks and possible rewards of a fund as simple as possible.

Given a 50% allocation to a Receiving Fund with a higher risk indicator than that of the Merging Fund, the effective Risk Profile for investors will increase as a result of the Scheme.

The risks faced by the Merging Fund and the Receiving Funds are considered to be broadly similar and are set out in the respective KIIDs. Like the Merging Fund, the investment exposures in the Receiving Funds will reflect the implementation of a tactical asset allocation strategy which will be decided in accordance with the ACD's views on market conditions over time. Both the Merging Fund and the Receiving Funds aim to offer an appropriate mix of assets in well-diversified portfolios. The Receiving Funds invest directly in underlying assets, however, this does not materially impact the risk profile of the funds. As noted below, it is anticipated that the expected portfolio transition activity in the Receiving Funds will take until the 30th September 2024 to complete. During this period, investment exposures will be achieved through a reducing allocation to the collective investment schemes transferred from the Merging Fund, direct asset holdings and derivative positions. Where the allocation to collective investment schemes exceeds 20% of a Receiving Fund's assets, this would be in contradiction with its Investment Policy. The ACD is satisfied that a short term deviation from the stated Investment Policy of the Receiving Funds, solely in respect of the method used to access asset exposures, will not be detrimental to Shareholders.

At the Effective Date, the assets of the Merging Fund will be split equally between the Receiving Funds and the investment exposure of Shareholders will not change. As at the 7th August 2024, the asset allocation of the Merging Fund was as follows:

Equities (shares):	47.5%
Bonds:	37.1%
Commodities (through collective investment schemes):	10.0%
Cash:	5.4%

Not linked specifically to any transition activity taking place in connection with the Scheme, the tactical asset allocations in the Merging Fund could change at any point ahead of the Effective Date, depending on the market views of the ACD. The asset allocation in the Merging Fund may therefore be materially different at the point the Scheme is, if approved, implemented.

As set out below, the Investment Policies of the Receiving Funds differ in respect of the potential emphasis on either equity or bond securities. Asset allocation is continually reviewed to reflect the tactical asset allocation views of the ACD at any point in time and the allocation to equities may range between 25% and 100% of assets in the SPW Tactical Fund 1 and between the same range in respect of bonds in the SPW Tactical Fund 2. These asset allocation ranges provide the ACD with flexibility to quickly react to changing market conditions. For example, in extreme/volatile market conditions, the ACD will have flexibility to allocate a lower proportion to such securities and this may be towards the lower range of 25%.

The effective investment exposures of Shareholders in holding the Receiving Funds will reflect the tactical view of the ACD both at the Effective Date (and implemented through the expected portfolio transition activity) and will change from time to time.

If you have any concerns about the changes eventuating from the proposed Scheme and its suitability for you then you should consult a financial adviser.

Valuation point, accounting dates, income allocation and income objectives

Both the Merging Fund and the Receiving Funds carry out a valuation of their assets at midday daily.

The accounting and income allocation dates differ as set out in Appendix 1.

Minimum Ongoing Investment Level

As discussed above, the Merging Fund is designed to be held only as a component in the discretionary managed portfolios provided by Schroders Personal Wealth. Investment is unlikely to be suitable in other cases. This is also true of the Receiving Funds. We again recommend that you carefully consider your or your clients' continued investment in the Merging Fund and seek professional investment advice on the action you should take. The ongoing investment holding limit for the Receiving Funds is £3,000,000. If the proposals set out in this Circular are approved, the ACD intends to enforce the minimum investment holding limit and where necessary redeem holdings that do not meet this.

Accounting period change if Merger is approved

To simplify the Merger process, the current accounting period of the Merging Fund will end at midday on 20th September 2024 and an additional distribution will take place. This means that any income from the end of the previous accounting period to midday on 20th September 2024 will be transferred out prior to the Merger taking effect. Shareholders may also receive distributions from the Receiving Funds for the period from the Effective Date to the 30th September 2024.

Following the Merger, the Depositary shall proceed to wind-up the Merging Fund in accordance with the terms of the Prospectus, the Instrument of Incorporation and COLL. Termination accounts will be available at a later date on request.

Tax implications

Capital Gains Tax

Based on our understanding of current UK tax law applicable to UK resident taxpayers and the tax clearance we have received from HM Revenue & Customs, the exchange of Shares in the Merging Fund for New Shares in the Receiving Funds, will not constitute a disposal of Shares for capital gains tax purposes. Instead, your New Shares will be deemed to have been acquired on the date you acquired Shares in the Merging Fund for the same cost, and any tax you incur on the capital gains realised when you dispose of your New Shares in the Receiving Funds, will be calculated on this basis.

If you are in any doubt about your tax position, or you are not a UK resident, you should consult a professional tax adviser.

Stamp Duty

It is our understanding that the proposed Merger will not constitute an agreement to transfer any chargeable securities involved in the transaction, and therefore no charge to Stamp Duty or Stamp Duty Reserve Tax should arise.

The above statements as to taxation are based on legislation and HM Revenue & Customs practice as known at the date of this Letter. Levels and bases of, and reliefs from, taxation may change. They summarise the position for UK-resident investors generally. They do not cover the tax position of non-UK-resident Shareholders, nor cover liability to overseas taxes, nor apply to dealers in securities. Tax reliefs referred to are those currently available and their value depends on the individual circumstances of the investor. We do not accept liability should the tax legislation or HM Revenue & Customs practice or its interpretation change at any time. If you are in any doubt about how your taxation position may be affected, you should consult your professional adviser. Shareholders should remember to retain all appropriate records for capital gains tax purposes and to meet your other income tax obligations.

Further information for ISA holders

Please note that if the Scheme of Arrangement is implemented, the tax status of your ISA will remain unaffected, and there will be no change to your ISA terms and conditions or your ISA Manager. If you do not wish to take part in the Scheme of Arrangement, please see the sections setting out your options.

Transition, costs and expenses

The costs and expenses of the proposed Merger will be paid by the ACD other than the accounting costs in relation to the preparation of the Auditor's solvency statement and closing accounts (the termination statement). The cost of the Auditor's solvency statement is estimated to be £5,000 (plus VAT) and the costs of terminating the Merging Fund are estimated to be approximately £10,000. Any additional audit fees which may be incurred from the Effective Date to the completion of the winding-up of the Merging Fund will also be paid by the Merging Fund.

The costs and expenses of preparing and implementing the Merger, of convening and holding the Meeting and any other costs of terminating the Merging Fund if the proposed Merger is approved will be borne by the ACD. The ACD will not seek reimbursement of such amounts from the property of the Merging Fund.

The Merging Fund invests almost entirely in assets indirectly through collective investment vehicles whereas the Receiving Funds invest largely directly; in equity and bond assets (with a maximum permitted exposure to collective investment vehicles of 20% of the fund's assets). As a result of this, costs are expected to be incurred in respect of restructuring the assets transferred from the Merging Fund to the Receiving Funds. Costs will arise in relation to the redemption of the holdings in collective investment schemes, where anti-dilution price adjustments are expected and in the re-investment into direct assets, in the form of commissions, market spreads and transaction taxes. As at the 7th August 2024, the portfolio transition costs associated with the Scheme of Arrangement, were estimated to be 0.20% of the assets of the Merging Fund. These costs will be effectively paid out of the assets of the Merging Fund either in connection with any portfolio transition activity ahead of the Effective Date or in respect of transition activity in the Receiving Funds.

Although some portfolio transition activity may take place ahead of the Effective Date, further orderly activity is expected in the Receiving Funds thereafter. This activity will be completed no later than 30th September 2024. From this point, the Receiving Funds will operate consistently with their stated Investment Objective and Policy (see below).

During the expected portfolio transition period (to 30th September 2024), the Receiving Funds will fully meet their Investment Objectives. However, investment exposures will be achieved through a reducing allocation to the collective investment schemes transferred from the Merging Fund and direct asset holdings. Where the allocation to collective investment schemes exceeds 20% of a Receiving Fund's assets, this would be in contradiction with its Investment Policy. The ACD is satisfied that a short term deviation from the stated Investment Policy of the Receiving Funds, solely in respect of the method used to access asset exposures, will not be detrimental to Shareholders. The utilisation of collective investment vehicles by the Receiving Funds in excess of the 20% level set in the Investment Policy will be recorded as inadvertent breaches of such (and effectively beyond the control of the managers of the Receiving Funds)

No portfolio transition activity linked to this proposal will take place ahead of the EGM.

Taxes and duties associated with initially transferring assets from the Merging Fund may arise in the Receiving Funds, however, we anticipate that such costs (if any) would be negligible and would not materially prejudice Shareholders in the funds.

Consents and approvals

Details of the various consents and clearances which we have been given or obtained and the other documents available for inspection in connection with the Merger proposal are set out in Appendix 4.

Dealings in Shares and your right to sell

If you do not wish to participate in the Merger, you may sell your Shares free of any charge.

We will continue to process requests to buy, sell or switch or convert Shares in the Merging Fund in the normal way until 11.59 a.m. on 19th September 2024.

The last day of dealing and valuation point in the Merging Fund will be at midday on 19th September 2024.

If the Merger proceeds, and you send a request after this time, we will not be able to accept your request and will need a new one which applies to your New Shares issued under the Merger. Any such new request will be processed at the next dealing point in the Receiving Fund(s).

The first dealing point (for redemptions and switches out) in the Receiving Funds following the Merger is 23rd September 2024. You will be sent confirmation of the Merger on 24th September 2024. You may deal in your New Shares before you receive the letter of notification confirming the allocation of New Shares to you. Please note that both the selling of your current Shares in the Merging Fund or selling your New Shares in the Receiving Funds will constitute a disposal for capital gains tax purposes, other than those Shares (or New Shares) held with an ISA which can be sold free of capital gains tax.

If the Extraordinary Resolution is approved, the Scheme of Arrangement will be implemented regardless of whether you voted for or against the resolution, or voted at all.

Recommendation and action to be taken

We believe that the proposed Merger is in the best interests of Shareholders and we recommend and urge you to vote in favour of the proposal. To be passed, the Extraordinary Resolution requires a majority in favour of not less than 75% of the total number of votes validly cast, so it is important that you exercise your right to vote.

In the unlikely event that the Merger process is delayed for the Merging Fund, the ACD and the Depositary, may agree that the Effective Date is to be other than 21st September 2024. In which case such consequential adjustments may be made to the other elements in the timetable of the Merger as the ACD and the Depositary consider appropriate. Should the expected Effective Date be later than 31st October 2024, we will write to you to inform you of the changes.

If the Extraordinary Resolution is not passed, the Merging Fund will not be merged into the Receiving Funds and it will continue to be managed in its current form. Please note, however, that in these circumstances it is likely that Shareholders who support the proposal would seek to withdraw assets (in a short period) from the Merging Fund to such an extent that it is no longer viable from an investment management and commercial perspective. In these circumstances it is likely that the value offered to investors by the Merging Fund would be significantly diminished and this may lead to the ACD seeking FCA permission to close the Merging Fund.

Before you make your decision, we recommend that you read the rest of this proposal and, in particular, Appendix 1 as this contains important information about the differences between the Funds and how the Merger (if effected) will impact you.

As indicated above and more particularly under the terms of the Scheme, Shareholders of the Merging Fund participating in the Scheme will receive New Shares in the Receiving Funds under the Scheme and according to the Conversion Ratio.

The results of the vote will be published on our website – <https://www.spw.com/fund-info>

If you do not have a financial adviser, you can find one in your area by visiting www.unbiased.co.uk or call a member of our Investor Services team on +44 (0) 344 822 8910. Please be aware that we do not offer investment advice.

Whether or not you intend to be present at the virtual meeting please complete the enclosed Form of Proxy and return it either by post, to Schroders Personal Wealth (ACD), Vote Management, 1 City Square, Leeds, LS1 2ES, or preferably by email to corporateactions@spw.com. It must arrive on or before 9.00 a.m. on 2nd September 2024. Return of the Form of Proxy will not preclude you from attending the virtual Meeting and voting in person if you so wish. In these circumstances, your Form of Proxy will be set aside and your vote on the day will count.

Attendance at Meetings

Meetings will be held virtually using Microsoft Teams. You will be able to attend the virtual meetings by visiting, <https://www.microsoft.com/en-gb/microsoft-teams/join-a-meeting>, using the following access codes:

Meeting Date and Time	Meeting ID	Meeting Passcode
2nd September 2024 at 3.00 p.m.	321 141 670 681	aDueJo
9th September 2024 at 3.00 p.m.	322 087 906 759	vz2Y2q

Yours faithfully,



Dominic Sheridan

Director

Scottish Widows Schroder Personal Wealth (ACD) Limited

Appendix 1

Primary differences between SPW Asset Allocator Fund, SPW Tactical Fund 1 and SPW Tactical Fund 2

	Merging Fund	Receiving Funds	
Funds	SPW Asset Allocator Fund	SPW Tactical Fund 1 (50%)	SPW Tactical Fund 2 (50%)
ICVC	SPW Investment Portfolio ICVC	SPW Managed ICVC	SPW Managed ICVC
ICVC Type	Non-UCITS open-ended investment company with variable capital. Authorised and regulated by the FCA.	UK UCITS, open-ended investment company with variable capital. Authorised and regulated by the FCA.	UK UCITS, open-ended investment company with variable capital. Authorised and regulated by the FCA.
Investment Objective	The Fund aims to provide capital growth and income by investing in a diversified range of assets and markets worldwide.	The Fund aims to provide capital growth and some income over a period of five to seven years by investing in a diversified range of assets and markets worldwide.	The Fund aims to provide capital growth and some income over a period of five to seven years by investing in a diversified range of assets and markets worldwide.
Investment Policy	<p>The Fund is actively managed and invests at least 80% of its assets indirectly through collective investment schemes, exchange traded funds, real estate investment trusts, or closed ended funds (collective investment schemes and other funds) to gain exposure to equity and equity related securities, fixed and floating rate securities and alternative assets worldwide.</p> <p>Exposure to alternative assets including real estate, commodities and currencies may be obtained through derivatives (where permitted) and by investing in funds that invest in these assets. The Fund may also invest in funds that use absolute return strategies or other alternative investment strategies. The Fund seeks to increase returns and reduce downside risk by making tactical adjustments to its holdings based on market conditions. The Fund may also invest directly in equity and equity related securities and fixed and floating rate securities.</p> <p>The Fund may invest in collective investment schemes and other funds managed by the ACD, the Investment Adviser or their associates.</p>	<p>The Fund is actively managed and invests across a range of markets (including emerging markets) and asset types. The Fund will implement a tactical asset allocation strategy, leading to fluctuations in the Fund's exposures to asset classes and markets, which will be decided in accordance with the ACD's views on market conditions over time.</p> <p>Under normal market conditions, the Fund will have a greater emphasis on equities and equity-related securities*. However, this allocation is continually reviewed to reflect the tactical asset allocation views of the ACD at any point in time and the allocation to equities and equity-related securities may range between 25% and 100% of assets. The asset allocation range provides the ACD with flexibility to quickly react to changing market conditions. For example, in extreme/volatile market conditions, the ACD will have flexibility to allocate a lower proportion to equities and equity-related securities and this may be towards the lower range of 25%. *Equity related securities includes securities convertible into shares, and (up to 5%) warrants.</p>	<p>The Fund is actively managed and invests across a range of markets (including emerging markets) and asset types. The Fund will implement a tactical asset allocation strategy, leading to fluctuations in the Fund's exposures to asset classes and markets, which will be decided in accordance with the ACD's views on market conditions over time.</p> <p>Under normal market conditions, the Fund will have a greater emphasis on bonds (issued by governments, government agencies, supra-nationals and companies worldwide), convertible bonds, short-term debt securities and asset-backed and mortgage-backed securities. However, this allocation is continually reviewed to reflect the tactical asset allocation views of the ACD at any point in time and the allocation to such securities may range between 25% and 100% of assets. The asset allocation range provides the ACD with flexibility to quickly react to changing market conditions. For example, in extreme/volatile market conditions, the ACD will have flexibility to allocate a lower proportion to such securities and this may be towards the lower range of 25%.</p>

<p>Investment Policy</p>	<p>The Fund may invest in money market instruments and may hold cash.</p> <p>The Fund may use derivatives with the aim of reducing risk, managing the Fund more efficiently (often referred to as 'efficient portfolio management') or for investment purposes. The Fund may take long and short positions in markets and securities through derivative contracts.</p> <p>The use of derivatives has the potential to increase the Fund's risk profile and could result in increased price volatility.</p> <p>UNTIL 31ST SEPTEMBER 2024</p> <p>The Fund will not take long positions in single sector equity or bond index derivatives that provide more than 50% exposure (based on the underlying index value) to fossil fuel-based energy securities.</p> <p>Where the Fund invests in collective investment schemes managed by the ACD these schemes will integrate environmental, social and governance (ESG) factors into the selection of their investments. Where the Fund invests in collective investment schemes and other funds not managed by the ACD, the Investment Adviser will assess both the investment manager's business operations and the fund's investment selection framework in terms of the integration of ESG factors. However, individual securities held in each of these collective investment schemes and other funds' portfolios may not necessarily have positive ESG characteristics (for further information, please see Fund Characteristics section below).</p> <p>The Fund will not invest in a collective investment scheme or other fund that invests more than 50% of its assets directly or indirectly (via derivatives) in fossil fuel-based energy companies.</p>	<p>The balance of the Fund's portfolio at any time will be exposed to bonds (issued by governments, government agencies, supra-nationals and companies worldwide), convertible bonds, short-term debt securities and asset-backed and mortgage-backed securities – and other assets as set out below.</p> <p>The Fund may invest up to 20% of its assets in below investment grade bonds (as measured by a regulated credit rating agency).</p> <p>The Fund may invest up to 20% of its assets in collective investment schemes (including those managed by the ACD, the Investment Adviser or their associates), exchange traded funds, real estate investment trusts, or closed ended funds to gain exposure to securities and alternative assets worldwide. Exposure to alternative assets including real estate, commodities and currencies may be obtained through derivatives (where permitted) and by investing in funds that invest in these assets. The Fund may hold money market instruments and cash.</p> <p>The Fund is expected to make significant and regular use of derivatives for investment purposes, in the deployment of the ACD's tactical asset allocation views. Derivatives may also be used for efficient portfolio management, with the aim of reducing risk or managing the Fund more efficiently. The Fund may use leverage and take synthetic short positions.</p>	<p>The balance of the Fund's portfolio at any time will be exposed to equities and equity related securities – and other assets as set out below. Equity securities includes securities convertible into shares, and (up to 5%) warrants.</p> <p>The Fund may invest up to 20% of its assets in below investment grade bonds (as measured by a regulated credit rating agency).</p> <p>The Fund may invest up to 20% of its assets in collective investment schemes (including those managed by the ACD, the Investment Adviser or their associates), exchange traded funds, real estate investment trusts, or closed ended funds to gain exposure to securities and alternative assets worldwide. Exposure to alternative assets including real estate, commodities and currencies may be obtained through derivatives (where permitted) and by investing in funds that invest in these assets. The Fund may hold money market instruments and cash.</p> <p>The Fund is expected to make significant and regular use of derivatives for investment purposes, in the deployment of the ACD's tactical asset allocation views. Derivatives may also be used for efficient portfolio management, with the aim of reducing risk or managing the Fund more efficiently. The Fund may use leverage and take synthetic short positions.</p>
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Investment Policy	<p>FROM 1ST OCTOBER 2024</p> <p>In selecting investments for the Fund, the ACD will take into account ESG factors (as set out in Appendix D of the Prospectus). The ACD's ESG factors do not apply to the following asset classes: money market instruments, cash, near cash and derivatives. Additionally, where the Fund invests in collective investment schemes managed or operated by a firm other than the ACD, the assets held in such schemes are selected by that firm and are not assessed under, and will not necessarily meet, the ACD's Responsible Investment Policy.</p>		
Responsible Investment	<p>The ACD's approach to the management of Environmental Social and Governance (ESG) related factors can be found in the Scottish Widows Schroder Personal Wealth (ACD) Limited - Responsible Investment Policy.</p> <p>The Policy sets out:</p> <p>Exclusions/Restrictions</p> <p>The Investment Advisor is expected to broadly consider ESG characteristics in the investment selection process and there are a number of specific asset exclusions in which the Fund will not make investment. Current exclusions include companies with revenue exposure to controversial weapons (cluster munitions, antipersonnel mines, chemical, and biological weapons) and thermal coal securities (companies that derive more than 20% of their revenues from thermal coal mining). The exclusionary restrictions only apply to direct investment and/or investment in collective investment schemes managed or operated by the ACD.</p> <p>Funds - ESG Assessment</p> <p>The ACD's approach to the ESG assessment of collective investment schemes (CIS). The ACD will undertake a firm-level assessment of the CIS parent company using a proprietary scoring process developed by the Investment Advisor to grade the investment management manager's ESG profile.</p>	<p>The ACD's approach to the management of Environmental Social and Governance (ESG) related factors can be found in the Scottish Widows Schroder Personal Wealth (ACD) Limited - Responsible Investment Policy.</p> <p>The Policy sets out:</p> <p>Exclusions/Restrictions</p> <p>The Investment Advisor is expected to broadly consider ESG characteristics in the investment selection process and there are a number of specific asset exclusions in which the Fund will not make investment. Current exclusions include companies with revenue exposure to controversial weapons (cluster munitions, antipersonnel mines, chemical, and biological weapons) and thermal coal securities (companies that derive more than 20% of their revenues from thermal coal mining). The exclusionary restrictions only apply to direct investment and/or investment in collective investment schemes managed or operated by the ACD.</p> <p>Funds - ESG Assessment</p> <p>The ACD's approach to the ESG assessment of collective investment schemes (CIS). The ACD will undertake a firm-level assessment of the CIS parent company using a proprietary scoring process developed by the Investment Advisor to grade the investment management manager's ESG profile.</p>	<p>The ACD's approach to the management of Environmental Social and Governance (ESG) related factors can be found in the Scottish Widows Schroder Personal Wealth (ACD) Limited - Responsible Investment Policy.</p> <p>The Policy sets out:</p> <p>Exclusions/Restrictions</p> <p>The Investment Advisor is expected to broadly consider ESG characteristics in the investment selection process and there are a number of specific asset exclusions in which the Fund will not make investment. Current exclusions include companies with revenue exposure to controversial weapons (cluster munitions, antipersonnel mines, chemical, and biological weapons) and thermal coal securities (companies that derive more than 20% of their revenues from thermal coal mining). The exclusionary restrictions only apply to direct investment and/or investment in collective investment schemes managed or operated by the ACD.</p> <p>Funds - ESG Assessment</p> <p>The ACD's approach to the ESG assessment of collective investment schemes (CIS). The ACD will undertake a firm-level assessment of the CIS parent company using a proprietary scoring process developed by the Investment Advisor to grade the investment management manager's ESG profile.</p>

<p>Responsible Investment</p>	<p>The assessment considers five matters split across various categories each with a weighting that contributes towards the firm's overall ESG score. The categories and weightings as at the date of this Prospectus are as follows:</p> <ul style="list-style-type: none"> • Credentials (15%) – review of how long the firm has been practicing sustainable/responsible investment and its commitment to industry ESG initiatives (for example, UN Principles for Responsible Investment and UK Stewardship Code) • Culture (20%) – assessment of the culture of the firm as it relates to ESG integration and the proportion of assets that are managed in a 'responsible' manner. • Capabilities (15%) – appraisal of the level of ESG integration and the level of ESG resource (in-house and/or external). • Engagement (20%) – evaluating how the firm engages and tracks progress on ESG issues. • Voting (30%) – assessment of the firm's voting policy on ESG matters. <p>The assessment uses a five-point scale (1 to 5, with 5 being the best) with an overall score calculated based on the weighted sum of all categories. The Fund will not invest in any CIS that falls below average (i.e. where it is scored 1 or 2). Assessments will be subject to annual reviews and if a CIS is found to have a below average firm level score, then the Investment Advisor will have 3 months to divest the Fund, subject to operational constraints.</p> <p>Engagement and Stewardship The ACD's policies and expectation on engagement and stewardship.</p> <p>The Investment Adviser is expected to engage with the companies in which they invest, particularly where ESG factors relating to that company can be improved. The Investment Adviser will periodically produce an engagement report which will detail the engagement activity which has occurred within the Fund.</p>	<p>The assessment considers five matters split across various categories each with a weighting that contributes towards the firm's overall ESG score. The categories and weightings as at the date of this Prospectus are as follows:</p> <ul style="list-style-type: none"> • Credentials (15%) – review of how long the firm has been practicing sustainable/responsible investment and its commitment to industry ESG initiatives (for example, UN Principles for Responsible Investment and UK Stewardship Code) • Culture (20%) – assessment of the culture of the firm as it relates to ESG integration and the proportion of assets that are managed in a 'responsible' manner. • Capabilities (15%) – appraisal of the level of ESG integration and the level of ESG resource (in-house and/or external). • Engagement (20%) – evaluating how the firm engages and tracks progress on ESG issues. • Voting (30%) – assessment of the firm's voting policy on ESG matters. <p>The assessment uses a five-point scale (1 to 5, with 5 being the best) with an overall score calculated based on the weighted sum of all categories. The Fund will not invest in any CIS that falls below average (i.e. where it is scored 1 or 2). Assessments will be subject to annual reviews and if a CIS is found to have a below average firm level score, then the Investment Advisor will have 3 months to divest the Fund, subject to operational constraints.</p> <p>Engagement and Stewardship The ACD's policies and expectation on engagement and stewardship.</p> <p>The Investment Adviser is expected to engage with the companies in which they invest, particularly where ESG factors relating to that company can be improved. The Investment Adviser will periodically produce an engagement report which will detail the engagement activity which has occurred within the Fund.</p>	<p>The assessment considers five matters split across various categories each with a weighting that contributes towards the firm's overall ESG score. The categories and weightings as at the date of this Prospectus are as follows:</p> <ul style="list-style-type: none"> • Credentials (15%) – review of how long the firm has been practicing sustainable/responsible investment and its commitment to industry ESG initiatives (for example, UN Principles for Responsible Investment and UK Stewardship Code) • Culture (20%) – assessment of the culture of the firm as it relates to ESG integration and the proportion of assets that are managed in a 'responsible' manner. • Capabilities (15%) – appraisal of the level of ESG integration and the level of ESG resource (in-house and/or external). • Engagement (20%) – evaluating how the firm engages and tracks progress on ESG issues. • Voting (30%) – assessment of the firm's voting policy on ESG matters. <p>The assessment uses a five-point scale (1 to 5, with 5 being the best) with an overall score calculated based on the weighted sum of all categories. The Fund will not invest in any CIS that falls below average (i.e. where it is scored 1 or 2). Assessments will be subject to annual reviews and if a CIS is found to have a below average firm level score, then the Investment Advisor will have 3 months to divest the Fund, subject to operational constraints.</p> <p>Engagement and Stewardship The ACD's policies and expectation on engagement and stewardship.</p> <p>The Investment Adviser is expected to engage with the companies in which they invest, particularly where ESG factors relating to that company can be improved. The Investment Adviser will periodically produce an engagement report which will detail the engagement activity which has occurred within the Fund.</p>
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Responsible Investment	Monitoring and Oversight The ACD's approach to the monitoring and oversight on ESG factors.	Monitoring and Oversight The ACD's approach to the monitoring and oversight on ESG factors.	Monitoring and Oversight The ACD's approach to the monitoring and oversight on ESG factors.
	The ACD expects the Investment Advisor to follow the UK Stewardship Codes to engage with the companies and/or CIS (as appropriate) in which the Fund invests to improve ESG performance. The ACD will monitor the Fund to ensure that the Responsible Investment Policy is implemented appropriately. The Policy is available on spw.com. The policy will be updated from time to time and will be reviewed at least annually.	The ACD expects the Investment Advisor to follow the UK Stewardship Codes to engage with the companies and/or CIS (as appropriate) in which the Fund invests to improve ESG performance. The ACD will monitor the Fund to ensure that the Responsible Investment Policy is implemented appropriately. The Policy is available on spw.com. The policy will be updated from time to time and will be reviewed at least annually.	The ACD expects the Investment Advisor to follow the UK Stewardship Codes to engage with the companies and/or CIS (as appropriate) in which the Fund invests to improve ESG performance. The ACD will monitor the Fund to ensure that the Responsible Investment Policy is implemented appropriately. The Policy is available on spw.com. The policy will be updated from time to time and will be reviewed at least annually.

Investment Adviser	Schroder Investment Management Limited.	Schroder Investment Management Limited.	Schroder Investment Management Limited.
SRRI	4	5	4
Fund size (as at 7th August 2024)	£2.1bn.	£1.05bn. (following the Scheme)	£1.05bn. (following the Scheme)
Final Accounting Date	31 October	30th September	30th September
Interim Accounting Dates	30 April	31st March	31st March
Income Distribution Dates	31 December (annual), 30 June (interim)	30 November (annual), 31 May (interim)	30 November (annual), 31 May (interim)
Class and type of share	P Income Q Income	Q Income	Q Income
Initial Charge	0%	0%	0%
Redemption Charge	0%	0%	0%
Ongoing charge as at 7th August 2024	P Income – 0.67% Q Income – 0.58%	Q Income – 0.60%	Q Income – 0.58%
Minimum initial investment	£5,000,000	£5,000,000	£5,000,000
Minimum Subsequent investment	£1,000	£10,000	£10,000
Minimum holding	£3,000,000	£3,000,000	£3,000,000

Appendix 2

Procedure for Shareholder Meeting

1. Extraordinary Resolution of Shareholders

The notice convening the Meeting is set out in Appendix 5 of this document and sets out the Extraordinary Resolution to approve the Merger. To be passed, the Extraordinary Resolution must receive the support of a majority of 75% or more of the total number of votes validly cast.

2. Quorum and Voting Requirements

The quorum for an extraordinary general meeting is two Shareholders present in person or by proxy or, in the case of a Shareholder who is a body corporate, by authorised corporate representative.

If a quorum is not present within 5 minutes after the time appointed for the start of the Meeting, the Meeting will be adjourned to a date not less than seven days following the Meeting.

Notice will be given of the adjourned meeting and, at that meeting; two Shareholders present in person or by proxy are required to constitute a quorum. However, this may be reduced to one Shareholder if a quorum is not present after a reasonable time. In the event of an adjourned meeting and unless instructions are received, Forms of Proxy received in respect of the first Meeting will remain valid for the adjourned meeting.

The resolution will be proposed as an Extraordinary Resolution and must therefore be carried by a majority in favour of not less than 75% of the total number of votes validly cast at the relevant meeting. Shareholders who hold Shares on the date seven days before the notice of the Meeting is sent out, but excluding Shareholders who are not Shareholders at the time of the relevant meeting, are entitled to vote. Once passed, the Extraordinary Resolution will be binding on all Shareholders in the Merging Fund.

In view of the importance of the proposal the chair of the Meeting will call for a poll to be taken in respect of the Extraordinary Resolution. On a poll, the voting rights for each Share are the proportion of the voting rights attached to all of the Shares in issue that the price of the Share bears to the aggregate price or prices of all of the Shares in issue at the date seven days before the notice of the Meeting was sent. A Shareholder is entitled to more than one vote on a poll and need not, if he or she votes, use all his or her votes or cast all the votes he or she uses in the same way.

In the case of joint holders, the vote of the senior holder on the register who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders. Seniority is determined by the order in which the names stand on the register of Shareholders.

If, having completed and returned a Form of Proxy, you sell all of your Shares in the Merging Fund before the virtual Meeting, the Form of Proxy will not be counted, and you will not be able to vote in respect of those Shares at the virtual Meeting.

Please complete and sign the enclosed Form of Proxy and return it as soon as possible either by post, to Schroders Personal Wealth (ACD), Vote Management, 1 City Square, Leeds, LS1 2ES, or preferably by email to corporateactions@spw.com. It must arrive on or before 9.00 a.m. on 2nd September 2024.

Attendance at Meetings

Meetings will be held virtually using Microsoft Teams. You will be able to attend the virtual meetings by visiting, <https://www.microsoft.com/en-gb/microsoft-teams/join-a-meeting>, using the following access codes:

Meeting Date and Time	Meeting ID	Meeting Passcode
2nd September 2024 at 3.00 p.m.	321 141 670 681	aDueJo
9th September 2024 at 3.00 p.m.	322 087 906 759	vz2Y2q

3. The ACD

The ACD of the Merging Fund is only entitled to be counted in the quorum and vote at the Meeting in respect of Shares which it holds on behalf of or jointly with a person who, if they were the registered Shareholder, would be entitled to vote and from whom the ACD has received voting instructions. Associates of the ACD holding Shares are entitled to be counted in a quorum. They may vote at the Meeting in respect of Shares which they hold on behalf of or jointly with a person who, if they were the registered holder, would be entitled to vote and from whom they have received voting instructions.

4. Chairman

The Depositary has nominated Dominic Sheridan or, failing him, any other individual duly appointed by the ACD, to chair the virtual Meeting and any adjourned meeting. These nominees are employees of the ACD and have indicated that, in view of the importance of the proposed Extraordinary Resolution, they will demand that a poll be taken.

The details of the various consents and a list of the documents relating to the proposal which are available for inspection, are set out in Appendix 4.

Appendix 3

Scheme of Arrangement

1. Definitions and interpretation

- 1.1 In this Scheme, unless the context otherwise requires, words and terms have the meanings set out in the Glossary of Terms at the beginning of this document.
- 1.2 In addition, where relevant in the context, terms which are defined in the FCA Rules shall have the same meaning in this Scheme.
- 1.3 References to paragraphs are to paragraphs of the Scheme.
- 1.4 If there is any conflict between the Scheme and the Instrument of Incorporation, the Instrument will prevail. If there is any conflict between the Scheme and the FCA Rules, then the FCA Rules will prevail.

2. Approval of Shareholders

- 2.1 The Merger is conditional upon the passing of the Extraordinary Resolution, by which those Shareholders approve the Scheme and authorise the implementation of the Merger.
- 2.2 Shareholders will be notified of the result of the vote on the Extraordinary Resolution for the Merging Fund. If approved, the Scheme will be binding on all Shareholders in the Merging Fund, whether or not they vote in favour of it or vote at all, and the Merger will be implemented as set out in the following paragraphs.

3. Last dealings in the Merging Fund

- 3.1 The last day on which valid instructions to buy, sell or switch Shares in the Merging Fund may be received is 11.59 on 19th September 2024. Instructions received after that time will not be held over and will need to be re-submitted. Dealing in Shares in the Merging Fund shall be suspended from midday on 19th September 2024.
- 3.2 The first day of subscriptions for investors not receiving Shares in the Receiving Funds as a result of the Scheme will be 1st October 2024.

4. Income allocation arrangements

- 4.1 There will be a one-off additional distribution date in respect of the Merging Fund immediately prior to the Effective Date. This has been agreed with the Depositary. If the Effective Date is other than 21st September 2024, the ACD may, with the agreement of the Depositary, make such other alterations to the allocation dates of the Merging Fund as it considers appropriate in the circumstances.
- 4.2 The income (if any) available for allocation to Shareholders in the Merging Fund in respect of the period from 1st April 2024 to midday on 20th September 2024 shall be transferred to the distribution account of the Merging Fund and distributed to Shareholders holding Income Shares in as soon as reasonably practicable and is not expected

to be later than 20th November 2024.

- 4.3 Any distributions in respect of the Merging Fund which have been unclaimed for a period of six years from the original date of payment together with any unclaimed distributions in respect of previous accounting periods of the Merging Fund (including any interest arising on such distributions as it accrues) shall be transferred by the administrator of the Merging Fund and shall be held by it in a separate designated account in accordance with COLL, on the basis that such distributions which are unclaimed six years from the respective original dates of payment shall be transferred by the administrator (or its successor) and become part of the capital property of the Receiving Funds allocated equally. The unclaimed distributions shall be held until the last distribution is claimed or until the expiry of six years from the original payment of the distributions, whichever is earlier.

5. Calculation of the value of the Funds

- 5.1 The value of Merging Fund shall be calculated on a mid-market basis as at midday on the 20th September 2024 after deduction of:
 - 5.1.1 Income (if any) to be allocated to the Merging Fund in respect of the accounting period ending at midday on 20th September 2024; and
 - 5.1.2 The Retained Amount.
- 5.2 New Shares in the Receiving Funds shall be allocated equally and shall be allocated at 100p. The first day of dealing in the New Shares of the Receiving Funds will be 23rd September 2024.
- 5.3 The value of the Merging Fund will include accruals of amounts deemed receivable under the ACD's standard accounting and valuation policies and where receipt is considered to be close to certain.
- 5.4 These valuations shall be used in the calculation of the number of New Shares in the Receiving Funds to be issued.

6. Transfer of property and issue of New Shares

As at and from 12.01 a.m. on the Effective Date:

- 6.1 The capital and income of the Merging Fund, less the Retained Amount (the “**Transferred Property**”), will become the property of the Receiving Fund at the approximate Conversion Ratio set out below, in exchange and full payment for the issue of New Shares.
- 6.2 The Depositary will cease to hold the Transferred Property as attributable to the Merging Fund and will, in its capacity as Depositary of the Receiving Funds, hold the Transferred Property as scheme property of the Receiving Funds. The Depositary, in its capacity as depositary of the Merging Fund, will make or ensure the making of any transfers or re-designations which may be necessary as a result of its ceasing to hold the Transferred Property as the Depositary of the Merging Fund.
- 6.3 The ACD in its capacity as the ACD of the Receiving Fund will issue New Shares in the Receiving Fund at the Conversion Ratio and of the appropriate class and type to Shareholders who are registered on the Effective Date as holding such Shares in the Merging Fund on the basis set out in the Letter.
- 6.4 All Shares in the Merging Fund will be deemed to be cancelled and will cease to be of any value as at 12.02 a.m. on the Effective Date.
- 6.5 Shareholders will be treated as exchanging their Shares for New Shares.
- 6.6 With effect from the Effective Date, any action or other legal proceedings or step (whether by way of a claim, legal proceedings, execution of judgment, arbitration or otherwise) whether current, future, pending or otherwise in respect of which the SPW Investment Portfolio ICVC or the Merging Fund is a party (or would but for the Scheme be a party) concerning any part of the scheme property of the Merging Fund shall be continued or commenced by the Receiving Funds and the Receiving Funds shall be entitled to all claims, settlements and any other rights that would have been available to the Merging Fund immediately prior to the Effective Date. Any settlement or award shall become an accretion to the Receiving Funds.

7. Basis for the issue of New Shares

- 7.1 Each Shareholder holding Shares in the Merging Fund immediately before the Effective Date shall be issued New Shares as follows:

SPW Asset Allocator Fund	SPW Tactical Fund 1	SPW Tactical Fund 2
Class P (income)	Class Q (income)	Class Q (income)
Class Q (income)	Class Q (income)	Class Q (income)

- 7.2 Shares will be initially issued pursuant to the Scheme even where such issue is for less than the value of the minimum holding of shares referred to in the Prospectus. The ACD, however, reserves its right to enforce the minimum holding limit for Shareholders in the Receiving Funds at any point in the future.
- 7.3 All the New Shares to be issued in terms of this Scheme shall be the first shares to be issued in the relevant Receiving Fund. Neither the ACD nor the Company shall agree to issue any New Shares in the Receiving Funds other than under the Scheme unless such other New Shares are agreed to be issued at a price to be determined by reference to the value of the scheme property of the relevant Receiving Fund, calculated in accordance with the Prospectus and as at a valuation point occurring after the Effective Date.
- 7.4 For the purposes of income equalisation, the value of New Shares may contain an element of income, which represents the value of accrued income at the time of purchase for the relevant accounting period. On the first income allocation following the issue of the New Shares, Shareholders will receive as part of their income allocation a capital sum representing that part of the value of the New Shares, which represents the value of such accrued income. The formula used in calculating an Investor’s entitlement to shares in the relevant New Share Class is available on request.
- 7.5 The number of New Shares to be issued to each Shareholder will (if necessary) be rounded up to the nearest denomination of shares at the expense of the ACD (which will, within four business days of the Effective Date, accordingly pay into the relevant Receiving Fund an amount equal to the value of the additional shares issued as a result of the rounding).

The transfer of the scheme property of the Merging Fund to the Receiving Funds will be full payment for the New Shares issued to Shareholders in the Merging Fund pursuant to the Scheme.

8. Notification of the New Shares issued under the Scheme

- 8.1 It is intended that Scottish Widows Schroder Personal Wealth (ACD) Limited, as the ACD of the Receiving Funds, will notify each Shareholder who has participated in the Merger of the number and class of New Shares in the Receiving Funds issued under the Scheme. This notification will be made by the close of business no later than 24th September 2024 on the website of Scottish Widows Schroder Personal Wealth (ACD) Limited (<https://www.spw.com/fund-info>).
- 8.2 Upon such notification being made, any documentation confirming ownership of Shares in the Merging Fund will cease to be valid. No certificates will be issued in respect of New Shares.

9. Mandates and other instructions in respect of New Shares

- 9.1 Mandates and other instructions to the ACD of the Merging Fund in force on the Effective Date in respect of Shares will be deemed to be effective in respect of New Shares issued under the Scheme and in respect of other later acquired New Shares, if relevant. These mandates or instructions may be changed at any time.

10. Termination of the Fund

- 10.1 If the Scheme is approved by Shareholders, the Merging Fund will, following the Merger, be terminated in accordance with the FCA Rules.
- 10.2 The Retained Amount (which will be made up of cash and other assets, as necessary) and any income arising on it will be used by the Depositary to pay any outstanding liabilities of the Merging Fund in accordance with the directions and instructions of the ACD, the provisions of the Instrument of Incorporation, the Prospectus, and the FCA Rules. In providing such directions and/or instructions to the Depositary, the ACD shall be responsible for ensuring that such directions and/or instructions comply at all times with the provisions of the Instrument of Incorporation and the Prospectus, and the FCA Rules.
- 10.3 If, at the full termination of the Merging Fund, there are any surplus monies remaining in the Merging Fund, the money, together with any income arising therefrom, shall be transferred equally to the Receiving Funds. No further issue of New Shares will be made as a result.
- 10.4 Any monies received after termination of the Merging Fund shall be transferred equally between the Receiving Funds (or any successor funds). No further issue of New Shares will be made as a result.
- 10.5 If the Retained Amount is insufficient to discharge all the liabilities of the Merging Fund, the Depositary will pay the amount of the shortfall equally out of the scheme property of the Receiving Funds in accordance with the directions and/or instructions of the ACD with the agreement of the Depositary and

the FCA Rules, but otherwise such shortfall shall be discharged by the ACD.

- 10.6 On completion of the termination of the Merging Fund, the ACD and the Depositary will be discharged from their respective duties, obligations and liabilities in respect of the Merging Fund, except those arising from a breach of duty before that time.
- 10.7 Termination accounts in respect of the Merging Fund will be drawn up and, within four months of completion of its termination, a copy of the termination accounts and the auditor's report on it will be sent to the FCA.
- 10.8 On the completion of the termination of the Merging Fund, the ACD shall notify the FCA in writing of that fact.

11. Costs, charges and expenses

- 11.1 The Depositary and the ACD will continue to receive their usual fees and expenses for being the depositary and the manager respectively of the Merging Fund out of the property of the Merging Fund which accrue prior to, or, in the case of the Depositary, after, the Effective Date.
- 11.2 Transaction costs associated with rebalancing the Merging Fund's portfolio in preparation for the Scheme will be paid out of the property of the Merging Fund.
- 11.3 Any taxes and duties associated with the transfer or re-designation of the property transferred under the Scheme will be paid for out of the property of the Receiving Funds. The ACD expects that any such taxes and duties would be negligible and believes that their payment would not be materially prejudicial.
- 11.4 Subject to 11.2 and 11.3 the costs of preparing and implementing the Merger under the Scheme will be paid by the ACD, not by Shareholders, including:
 - (a) the costs of convening and holding the extraordinary general meeting of Shareholders (and any adjourned meeting);
 - (b) the costs of preparing the Shareholder circular and its mailing to Shareholders; and
 - (c) professional adviser's fees and expenses (including those of the Depositary) payable in connection with the Merger and the Scheme but excluding those of the auditor's.
- 11.5 The Scheme of Arrangement is consistent with the existing objectives of the Receiving Fund and can be made effective without breaching the investment and borrowing limits in line with COLL 7.6.2(6) R.

12. Register of Shareholders

- 12.1 The ACD and the Depositary shall be entitled to assume that all information contained in the register of Shareholders of the Merging Fund on and immediately prior to the Effective Date is correct, and to utilise the same in calculating the number of New Shares to be issued and registered pursuant to the Scheme.
- 12.2 The ACD and the Depositary may act and rely upon any certificate, opinion, evidence or information furnished to it by its professional advisers or by the auditors of the Merging Fund in connection with the Scheme and shall not be liable or responsible for any resulting loss.

13. Alterations to the Scheme

- 13.1 The ACD, with the agreement of the Depositary, may determine (in particular, in the event of an adjournment to the Meeting of Shareholders) that the Effective Date is to be other than as set out in this document, in which case such consequential adjustments may be made to the other elements in the timetable of the Scheme as the ACD considers appropriate.
- 13.2 The terms of the Scheme may be amended as determined by the ACD of the Merging Fund and the Depositary.

14. Governing law

- 14.1 The Scheme is governed by and shall be construed in accordance with the laws of England and Wales.

Dated: 15th August 2024

Appendix 4

Consents and clearances

1. Depositary

State Street Trustees Limited, as Depositary of the Company (of which the Merging Fund and the Receiving Fund) whilst expressing no opinion on the merits or demerits of the proposal, consents to the references made to it in this document in the form and context in which they appear. The confirmation is not a recommendation to vote for or against the Extraordinary Resolution, which is a matter for each Shareholder's judgement.

2. ACD

The ACD confirms that in its opinion, if the Scheme is implemented it is not likely to result in any material prejudice to the Shareholders in the Merging Fund. In particular, the ACD confirms, and has confirmed to the Depositary in writing that, in its opinion, the receipt of property under the Scheme by the Receiving Fund is consistent with the investment objectives of each of these Funds and can be effected without any breach of Chapter 5 of COLL.

3. HM Revenue & Customs

HM Revenue & Customs has confirmed that section 137 of the Taxation of Chargeable Gains Act 1992 should not apply to the Merger under the Scheme of Arrangement and consequently section 136 of that Act may apply. Accordingly, the Merger of the Merging Fund into the Receiving Funds will not involve a disposal of Shares in the Merging Fund for the purposes of taxation of capital gains. The New Shares in the Receiving Funds will be deemed to have the same acquisition cost and acquisition date for capital gains tax purposes for each UK Shareholder who has been allocated New Shares by way of the Merger as their existing Shares in the Merging Fund.

4. FCA

The FCA has been informed of the proposal to implement the Scheme and has confirmed by letter to the ACD's legal advisers that the Merger will not affect the ongoing authorisation of SPW Investment Portfolio ICVC.

5. Documents available for inspection

Copies of the following documents are available on request, until the date of the extraordinary general meeting or of any adjournment thereof. Moreover, with the exception of b., f. and g. below all other documents can be found on the Schroder Personal Wealth website <https://www.spw.com/fund-info>:

- (a) the Prospectus for the Companies;
- (b) Instrument of Incorporation for the Companies;
- (c) the latest interim and annual report and accounts for the Merging Fund;
- (d) KIIDs/NURS-KIIs for all Share classes of the Funds;
- (e) a copy of the HM Revenue & Customs confirmation referred to in 3 above.
- (f) the letter from the Depositary to us consenting to the inclusion in this Letter and the Scheme of Arrangement of references to the Depositary referred to under "1. Depositary" above; and
- (g) the letter from the FCA to the ACD's legal advisers referred to under "5. FCA" above

Appendix 5

Notice of Meeting of Shareholders

SPW Asset Allocator Fund, a sub-fund of SPW Investment Portfolio ICVC

NOTICE IS HEREBY GIVEN that a virtual meeting of the Shareholders in SPW Asset Allocator Fund, a sub-fund of SPW Investment Portfolio ICVC (being an open-ended investment company with variable capital, authorised and regulated by the Financial Conduct Authority) (the “Company”) will be held at 3.00 p.m. on 2nd September 2024 to consider and, if thought fit, to pass the following resolution which will be proposed as an Extraordinary Resolution, following which, the minutes of the meeting of Shareholders will be subsequently published at <https://www.spw.com/fund-info>:

NOTICE IS FURTHER GIVEN that, if necessary, the meeting of the Shareholders will be adjourned to be again virtually held at 3.00 p.m. on 9th September 2024 to again consider and, if thought fit, to pass the following resolution which will be proposed as an Extraordinary Resolution:

Extraordinary Resolution

That the Scheme of Arrangement (the “Scheme”) of SPW Asset Allocator Fund (the “Fund”), a sub-fund of the SPW Investment Portfolio ICVC, to merge the Fund equally into SPW Tactical Fund 1 and SPW Tactical Fund 2, both sub-funds of the SPW Managed ICVC, as set out in the letter of 15th August 2024 from Scottish Widows Schroder Personal Wealth (ACD) Limited to the holders of Shares in the Fund (the “Letter”), be and is hereby approved and adopted and accordingly that subject to the satisfaction of all of the consents set out in Appendix 4: “Consents and approvals” of the Letter, Scottish Widows Schroder Personal Wealth (ACD) Limited, as the ACD of the Company and of the SPW Managed ICVC, and State Street Trustees Limited, as Depositary of the Company and of SPW Managed ICVC are hereby instructed to take such steps as are necessary to implement and give effect to the Scheme in accordance with its terms, and, once the Scheme has been implemented, the Fund be terminated in accordance with the terms of the Scheme.

Dominic Sheridan

Director
Scottish Widows Schroder Personal Wealth (ACD) Limited
1 London Wall
London EC2Y 5EA

15th August 2024

Please go to spw.com
or call us on +44 (0) 344 822 8910

Your call may be monitored or recorded in case we need to check we have carried out your instructions correctly and to help improve our quality of service.

Schroders Personal Wealth (ACD) is a trading name for Scottish Widows Schroder Personal Wealth (ACD) Limited.

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