SCOTTISH WIDOWS

Horizon Investment Funds ICVC

Annual long report for the year ended 31st May 2026

Scottish Widows Horizon Investment Funds ICVC

The Company and Head Office
Scottish Widows Horizon Investment Funds ICVC
69 Morrison Street
Edinburgh
EH3 1HT

Incorporated in England and Wales under registered number IC001030. Authorised and regulated by the Financial Conduct Authority.

Authorised Corporate Director (ACD), Alternative Investment Fund Manager (AIFM) and Registrar*
Scottish Widows Unit Trust Managers Limited

Registered Office:
25 Gresham Street
London
EC2V 7HN

Head Office:
69 Morrison Street
Edinburgh
EH3 1HT

Authorised and regulated by the Financial Conduct Authority and a member of The Investment Association.

Investment Adviser*
BlackRock Investment Management (UK) Limited
12 Throgmorton Avenue
London
EC2N 2DL

Authorised and regulated by the Financial Conduct Authority and a member of The Investment Association.

Depositary*
State Street Trustees Limited
20 Churchill Place
Canary Wharf
London
E14 5HJ

Authorised and regulated by the Financial Conduct Authority.

Independent Auditors*
Deloitte LLP
110 Queen Street
Glasgow
G1 3BX

Regulatory Body*
The Financial Conduct Authority
12 Endeavour Square
London
E20 1JN

*The Company names and addresses form part of the Authorised Corporate Director's Report.

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About the Company

Welcome to the Annual Long Report for the Scottish Widows Horizon Investment Funds ICVC (the "Company") covering the year ended 31st May 2026 (the "Report"). The Authorised Corporate Director (the "ACD") and Alternative Investment Fund Manager (the "AIFM") of the Company is Scottish Widows Unit Trust Managers Limited, a private company limited by shares which was incorporated in England and Wales on 19th April 1982. Its ultimate holding company is Lloyds Banking Group plc ("Lloyds"), which is incorporated in Scotland.

The Company is an Open-Ended Investment Company ("OEIC") with variable capital, incorporated in England and Wales under registration number IC001030 and is authorised and regulated by the Financial Conduct Authority (the "FCA") under regulation 12 of the Open-Ended Investment Companies Regulations 2001 (SI2001/1228) (the "OEIC Regulations"), with effect from 18th March 2015. The property of the Company is entrusted to State Street Trustees Limited (the "Depositary").

Shareholders are not liable for the debts of the Company.

The Company is a non-UCITS retail scheme which complies with the Financial Conduct Authority's Collective Investment Schemes Sourcebook (the "COLL Sourcebook") and the Investment Funds Sourcebook (the "FUND Sourcebook"). His Majesty's Treasury (HMT) implemented a number of statutory instruments (SIs) under the EU (Withdrawal) Act 2018 (the "Act") to ensure that common rules continued to apply to the financial services industry during the implementation period (29th March 2019 through 31st December 2020) and beyond. The Company and the ACD continue to comply with all relevant requirements.

The Company is structured as an umbrella fund, in that the scheme property of the Company is currently divided among 5 sub-funds, each with different investment objectives. The assets of each sub-fund will be treated as separate from those of every other sub-fund and will be invested in accordance with the investment objective and investment policy applicable to the sub-fund. The investment objective, policies and a review of the investment activities during the year are disclosed in the Investment Markets Overview of the individual sub-funds. New sub-funds may be established from time to time by the ACD with the approval of the FCA and Depositary.

Each sub-fund would, if it were a separate investment company with variable capital, also be a non-UCITS retail scheme which complies with the COLL Sourcebook.

The assets of each sub-fund belong exclusively to that sub-fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other sub-fund and shall not be available for such purpose.

Under the OEIC Regulations, the assets of each sub-fund can only be used to meet the liabilities of, or claims against, that sub-fund. This is known as segregated liability. Provisions for segregated liability between funds were introduced in the OEIC Regulations in 2012. Where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known whether a foreign court would recognise the segregated liability and cross-investments provisions contained in the OEIC Regulations. Therefore, it is not possible to be certain that the assets of a sub-fund will always be completely protected from the liabilities of another sub-fund of the Company in every circumstance.

The Financial Statements have been prepared on an individual basis including the 5 sub-funds in existence during the year covered by this Annual Long Report, as permitted by the OEIC Regulations and the COLL Sourcebook.

The Report of the Authorised Corporate Director is defined as those items highlighted in the contents page in accordance with the COLL Sourcebook.

Prospectus changes

During the year and up to the date of this report, the following changes were made to the Company and therefore the following changes were reflected in the Prospectus of Scottish Widows Horizon Investment Funds ICVC:

- With effect from 16th July 2025, the Prospectus of the Company was updated for the purposes of shortening the settlement cycle of the Company in respect of the following sub-funds of the Company from T+4 to T+3 for subscriptions and redemptions: Scottish Widows Horizon Multi-Asset Fund 1; Scottish Widows Horizon Multi-Asset Fund 2; Scottish Widows Horizon Multi-Asset Fund 3; Scottish Widows Horizon Multi-Asset Fund 4; and Scottish Widows Horizon Multi-Asset Fund 5.
- With effect from 29th October 2025, the Prospectus of the Company was updated for the purposes of reflecting such amendments that the ACD has determined necessary as part of an annual review.

A copy of the Prospectus is available on request.

Important information

- As required by the FCA we have carried out an annual value assessment of these funds to consider overall value delivered to customers. To avoid duplication and for ease of communication we have published a separate value assessment report explaining to customers what we have found and what we are doing in a combined statement across all of the funds in Scottish Widows Unit Trust Managers Limited. The value assessment report is available for customers to read on our website at https://platform.scottishwidows.co.uk/literature-library
- The ongoing conflict in Ukraine, together with developments in the Middle East, may adversely affect global economies, financial markets and energy costs. The risk of potential cyber-attacks and the associated costs arising from such incidents still exists. The ACD continues to monitor these developments and related risks to the Company.
- For information on how we take climate-related matters into account when managing and investing customers' plans, please visit www.scottishwidows.co.uk/climatereport

Going concern basis of accounting

Following assessment of the strategy of the Horizon Funds, the ACD intends to make proposals to merge the Funds with other appropriate Scottish Widows Funds and subsequently close the Horizon Funds. The ACD will provide details of the merger proposals and the options available for impacted shareholders prior to any action. Accordingly, the going concern basis of accounting is no longer appropriate and the financial statements of these Funds have been prepared on a basis other than going concern. No adjustments have arisen from cessation of applying a going concern basis of accounting.

Sub-fund cross-holdings

As at 31st May 2026 there were no shares in sub-funds of the Scottish Widows Horizon Investment Funds ICVC held by other sub-funds of the Company.

Remuneration disclosures

The Alternative Investment Fund Managers Directive (AIFMD) requires the annual report of an Alternative Investment Fund (AIF) to contain a remuneration disclosure. The requirements include disclosing the total amount of remuneration paid by the Alternative Investment Fund Manager (AIFM) to its staff for the financial year, split into fixed and variable remuneration.

This section discloses the remuneration awards made by Lloyds Banking Group ('the Group') to its AIFMD Identified Staff for the Group's financial year to 31st December 2025, together with an explanation of the Group's remuneration policies, structure and governance.

Quantitative remuneration disclosure

Aggregate remuneration paid for the year ended 31st December 2025 to senior management and members of staff whose actions have a material impact on the risk profile of the AIFs (Identified Staff)	
	Total
Fixed remuneration	£8,254,384
Variable remuneration	£6,781,000
Carried interest	£0
TOTAL	**£15,035,384**
Number of Identified Staff[1]	21

[1]Excludes Non-Executive Directors of the Board. The figures stated in the above table represent the total remuneration received by individuals in respect of work undertaken for Lloyds Banking Group, as well as their specific AIF/AIFM activities.

Staff shown in the table above are employed by the Group in relation to activities relating to the management of AIFs/AIFMs and are subject to the Group remuneration policy. They also perform other Group activities; no staff are directly employed by the AIFs/AIFMs. The investment management of the AIFs is carried out by external investment advisers, and the fees paid for these services in respect of the Scottish Widows Horizon Investment Funds ICVC are disclosed in the external investment adviser fees section.

Some individuals are subject to more than one regulatory regime, e.g. AIFMD, UCITS V and CRD, therefore the more stringent regulatory requirements will apply.

Quantitative AIF/AIFM disclosure

The table below shows the total net asset value of all funds the identified staff are responsible for, specifically highlighting the proportion of the assets related to the Scottish Widows Horizon Investment Funds ICVC.

As at 31st December 2025 the assets under management for all funds were as follows:		
	Net asset value £	% of total assets
Scottish Widows Horizon Investment Funds ICVC	**412,023,566**	**1.08%**
Scottish Widows Income and Growth Funds ICVC	6,220,029,374	16.29%
Scottish Widows Investment Solutions Funds ICVC	13,306,665,824	34.84%
Scottish Widows Managed Investment Funds ICVC	4,720,547,726	12.36%
Scottish Widows Overseas Growth Investment Funds ICVC	4,222,423,087	11.06%
Scottish Widows Property Authorised Contractual Scheme	2,141,559,198	5.61%
Scottish Widows Tracker and Specialist Investment Funds ICVC	6,647,775,514	17.41%
Scottish Widows UK and Income Investment Funds ICVC	516,554,440	1.35%
Total: Scottish Widows Unit Trust Managers Limited	**38,187,578,729**	**100.00%**

External investment adviser fees

The annual investment adviser fees paid to BlackRock Investment Management (UK) Limited for investment management services in respect of the Scottish Widows Horizon Investment Funds ICVC for the year to 31st December 2025 were £327,314.

These fees are paid by Scottish Widows Unit Trust Managers Limited.

BlackRock Investment Management (UK) Limited is subject to remuneration rules under Directive 2013/36/EU ("CRD IV") and under the amended Directive 2019/878 ("CRD V") that are equivalent to those applicable under the AIFMD regime. Staff employed by BlackRock Investment Management (UK) Limited who are "Identified Staff" for the purposes of the Guidelines published from time to time by the European Securities and Markets Authority are subject to remuneration rules commensurate with those which apply to Identified Staff of the AIFM. BlackRock Investment Management (UK) Limited make information on remuneration publicly available in accordance with the disclosure requirements.

Qualitative remuneration disclosure

The Company is part of the wider Lloyds Banking Group. As a Capital Requirements Directive (CRD) firm, the Group is required to apply a firm-wide remuneration policy, which includes the Scottish Widows Horizon Investment Funds ICVC and complies with CRD requirements as well as all other regulations that are applicable to its regulated subsidiaries, including the AIFM Remuneration Code (SYSC 19.B of the FCA Handbook).

The remuneration policy for AIFMD Identified Staff is driven by that of the wider banking group, where the policy is set by the Lloyds Banking Group Remuneration Committee. The Group's Remuneration Committee is responsible for reviewing and overseeing the overall remuneration philosophy and policy of the Group.

Composition of the Remuneration Committee

The members of the Lloyds Banking Group Remuneration Committee during 2025 were Cathy Turner (Chair), Sir Robin Budenberg, Amanda Mackenzie, and Catherine Woods.

The Remuneration Committee appoints independent consultants to provide advice on specific matters according to their particular expertise. PricewaterhouseCoopers (PwC) are independent adviser to the Remuneration Committee.

Role of the relevant stakeholders

The Remuneration Committee regularly consults with key shareholders to ensure transparency on our remuneration policy and outcomes. The Committee regularly seeks input from a range of stakeholders including institutional shareholders, the main proxy agencies, the Group's principal regulators, the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA), executive management and its external advisers to ensure alignment with market practice and compliance with applicable regulations and codes of practice.

The Group conducts colleague surveys annually to measure engagement and culture, supplemented by periodic pulse surveys which focus on key themes. The engagement survey includes specific questions relating to reward and discussions on the Group's remuneration approach takes place with union representatives during the annual pay review cycle and on relevant employee reward matters.

Principles of the remuneration policy

The Group's Remuneration Policy, approved by the Remuneration Committee and adopted across legal entities, is built on four core principles aligned with our business strategy, our values, and long-term interests; the core principles are:

- Performance Driven – Reward should recognise collective success in delivering our purpose and strategy (aligned with the Group's risk appetite and conduct expectations) and individual contribution to that success.
- Talent Focused – Reward should attract and retain skilled colleagues of the highest calibre across the organisation, delivering the workforce of the future.
- Values Based – Reward should be designed so that it is fair and embodies our values: People first, Inclusive, Trusted, Sustainable and Bold.
- Clear and Understood – Reward should be explained clearly and understood by colleagues, enabling increased personalisation and choice.

These principles are reflected in detailed reward policies and procedures which govern specific areas of reward and support the practical operation of the Remuneration Policy.

These policies and procedures reinforce the alignment between business strategy, risk and remuneration and provide a framework for understanding and implementing the Group's remuneration structure.

To support remuneration decision-making, a robust and effective performance management framework is operated. Business performance is assessed across the Group using a balanced scorecard approach comprising of financial and non-financial metrics.

Fixed vs variable reward elements

Remuneration is delivered via a combination of fixed and variable remuneration.

Fixed pay reflects role, responsibilities and experience; UK colleagues receive salary and core benefits (e.g., pension, private medical and life insurance) with further options via the Group's flexible benefits plan.

Variable remuneration is determined by performance at the individual, business-area and Group levels, including an assessment of risk performance, with the fixed/variable mix reflecting seniority, role and market practice. For Material Risk Takers (MRTs), performance-related pay forms a significant portion of total compensation while maintaining an appropriate balance between fixed and variable pay, alignment to risk and the Group's conduct expectations.

Variable remuneration arrangements

The Group Performance Share (GPS) plan is an annual discretionary bonus scheme linked to Group performance. Individual awards reflect individual performance and financial and non-financial performance of the Group, including risk management, and conduct considerations; most colleagues and all MRTs participate.

GPS outcomes are determined annually by the Remuneration Committee, considering:

- Underlying financial performance
- Group Balanced Scorecard outcomes
- Market positioning of variable reward
- Risk and other discretionary adjustments

Awards combine cash and shares, with deferral arrangements applied. MRTs' awards are subject to deferral and holding periods in line with regulatory requirements. All Executive grade colleagues and MRTs undergo a combined risk and performance assessment, ensuring alignment between GPS outcomes, individual impact and risk performance.

Deferral, vesting and performance adjustment

At least 40 per cent of Identified Staff variable remuneration is deferred into Lloyds Banking Group Shares for a minimum of three years, unless de-minimis rules apply.

For all Identified Staff, GPS is deferred in line with the regulatory requirements and all share awards are subject to a 6 month, post-vesting retention period.

For all colleagues, any deferred variable remuneration amount is subject to performance adjustment (malus) in accordance with the Group's Deferral and Performance Adjustment Policy.

All employee share plans

The Group operates two HMRC tax advantaged all-employee share schemes - Sharematch (a SIP) and Sharesave (a SAYE scheme).

Pension and supplementary schemes

AIFMD Identified Staff are eligible for membership of the all-employee pension schemes on the terms that are in line with all employees.

The Group does not operate an early retirement scheme.

Redundancy Pay

All colleagues with two or more years' service are entitled to statutory redundancy pay. Enhanced redundancy pay may be offered in certain circumstances.

Further details can be found in the Directors' remuneration section of the Group's 2025 Annual Report using the link below:

https://www.lloydsbankinggroup.com/investors/annual-report.html

Statement of the Authorised Corporate Director's Responsibilities

for the year ended 31st May 2026

The Financial Conduct Authority Collective Investment Schemes Sourcebook (the "COLL Sourcebook") requires the Authorised Corporate Director ("ACD") of Scottish Widows Horizon Investment Funds ICVC to prepare the Annual Report and Financial Statements for each accounting period which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the financial affairs of the Company and of its net revenue and the net capital gains/(losses) for the year then ended.

In preparing the Financial Statements the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- comply with the Prospectus and Instrument of Incorporation and the requirements of the Statement of Recommended Practice relating to the Financial Statements of Authorised Funds issued by the Investment Association in May 2014 as amended in June 2017 ("SORP");
- follow United Kingdom Generally Accepted Accounting Practice (“United Kingdom Accounting Standards and applicable law”), including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

The ACD is required to keep proper accounting records and to manage the Company in accordance with the COLL Sourcebook, the Instrument of Incorporation and the Prospectus. The ACD is also responsible for the system of internal controls, for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The ACD is responsible for ensuring that, to the best of their knowledge and belief, there is no relevant audit information of which the auditors are unaware. It is the responsibility of the ACD to take all necessary steps as a director to familiarise themselves with any relevant audit information and to establish that the auditors are aware of that information.

The ACD is also responsible for the maintenance and integrity of the website on which the financial statements and auditor's report are published and distributed electronically. Please note that legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Report of the Authorised Corporate Director

In accordance with the rules in the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority, I hereby approve the report and financial statements on behalf of the Authorised Corporate Director of Scottish Widows Horizon Investment Funds ICVC.

S T Nyahasha
Director
Scottish Widows Unit Trust Managers Limited
28th September 2026

Statement of the Depositary's Responsibilities in respect of the Scheme and Report of the Depositary to the Shareholders of the Scottish Widows Horizon Investment Funds ICVC

for the year ended 31st May 2026

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook and the Investment Funds Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

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

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

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out;
- the value of shares of the Company are calculated;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Alternative Investment Fund Manager ("the AIFM") are carried out (unless they conflict with the Regulations).

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

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

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations, the Scheme documents of the Company, and

(ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

State Street Trustees Limited
28th September 2026

Independent Auditor's Report to the Shareholders of

Scottish Widows Horizon Investment Funds ICVC

for the year ended 31st May 2026

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Scottish Widows Horizon Investment Funds ICVC (the "Company"):

- give a true and fair view of the financial position of the Company and its sub-funds as at 31st May 2026; and of the net revenue and the net capital gains on the property of the Company and its sub-funds for the year ended 31st May 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 Instrument of Incorporation.

We have audited the financial statements which comprise for each sub-fund:

- the statement of total return;
- the statement of change in net assets attributable to shareholders;
- the balance sheet;
- the distribution tables; and
- the summary of significant accounting policies, judgements and estimates applicable to all sub-funds and individual notes.

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 Instrument of Incorporation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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.

Emphasis of matter - Financial statements prepared other than on a going concern basis

We draw attention to note 1(a) in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

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 ACD 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.

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.

for the year ended 31st May 2026

Responsibilities of depositary and ACD

As explained more fully in the depositary's responsibilities statement and the ACD's responsibilities statement, the depositary is responsible for the safeguarding the property of the Company and the ACD 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 ACD 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 ACD is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the ACD either intends to liquidate the Company 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 Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the ACD about their own identification and assessment of the risks of irregularities, including those that are specific to the Company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the Company 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 legislations; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included Open-Ended Investment Companies Regulations 2001.

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 investments. There is an incentive to manipulate holdings and prices used in closing value of investments due to their significance to the net asset values of the sub-funds. In response we have assessed the applied valuation methodologies; agreed investment holdings to independent confirmations; and agreed investment valuations to reliable independent sources.

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 concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and

for the year ended 31st May 2026

- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC and the FCA.

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 Company and the sub-funds 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 given in the ACD's report for the year ended 31st May 2026 is consistent with the financial statements.

Use of our report

This report is made solely to the Company's shareholders, 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 Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte LLP
Statutory Auditor
Belfast, United Kingdom
28th September 2026

Summary of Significant Accounting Policies, Judgements and Estimates applicable to all sub-funds

for the year ended 31st May 2026

1. Significant accounting and distribution policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and investment liabilities measured at Fair Value through Profit and Loss, and in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”, and applicable law), the Statement of Recommended Practice (SORP) for UK Authorised Funds issued by the Investment Association in May 2014 as amended in June 2017, and the Collective Investment Schemes Sourcebook.

As noted on page 3, the ACD has determined that it intends to close the funds within 12 months of the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern. No adjustments have arisen from cessation of applying a going concern basis of accounting.

(b) Revenue

Revenue from authorised collective investment schemes is recognised when the investments are quoted ex-dividend.

Where accumulation units or shares are held in another authorised collective investment scheme, the accumulation of revenue relating to the holding is recognised in the revenue account including any withholding taxes.

Equalisation on distributions received is treated as capital and deducted from the cost of the investment.

Interest on deposits are recognised on an accruals basis.

Revenue is allocated when earned in the proportion of the Net Asset Value of each share class to the total Net Asset Value of the sub-fund.

Dividend revenue from offshore reporting funds is recognised when the securities are quoted ex-dividend. Non-dividend revenue from offshore reporting funds is recognised when declared, and treated as revenue for taxation and distribution purposes.

(c) Expenses

The underlying sub-funds may currently have up to two share classes; Class I and Class Z. Each share class suffers a different Authorised Corporate Director ("ACD") fee. Consequently the level of expenses attributable to each share class will differ. Details are available in the Prospectus.

All expenses other than those relating to the purchase and sale of investments are included in expenses in the Statement of Total Return. The only exception is interest on borrowing which is included in interest payable and similar charges in the Statement of Total Return.

The ACD’s annual fee is charged to the revenue property of the respective sub-funds. Rebates are applied where management fees are incurred by the underlying investments. Where it is the policy of the underlying investment to charge its management fees to capital in determining its distribution, the sub-fund recognises such management rebates as capital within note 2 - Net capital gains/(losses) on an accruals basis. Otherwise the rebate is recognised as revenue on an accruals basis within note 3 - Revenue and forms part of the distribution.

Expenses incurred in respect of, or attributable to, the sub-funds as a whole are allocated when incurred in the proportion of the Net Asset Value of each share class to the total Net Asset Value of the sub-fund.

(d) Distribution policy

The revenue from the sub-funds' investments accumulates during each accounting period. If revenue exceeds expenses during the period, the net revenue of the sub-funds is available for distribution (or re-investment) at share class level to the shareholders in accordance with the OEIC Regulations. If expenses exceed revenue during the period, the net revenue shortfall may be funded from capital.

All sub-funds make dividend distributions.

The distribution pay dates are noted in the Distribution Tables for each respective sub-fund. Distributions which have remained unclaimed by shareholders for over six years are credited to the capital of the sub-fund.

(e) Taxation

Provision is made for corporation tax at the standard rate of corporation tax for an OEIC on the excess of taxable income over allowable expenses.

Deferred taxation is provided on all timing differences that have originated but not reversed by the Balance Sheet date other than those differences regarded as permanent. Any liability to deferred tax is provided at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

for the year ended 31st May 2026

1. Significant accounting and distribution policies (continued)

(e) Taxation (continued)

Deferred tax assets are only recognised to the extent that it is regarded more likely than not that there will be taxable profits against which the reversal of underlying timing differences can be offset.

(f) Valuation of investments

Purchases and sales of investments are recognised on the trade date, i.e. the date the Company commits to purchase the asset from, or deliver the asset to, the counterparty. Investments are initially recognised at cost, being the fair value of the consideration given, and are subsequently re-measured at fair value.

The listed investments of the Company have been valued at market value on 31st May 2026 at world close of business. Market value is defined by the SORP as fair value, which is generally the bid value of each security. Investments that are unable to be valued by standard sources are reviewed separately. These valuation exceptions include securities that are illiquid, unlisted, delisted, unapproved or suspended and are based on the ACD's assessment of their fair value. This assessment includes regular communication between internal pricing and valuation teams, and the Investment Adviser. Expert judgement is applied in order to calculate or adjust the value of the securities. Appropriate documentation is recorded and all management information is reported to a valuation committee on a monthly basis.

Investments in collective investment schemes have been valued at bid price for dual priced funds and at the single price for single priced funds.

Investments are derecognised when the contractual right to receive cash flows from the asset has expired or when the Company has transferred its contractual right to receive the cash flows from the asset and either: substantially all of the risks and rewards of ownership have been transferred; or the Company has neither retained nor transferred substantially all of the risks and rewards, but has transferred control.

(g) Exchange rates

All transactions in foreign currencies are translated into Sterling at the rate of exchange ruling on the date of such transactions. Foreign currency assets and liabilities at the end of the accounting year are translated at the exchange rates applicable at the end of the accounting year at the appropriate valuation point.

(h) Dilution adjustment

In certain circumstances (as detailed in the Prospectus) the ACD may charge a dilution adjustment on the creation or cancellation of shares, which is paid into the capital of the relevant sub-fund on an accruals basis. The adjustment is intended to cover certain dealing charges not included in the mid-market value of the sub-fund used in calculating the share price, which could have a diluting effect on the sub-fund.

(i) Derivatives

Some of the sub-funds may enter into permitted transactions such as derivative contracts or forward foreign currency transactions. The treatment of the returns from derivatives depends upon the nature of the transaction. Both motives and circumstances are used to determine whether returns should be treated as capital or revenue.

Where positions are undertaken to protect or enhance capital, and the circumstances support this, the returns are capital and included within gains/(losses) on investments in the Statement of Total Return. Similarly where they are for generating or protecting revenue, and the circumstances support this, the returns are revenue and included within net revenue in the Statement of Total Return. Where positions generate total returns it will generally be appropriate to apportion such returns between capital and revenue to properly reflect the nature of the transaction. Any open positions in these types of transactions at the year end are included in the Balance Sheet at their market value.

(j) Cash equivalents

Cash and cash equivalents are held to maintain liquidity. At the year-end, any short-term investment securities with maturity periods of 90 days or less are disclosed as cash equivalents.

2. Significant accounting judgements and estimates

The sub-funds make judgements and estimates when applying its significant accounting policies which affect the amounts of income and expenses recognised during the financial period and the amounts of assets and liabilities reported at the end of the financial period.

Estimates are continually assessed based on historical experience and other factors, including expectations of future events, in order to ensure they are reasonable under the circumstances.

for the year ended 31st May 2026

2. Significant accounting judgements and estimates (continued)

(a) Judgements

In the process of applying the sub-funds' accounting policies, the ACD considers that the following judgements have the most significant effect on the amounts recognised in the financial statements:

Deferred tax assets

At the current and prior year end dates, the Horizon Multi-Asset Fund 5 had a potential deferred tax asset relating to surplus management expenses. No deferred tax asset has been recognised in either year on the basis that the ACD does not consider it probable that the sub-fund would generate sufficient taxable profits in the future to utilise this amount.

Further information is provided in note 5(d) within the notes to the financial statements for each respective sub-fund.

(b) Estimates

In the process of applying the sub-funds' accounting policies, the ACD has not made any estimates which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial statements.

Investment Markets Overview

for the year ended 31st May 2026

Investment Objective

The Sub-fund aims to grow investment through a combination of income and capital growth over the medium to long term (5 or more years).

The Sub-fund will aim to achieve this objective, whilst remaining within Risk Profile 1, which is the lowest risk profile in this range.

Risk Profile

The Sub-fund aims to deliver income and capital growth through assets that demonstrate moderate price fluctuations (Risk Profile 1), with greater emphasis placed on fixed income securities and lower exposure to equities. The full range of asset classes is set out in the Investment Policy and Strategy below.

Investment Policy and Strategy

The Sub-fund will be invested in collective investment schemes. Investments in collective investment schemes may also include those managed, operated or advised by the ACD's associates.

Through the investment in collective investment schemes, the Sub-fund will be indirectly invested in a range of different asset classes. The weighting of the asset classes to which the Fund is exposed may be varied depending on the Investment Manager's views in the context of achieving the investment objective. Under normal market circumstances, between 15% and 50% of the value of the Sub-fund will be invested in global equities, including emerging market equities. The Sub-fund will have a greater emphasis on global fixed income securities (such as government, corporate, high yield and emerging market bonds) and there may be some indirect exposure (typically, no more than 15% in aggregate) to any one or more of: real estate and commodities. To the extent not fully invested in collective investment schemes, in normal market conditions, up to 10% may be invested directly in cash, near cash and money market instruments.

The Investment Manager may need to adjust the stated exposure level to global equities during periods of unusual instability in the markets.

The Sub-fund's risk level is managed by varying the weighting of the asset classes to which the Sub-fund is exposed.

The Sub-fund may use derivatives to reduce risk or cost or to generate additional capital or income at proportionate risk (known as "Efficient Portfolio Management").

Strategy

The Sub-fund is managed with reference to strategic asset allocations which are provided to the Investment Manager on at least a quarterly basis; these may change as a result of changing market conditions and assumptions in the Risk Profile Service Provider's asset allocation models which aim to achieve an optimal level of growth in income and capital for the expected risk level assuming a medium to long term investment horizon (5 or more years).

The Sub-Fund is actively managed by the Investment Manager. The Investment Manager may take tactical decisions away from the strategic asset allocation to seek to meet the Sub-fund's investment objectives and improve returns. There is no guarantee that the Sub-fund's investment objective will be met.

The Investment Manager also has the potential to increase performance through its choice of collective investment schemes in which it invests: for example actively managed funds typically aim to increase performance through superior stock or sector selection skills (although there is no certainty of this and the opposite could occur).

Use of Benchmarks

The Sub-fund does not aim to match or exceed the performance of, and its portfolio is not constrained by, any index.

For performance comparison purposes the IA Mixed Investment 20-60% Shares sector peer group is considered appropriate. The Sub-fund's typical equity exposures and fixed income and cash exposures enable it to be included in this sector, although the asset allocation of the Sub-fund is not managed with the intention of ensuring it remains within this sector. Its performance can be compared with the performance of other funds in the sector, and against the sector average.

Investment Markets Overview (continued)

for the year ended 31st May 2026

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

The Fund is ranked at 4* because it has experienced medium levels of volatility over the past 5 years. *As disclosed in the key investor information document dated 30th January 2026.	Typically lower rewards, lower risks ←						Typically higher rewards, higher risks →
	1	2	3	**4**	5	6	7

Investment Review

Performance	**01/06/25 to 31/05/26 %**	**01/06/24 to 31/05/25 %**	**01/06/23 to 31/05/24 %**	**01/06/22 to 31/05/23 %**	**01/06/21 to 31/05/22 %**
Horizon Multi-Asset Fund 1 Z Accumulation	11.38	1.94	7.20	(8.05)	(5.92)

Source: Financial Express for Horizon Multi-Asset Fund 1. Basis: Net revenue reinvested and net of expenses.
Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

The Fund returned 11.38% over the year to 31st May 2026. Tactical asset allocation was the main contributor, while manager selection modestly detracted from the balanced profile.

Equity returns were driven by a narrow group of AI and semiconductor-related stocks, alongside sharp style rotation and periods of geopolitical volatility. Strong earnings and continued upgrades to corporate guidance supported markets and helped offset macroeconomic and geopolitical concerns. This environment was favourable for our top-down positioning, particularly the overweights to emerging market and US equities, and supported our systematic managers. However, it was more challenging for parts of the active satellite and fundamental manager line-up with value or quality-growth biases. Underperformance was concentrated in these areas and did not reflect any deterioration in our investment process.

We remain overweight equities, with a preference for the US and emerging markets, and underweight European equities relative to emerging markets. In fixed income, we remain underweight duration overall and overweight emerging market local currency debt, including Brazilian government bonds, where high FX carry and relative insulation from Middle East volatility offer attractive risk-adjusted return potential. We are also underweight US high yield, reflecting tight spreads and elevated issuance risk linked to AI capital expenditure.

The upcoming earnings season - with some major players in the AI space yet to report - will also offer relevant insights to assess the market environment and the outlook for company earnings.

BlackRock Investment Management (UK) Limited
June 2026

Horizon Multi-Asset Fund 1

Portfolio Statement

as at 31st May 2026

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (98.84%, 31/05/25 99.35%)			
Collective Investment Schemes			
BlackRock Advantage Europe Equity Fund◊	1,164	226	1.92
BlackRock Funds I ICAV - Blackrock Global Unconstrained Equity Fund◊	2,073	378	3.21
BlackRock ICS Sterling Liquid Environmentally Aware Fund◊	972	116	0.98
BlackRock Sustainable Advantage U.S. Equity Fund X Acc◊	3,550	836	7.10
BlackRock Sustainable Advantage U.S. Equity Fund X Acc Hedged◊	658	120	1.02
Dimensional Funds PLC - U.S. Core Equity Fund	10,219	288	2.45
Dodge & Cox Worldwide Funds PLC - Global Stock Fund	7,273	258	2.19
iShares Brazil LTN BRL Govt Bond UCITS ETF DE	975	81	0.69
iShares Broad Global Government Bond UCITS ETF	300,216	1,487	12.62
iShares Core U.K. Gilts UCITS ETF	64,095	619	5.25
iShares Emerging Markets Local Government Bond Index Fund IE	19,479	164	1.39
iShares EUR High Yield Corp. Bond UCITS ETF	4,971	27	0.23
iShares Euro Government Bond Index Fund	13,991	129	1.10
iShares GBP Index-Linked Gilts UCITS ETF	20,769	228	1.94
iShares Japan Equity Index Fund U.K.	29,112	124	1.05
iShares U.K. Equity Index Fund U.K.	223,772	355	3.01
iShares U.K. Gilts All Stocks Index Fund U.K.	4,535,283	3,499	29.70
Legal & General Active Sterling Corporate Bond Fund	285,086	477	4.05
Life Cycle Global Equity Fund - UCITS	187,161	212	1.80
Life Cycle Global Equity Select Fund - UCITS	416,969	479	4.07
MAN Funds PLC - Man Systematic Emerging Markets Equity	5,007	661	5.61
Natixis International Funds Lux I - Harris Associates U.S. Value Equity Fund	1,240	181	1.54
PGIM Funds PLC - PGIM Global Corporate Bond UCITS Fund	193	236	2.00
PGIM Jennison U.S. Growth Fund	3,365	389	3.30
Wellington Global High Yield Bond Fund	5,350	73	0.62
		11,643	98.84
TOTAL FINANCIALS		**11,643**	**98.84**
Portfolio of investments		**11,643**	**98.84**
Net other assets		**137**	**1.16**
Total net assets		**11,780**	**100.00**

All holdings are in Collective Investment Schemes or represent securities quoted on a Listed Securities Market, unless otherwise stated.

Stocks shown as ETFs represent Exchange Traded Funds.

◊Asset managed by the Investment Adviser.

Material Portfolio Changes

for the year ended 31st May 2026

Major purchases	Cost £000	Major sales	Proceeds £000
iShares U.K. Gilts All Stocks Index Fund U.K.	4,144	iShares Core U.K. Gilts UCITS ETF	4,655
BlackRock ICS Sterling Liquid Environmentally Aware Fund◊	2,512	BlackRock ICS Sterling Liquid Environmentally Aware Fund◊	2,695
iShares Broad Global Government Bond UCITS ETF	1,747	Legal & General Active Sterling Corporate Bond Fund	2,248
BlackRock Sustainable Advantage U.S. Equity Fund D Acc◊	1,090	iShares GiltTrak Index Fund	1,944
BlackRock Sustainable Advantage U.S. Equity Fund X Acc◊	1,068	BlackRock Continental European Fund◊	1,503
MAN Funds PLC - Man Systematic Emerging Markets Equity	763	BlackRock Sustainable Advantage U.S. Equity Fund D Acc◊	1,077
iShares Core U.K. Gilts UCITS ETF	688	Oaktree Emerging Markets Equity Fund	981
iShares GiltTrak Index Fund	662	iShares Japan Equity Index Fund U.K.	889
Life Cycle Global Equity Select Fund - UCITS	564	Dodge & Cox Worldwide Funds PLC - Global Stock Fund	760
PGIM Jennison U.S. Growth Fund	493	BlackRock Funds I ICAV - BlackRock Global Unconstrained Equity Fund◊	731

Stocks shown as ETFs represent Exchange Traded Funds.
◊Asset managed by the Investment Adviser.

Comparative Table

as at 31st May 2026

	31/05/26 (p)	31/05/25 (p)	31/05/24 (p)
Share Class I - Accumulation			
Change in net assets per share			
Opening net asset value per share	63.03	61.74	57.53
Return before operating charges*	7.52	1.66	4.63
Operating charges	(0.31)	(0.37)	(0.42)
Return after operating charges*	7.21	1.29	4.21
Distributions	(1.34)	(0.94)	(1.29)
Retained distributions on accumulation shares	1.34	0.94	1.29
Closing net asset value per share	70.24	63.03	61.74
*after direct transaction cost of:~	0.02	0.01	0.00
Performance			
Return after charges	11.44%	2.09%	7.32%
Other information			
Closing net asset value (£000)	812	885	1,349
Closing number of shares	1,155,515	1,404,386	2,184,747
Operating chargesΔ#	0.47%	0.59%	0.71%
Direct transaction costs~	0.02%	0.01%	0.00%
Prices**			
Highest share price	70.20	64.68	63.10
Lowest share price	62.98	59.75	55.92

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the SORP.
#Operating charges are representative of the ongoing charges figure.
ΔPrior year figures have been restated, as the operating charges were understated.
**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Comparative Table (continued)

as at 31st May 2026

	31/05/26 (p)	31/05/25 (p)	31/05/24 (p)
Share Class Z - Accumulation			
Change in net assets per share			
Opening net asset value per share	62.63	61.39	57.26
Return before operating charges*	7.48	1.66	4.61
Operating charges	(0.34)	(0.42)	(0.48)
Return after operating charges*	7.14	1.24	4.13
Distributions	(1.31)	(0.90)	(1.24)
Retained distributions on accumulation shares	1.31	0.90	1.24
Closing net asset value per share	69.77	62.63	61.39
*after direct transaction cost of:~	0.01	0.01	0.00
Performance			
Return after charges^	11.40%	2.02%	7.21%
Other information			
Closing net asset value (£000)	10,790	13,403	16,923
Closing number of shares	15,464,358	21,397,819	27,564,801
Operating chargesΔ#	0.52%	0.67%	0.81%
Direct transaction costs~	0.02%	0.01%	0.00%
Prices**			
Highest share price	69.74	64.28	62.75
Lowest share price	62.59	59.38	55.63

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the SORP.
#Operating charges are representative of the ongoing charges figure.
ΔPrior year figures have been restated, as the operating charges were understated.
^The return after charges figure is calculated as the return after operating charges per share divided by the opening net asset value per share. The net asset value figures include any accounting adjustments and as such, the return after charges is different to the performance return stated in the Investment Market Review on page 16 which is sourced from Financial Express and based on daily published prices.
**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Comparative Table (continued)

as at 31st May 2026

	31/05/26 (p)	31/05/25 (p)	31/05/24 (p)
Share Class Z - Income			
Change in net assets per share			
Opening net asset value per share	56.53	56.21	53.51
Return before operating charges*	6.71	1.52	4.30
Operating charges	(0.30)	(0.38)	(0.45)
Return after operating charges*	6.41	1.14	3.85
Distributions	(1.17)	(0.82)	(1.15)
Closing net asset value per share	61.77	56.53	56.21
*after direct transaction cost of:~	0.01	0.01	0.00
Performance			
Return after charges	11.34%	2.03%	7.19%
Other information			
Closing net asset value (£000)	178	218	260
Closing number of shares	288,412	385,392	462,738
Operating chargesΔ#	0.52%	0.67%	0.81%
Direct transaction costs~	0.02%	0.01%	0.00%
Prices**			
Highest share price	62.33	58.47	58.22
Lowest share price	56.49	54.01	51.99

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the SORP.
#Operating charges are representative of the ongoing charges figure.
ΔPrior year figures have been restated, as the operating charges were understated.
**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Statement of Total Return

for the year ended 31st May 2026

	Notes	01/06/25 to 31/05/26 £000	£000	01/06/24 to 31/05/25 £000	£000
Income					
Net capital gains	**2**		1,122		162
Revenue	**3**	347		366	
Expenses	**4**	(49)		(78)	
Interest payable and similar charges		-		-	
Net revenue before taxation		298		288	
Taxation	**5**	(44)		(56)	
Net revenue after taxation			254		232
Total return before distributions			**1,376**		**394**
Distributions	**6**		(254)		(232)
Change in net assets attributable to shareholders from investment activities			**1,122**		**162**

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31st May 2026

	01/06/25 to 31/05/26 £000	£000	01/06/24 to 31/05/25 £000	£000
Opening net assets attributable to shareholders		**14,506**		**18,532**
Amounts receivable on creation of shares	558		1,241	
Less: Amounts payable on cancellation of shares	(4,635)		(5,648)	
		(4,077)		(4,407)
Change in net assets attributable to shareholders from investment activities		1,122		162
Retained distributions on accumulation shares		229		219
Closing net assets attributable to shareholders		**11,780**		**14,506**

Notes to the Financial Statements are on pages 24 to 30.

Balance Sheet

as at 31st May 2026

	Notes	31/05/26 £000	31/05/25 £000
Assets			
Fixed assets			
Investments (excluding cash equivalents)‡		11,643	14,338
Current assets			
Debtors	**7**	339	290
Cash and bank balances		142	133
Cash equivalents‡		-	73
Total assets		**12,124**	**14,834**
Liabilities			
Creditors			
Distribution payable		(2)	(2)
Other creditors	**8**	(342)	(326)
Total liabilities		**(344)**	**(328)**
Net assets attributable to shareholders		**11,780**	**14,506**

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current and comparative year to comply with the Alternative Investment Fund Managers Directive (UK AIFMD) requirements.

Notes to the Financial Statements are on pages 24 to 30.

Notes to the Financial Statements

for the year ended 31st May 2026

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies, judgements and estimates set out on pages 12 to 14.

2. Net capital gains

The net capital gains during the year comprise:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Non-derivative securities	1,117	170
Currency gains/(losses)	5	(8)
Net capital gains*	1,122	162

*Includes realised gains of £640,000 and unrealised gains of £482,000 (31/05/25: realised gains of £96,000 and unrealised gains of £66,000). Included in realised gains for the year were unrealised gains/(losses) recognised in the prior accounting year.

3. Revenue

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Distributions from Regulated Collective Investment Schemes:		
Investment income	9	4
Interest distributions	135	108
Offshore distributions	185	224
Bank interest	1	4
AMC rebates	8	15
Capped OCF rebates	9	11
Total revenue	347	366

4. Expenses

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	35	60
Other expenses:		
Audit fee	14	13
Registration fees	-	5
	14	18
Total expenses	49	78

Expenses include irrecoverable VAT.
The estimated Deloitte LLP audit fee for the year, inclusive of VAT is £14,112 (31/05/25: £14,112).

for the year ended 31st May 2026

5. Taxation

(a) Analysis of charge in year:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Corporation tax	44	56
Total taxation (note 5b)	44	56

(b) Factors affecting total tax charge for the year:

The tax assessed for the year is lower than (2025: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2025: 20%). The differences are explained below:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Net revenue before taxation	298	288
Corporation tax of 20% (2025: 20%)	60	58
Effects of:		
Non-taxable UK dividends*	(2)	(1)
Overseas non-taxable revenue*	(14)	(1)
Total tax charge for year (note 5a)	44	56

**As an authorised OEIC these items are not subject to corporation tax.*
OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Interim	121	109
Final	112	113
	233	222
Add: Revenue deducted on cancellation of shares	26	15
Deduct: Revenue received on creation of shares	(5)	(5)
Net distributions for the year	254	232

Details of the distribution per share are set out in the Distribution Tables on pages 31 to 32.

7. Debtors

	31/05/26 £000	31/05/25 £000
Sales awaiting settlement	320	274
AMC rebates receivable	19	16
Total debtors	339	290

8. Other creditors

	31/05/26 £000	31/05/25 £000
Purchases awaiting settlement	281	216
Amounts payable for cancellation of shares	13	41
Accrued expenses	4	13
Corporation tax payable	44	56
Total other creditors	342	326

9. Related party transactions

Scottish Widows Unit Trust Managers Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the sub-fund. Lloyds Banking Group plc, as the parent company of the ACD is the ultimate controlling party of the sub-fund. As such any member company of Lloyds Banking Group plc is also a related party.

Scottish Widows Unit Trust Managers Limited act as principal on all the transactions of shares in the sub-fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to/from Scottish Widows Unit Trust Managers Limited in respect of share transactions at the period end are included in the Balance Sheet.

Amounts paid to Scottish Widows Unit Trust Managers Limited in respect of ACD fees are disclosed in note 4, with £5,544 (31/05/25: £6,148) due at the year end.

Shares held by associates of the ACD

There were no shares held by the ACD and associates of the ACD in the sub-fund at the current and prior year.

10. Share classes

On 31st May the share classes in issue and the associated ACD's periodic charge on each share class, is as follows:

	31/05/26 %	31/05/25 %
Share Class I - Accumulation	0.54	0.54
Share Class Z - Accumulation	0.59	0.59
Share Class Z - Income	0.59	0.59

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables (unaudited) on pages 19 to 21.

All share classes have the same rights on winding up.

The distributions per share class are given in the Distribution Tables on pages 31 to 32.

Reconciliation of the shares movement in the year:

	01/06/25 Opening shares in issue	Creations	Cancellations	31/05/26 Closing shares in issue
Share Class I - Accumulation	1,404,386	24,140	(273,011)	1,155,515
Share Class Z - Accumulation	21,397,819	812,082	(6,745,543)	15,464,358
Share Class Z - Income	385,392	6,800	(103,780)	288,412

There are no conversions in the year to report.

11. Capital commitments and contingent liabilities

On 31st May 2026, the sub-fund had no capital commitments (31/05/25: £nil) and no contingent liabilities (31/05/25: £nil).

12. Risk management policies, derivatives and other financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 15. The risks inherent in the sub-fund's investment portfolio are as follows:

for the year ended 31st May 2026

12. Risk management policies, derivatives and other financial instruments (continued)

(a) Currency risk

A portion of the sub-fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the Sterling value of the portfolio, cash and investment purchases and sales.

As at 31st May 2026, if the value of Sterling increased or decreased by 1% against all currencies, the resulting change in the net assets attributable to shareholders of the sub-fund would have been an increase or decrease of approximately £29,680 (31/05/25: £29,628).

As at 31st May 2026 the sub-fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure 31/05/26 £000	Currency exposure 31/05/25 £000
Euro	245	-
US dollar	2,723	2,963
Total	2,968	2,963

(b) Interest rate risk profile of financial assets and liabilities

The sub-fund receives revenue from holdings in collective investment schemes. The cashflow from the sub-fund's underlying investments may fluctuate depending upon the particular decisions made by each sub-fund. The sub-fund is actively managed by the Investment Adviser with the objective to grow investment through a combination of income and capital growth over the medium to long term.

The interest rate risk profile of the company's financial assets and liabilities at 31st May was:

Currency 31/05/26	Net Floating rate financial assets £000	Net Fixed rate financial assets £000	Net Financial assets not carrying interest £000	Total £000
Sterling	141	-	8,671	8,812
Euro	1	-	244	245
US dollar	-	-	2,723	2,723
Total	142	-	11,638	11,780

Currency 31/05/25	Net Floating rate financial assets £000	Net Fixed rate financial assets £000	Net Financial assets not carrying interest £000	Total £000
Sterling	121	-	11,422	11,543
US dollar	12	-	2,951	2,963
Total	133	-	14,373	14,506

The sub-fund's net cash holding of £141,655 (31/05/25: holding £132,820) is held in a floating rate deposit account whose interest rates are based on SONIA or its international equivalent.

As at 31st May 2026 and 2025, the sub-fund had exposure to interest rate risk via underlying exposure in collective investment schemes. However, the sub-fund does not have any significant direct interest rate risk and as such no sensitivity analysis is presented.

The sub-fund did not have any long term financial liabilities.

12. Risk management policies, derivatives and other financial instruments (continued)

(c) Liquidity risk

All of the sub-fund's financial assets are considered to be readily realisable, comprising predominantly of collective investment schemes. In general, the Investment Adviser manages the sub-fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the sub-fund may borrow up to 10% of its value to ensure settlement.

As set out in the Prospectus, the ACD may, with the prior agreement of the Depositary, temporarily suspend the issue, cancellation, sale and redemption of shares in the sub-fund or a class within the sub-fund where due to exceptional circumstances it is in the interests of all the shareholders. This may be used for circumstances affecting material uncertainty on asset valuations and protection of the sub-fund's liquidity.

All of the sub-fund's financial liabilities are payable on demand or in less than one year.

We do not consider these liquidity risks to be significant and therefore no numerical analysis is being presented.

(d) Market price risk and fair value of financial assets and liabilities

Market risk arises mainly from uncertainty about future values of financial instruments influenced by other price risk, currency risk and interest rate movements. It represents the potential loss the sub-fund may suffer through holding market positions in financial instruments in the face of market movements.

Other price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market.

Local, regional or global events, for example, war, acts of terrorism, the spread of infectious diseases, government policy or the health of the underlying economy could have a significant impact on the sub-fund and the market price of its investments.

The sub-fund invests principally in regulated collective investment schemes. The value of these collective investment schemes are not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of collective investment schemes in line with the sub-fund's objectives. In addition, the management of the sub-fund complies with the restricted investment limits under the Financial Conduct Authority Rules. The restricted investment limits are summarised in the investment and borrowing powers of the Company set out in the Prospectus.

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair values.

As at 31st May 2026, if the price of investments held by the sub-funds increased or decreased by 5%, the resulting change in net assets attributable to shareholders would have been an increase or decrease of approximately 5%; which for this sub-fund would equate to £582,144 (31/05/25: £720,557).

(e) Leverage

Leverage is any method by which the ACD increases the exposure of a sub-fund whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

The maximum level of leverage which the ACD is entitled to employ on behalf of the sub-fund is set out in the Prospectus.

Where the investment policy of a sub-fund permits the use of derivatives and/or forward transactions for investment purposes, the sub-fund may be leveraged to the extent that this may potentially increase the volatility and risk of the sub-fund. In addition, when undertaking derivative and forward transactions, the low margin deposits normally required may lead to a higher degree of leverage, which may also lead to greater fluctuations in the price of a sub-fund.

There are two ways in which the ACD can introduce leverage to the sub-fund. These are by borrowing money using its overdraft facility, and by investing in derivative positions. Neither of these are important features in terms of how the ACD manages the sub-fund. There is no collateral, asset re-use or guarantee arrangements involved in the ACD's current approach to leverage. For the year ended 31st May 2026, the sub-fund did not hold any derivatives; therefore, there has been no leverage exposure for the year (31/05/25: £nil).

12. Risk management policies, derivatives and other financial instruments *(continued)*

(f) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty and issuer risk.

The sub-fund enters into transactions in financial instruments which expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the sub-fund has fulfilled its obligations. The sub-fund only buys and sells financial instruments through parties that have been approved by the ACD as acceptable. These are reviewed on an ongoing basis.

The credit risk in this Fund is limited to the cash and bank balances and these are held with counterparties with high credit-ratings assigned by international credit-rating agencies.

13. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	01/06/25 to 31/05/26 £000	**01/06/24 to 31/05/25 £000**	**01/06/25 to 31/05/26 £000**	**01/06/24 to 31/05/25 £000**
Collective Investment Schemes	18,880	10,869	23,036	15,219
Trades in the year before transaction costs	18,880	10,869	23,036	15,219
Commissions				
Collective Investment Schemes	1	1	(2)	(1)
Total net trades in the year after transaction costs	18,881	10,870	23,034	15,218

Total transaction cost expressed as a percentage of average net asset value

	01/06/25 to 31/05/26 %	**01/06/24 to 31/05/25 %**
Commissions	0.01	0.01

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of equities, futures and options contracts, broker commissions and transfer taxes and other expenses may be paid on each transaction. However, as futures contracts do not have relative purchases and sales amounts, the notional value of futures contracts, or the associated broker commissions and transfer taxes, is not shown in the analysis of total trade costs above. Other types of investments such as collective investment schemes, fixed income and swaps have no separately identifiable transaction costs and these costs form part of the dealing spread. Transaction costs disclosed on collective investment schemes relate to non-equity investment instruments.

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.07% (31/05/25: 0.06%).

14. Fair value

	31/05/26		31/05/25	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	**£000**	**£000**	**£000**	**£000**
Level 1	2,442	-	4,898	-
Level 2	9,201	-	9,513	-
Level 3	-	-	-	-
Total fair value	11,643	-	14,411	-

Level 1 - Quoted prices for identical instruments in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

Level 2 - Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investment schemes.

Level 3 - Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and delisted/suspended or unlisted securities.

Distribution Tables

for the year ended 31st May 2026

Distribution in pence per share

Group 1 Interim Shares purchased prior to 1st June 2025
Final Shares purchased prior to 1st December 2025

Group 2 Interim Shares purchased on or between 1st June 2025 and 30th November 2025
Final Shares purchased on or between 1st December 2025 and 31st May 2026

Share Class I - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 31/07/2026	Distributions paid to 31/07/2025
Group 1	(p)	(p)	(p)	(p)
Interim	0.6669	-	0.6669	0.4367
Final	0.6742	-	0.6742	0.5048
Group 2	(p)	(p)	(p)	(p)
Interim	0.5942	0.0727	0.6669	0.4367
Final	0.1828	0.4914	0.6742	0.5048

Share Class Z - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 31/07/2026	Distributions paid to 31/07/2025
Group 1	(p)	(p)	(p)	(p)
Interim	0.6492	-	0.6492	0.4092
Final	0.6606	-	0.6606	0.4860
Group 2	(p)	(p)	(p)	(p)
Interim	0.3960	0.2532	0.6492	0.4092
Final	0.0975	0.5631	0.6606	0.4860

Share Class Z - Income

	Net revenue	Equalisation	Distributions paid/payable to 31/07/2026	Distributions paid to 31/07/2025
Group 1	(p)	(p)	(p)	(p)
Interim	0.5862	-	0.5862	0.3746
Final	0.5830	-	0.5830	0.4412
Group 2	(p)	(p)	(p)	(p)
Interim	0.5862	-	0.5862	0.3746
Final	0.3626	0.2204	0.5830	0.4412

Distribution Tables (continued)

for the year ended 31st May 2026

Corporate shareholder information (unaudited) for all share classes

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 43.81% of the dividend is received as non-taxable income.

Interim - 56.19% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

Final - 14.52% of the dividend is received as non-taxable income.

Final - 85.48% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

Investment Markets Overview

for the year ended 31st May 2026

Investment Objective

The Sub-fund aims to grow investment through a combination of income and capital growth over the medium to long term (5 or more years).

The Sub-fund will aim to achieve this objective, whilst remaining within Risk Profile 2, which is the second lowest risk profile in this range.

Risk Profile

The Sub-fund aims to deliver income and capital growth through assets that demonstrate moderate price fluctuations (Risk Profile 2), with emphasis placed on fixed income securities and equities. The full range of asset classes is set out in the Investment Policy and Strategy below.

Investment Policy and Strategy

The Sub-fund will be invested in collective investment schemes. Investments in collective investment schemes may also include those managed, operated or advised by the ACD's associates.

Through the investment in collective investment schemes, the Sub-fund will be indirectly invested in a range of different asset classes. The weighting of the asset classes to which the Fund is exposed may be varied depending on the Investment Manager's views in the context of achieving the investment objective. Under normal market circumstances, between 20% and 55% of the value of the Sub-fund will be invested in global equities, including emerging market equities. The Sub-fund will have exposure to global fixed income securities (such as government, corporate, high yield and emerging market bonds) and there may be some indirect exposure (typically, no more than 15% in aggregate) to any one or more of: real estate and commodities. To the extent not fully invested in collective investment schemes, in normal market conditions, up to 10% may be invested directly in cash, near cash and money market instruments.

The Investment Manager may need to adjust the stated exposure level to global equities during periods of unusual instability in the markets.

The Sub-fund's risk level is managed by varying the weighting of the asset classes to which the Sub-fund is exposed.

The Sub-fund may use derivatives to reduce risk or cost or to generate additional capital or income at proportionate risk (known as "Efficient Portfolio Management").

Strategy

The Sub-fund is managed with reference to strategic asset allocations which are provided to the Investment Manager on at least a quarterly basis; these may change as a result of changing market conditions and assumptions in the Risk Profile Service Provider's asset allocation models which aim to achieve an optimal level of growth in income and capital for the expected risk level assuming a medium to long term investment horizon (5 years or more).

The Sub-Fund is actively managed by the Investment Manager. The Investment Manager may take tactical decisions away from the strategic asset allocation to seek to meet the Sub-fund's investment objectives and improve returns. There is no guarantee that the Sub-fund's investment objective will be met.

The Investment Manager also has the potential to increase performance through its choice of collective investment schemes in which it invests: for example actively managed funds typically aim to increase performance through superior stock or sector selection skills (although there is no certainty of this and the opposite could occur).

Use of Benchmarks

The Sub-fund does not aim to match or exceed the performance of, and its portfolio is not constrained by, any index.

For performance comparison purposes the IA Mixed Investment 20-60% Shares sector peer group is considered appropriate. The Sub-fund's typical equity exposures and fixed income and cash exposures enable it to be included in this sector, although the asset allocation of the Sub-fund is not managed with the intention of ensuring it remains within this sector. Its performance can be compared with the performance of other funds in the sector, and against the sector average.

Investment Markets Overview (continued)

for the year ended 31st May 2026

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

The Fund is ranked at 4* because it has experienced medium levels of volatility over the past 5 years. *As disclosed in the key investor information document dated 30th January 2026.	Typically lower rewards, lower risks ←						Typically higher rewards, higher risks →
	1	2	3	**4**	5	6	7

Investment Review

Performance	**01/06/25 to 31/05/26 %**	**01/06/24 to 31/05/25 %**	**01/06/23 to 31/05/24 %**	**01/06/22 to 31/05/23 %**	**01/06/21 to 31/05/22 %**
Horizon Multi-Asset Fund 2 Z Accumulation	15.20	2.72	8.81	(5.17)	(4.94)

Source: Financial Express for Horizon Multi-Asset Fund 2. Basis: Net revenue reinvested and net of expenses.
Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

The Fund returned 15.20% over the year to 31st May 2026. Tactical asset allocation was the main contributor, while manager selection modestly detracted from the balanced profile.

Equity returns were driven by a narrow group of AI and semiconductor-related stocks, alongside sharp style rotation and periods of geopolitical volatility. Strong earnings and continued upgrades to corporate guidance supported markets and helped offset macroeconomic and geopolitical concerns. This environment was favourable for our top-down positioning, particularly the overweights to emerging market and US equities, and supported our systematic managers. However, it was more challenging for parts of the active satellite and fundamental manager line-up with value or quality-growth biases. Underperformance was concentrated in these areas and did not reflect any deterioration in our investment process.

We remain overweight equities, with a preference for the US and emerging markets, and underweight European equities relative to emerging markets. In fixed income, we remain underweight duration overall and overweight emerging market local currency debt, including Brazilian government bonds, where high FX carry and relative insulation from Middle East volatility offer attractive risk-adjusted return potential. We are also underweight US high yield, reflecting tight spreads and elevated issuance risk linked to AI capital expenditure.

The upcoming earnings season - with some major players in the AI space yet to report - will also offer relevant insights to assess the market environment and the outlook for company earnings.

BlackRock Investment Management (UK) Limited
June 2026

Horizon Multi-Asset Fund 2

Portfolio Statement

as at 31st May 2026

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (98.40%, 31/05/25 99.50%)			
Collective Investment Schemes			
BlackRock Advantage Europe Equity Fund◊	9,258	1,802	2.24
BlackRock Funds I ICAV - Blackrock Global Unconstrained Equity Fund◊	16,603	3,029	3.77
BlackRock ICS Sterling Liquid Environmentally Aware Fund◊	7,968	948	1.18
BlackRock Sustainable Advantage U.S. Equity Fund X Acc◊	25,140	5,919	7.36
BlackRock Sustainable Advantage U.S. Equity Fund X Acc Hedged◊	5,332	973	1.21
Dimensional Funds PLC - U.S. Core Equity Fund	70,043	1,975	2.46
Dodge & Cox Worldwide Funds PLC - Global Stock Fund	55,843	1,979	2.46
iShares Brazil LTN BRL Govt Bond UCITS ETF DE	7,574	629	0.78
iShares Broad Global Government Bond UCITS ETF	953,261	4,722	5.87
iShares Core MSCI EM IMI UCITS ETF	43,446	1,807	2.25
iShares Core S&P 500 UCITS ETF	2,196	1,330	1.66
iShares Core U.K. Gilts UCITS ETF	1,824,644	17,617	21.91
iShares Corporate Bond Index Fund U.K.	1,907,736	1,826	2.27
iShares Emerging Markets Local Government Bond Index Fund IE	151,267	1,273	1.58
iShares EUR High Yield Corp. Bond UCITS ETF	38,689	208	0.26
iShares Euro Government Bond Index Fund	103,701	957	1.19
iShares GBP Index-Linked Gilts UCITS ETF	150,462	1,655	2.06
iShares GiltTrak Index Fund	121	3	0.00
iShares Japan Equity Index Fund U.K.	224,413	953	1.19
iShares U.K. Equity Index Fund U.K.	1,908,673	3,032	3.77
iShares World Equity Enhanced Active UCITS ETF	218,622	1,159	1.44
Legal & General Active Sterling Corporate Bond Fund	4,186,298	7,000	8.71
Life Cycle Global Equity Fund - UCITS	1,359,880	1,538	1.91
Life Cycle Global Equity Select Fund - UCITS	2,990,330	3,433	4.27
MAN Funds PLC - Man Systematic Emerging Markets Equity	39,300	5,190	6.46
Natixis International Funds Lux I - Harris Associates U.S. Value Equity Fund	8,284	1,209	1.50
PGIM Funds PLC - PGIM Global Corporate Bond UCITS Fund	3,237	3,959	4.92
PGIM Jennison U.S. Growth Fund	23,250	2,689	3.35
Wellington Global High Yield Bond Fund	21,817	297	0.37
		79,111	98.40
TOTAL FINANCIALS		**79,111**	**98.40**
Portfolio of investments		**79,111**	**98.40**
Net other assets		**1,289**	**1.60**
Total net assets		**80,400**	**100.00**

All holdings are in Collective Investment Schemes or represent securities quoted on a Listed Securities Market, unless otherwise stated.

Stocks shown as ETFs represent Exchange Traded Funds.

◊Asset managed by the Investment Adviser.

Material Portfolio Changes

for the year ended 31st May 2026

	Cost £000		Proceeds £000
Major purchases		**Major sales**	
BlackRock ICS Sterling Liquid Environmentally Aware Fund◊	18,268	BlackRock ICS Sterling Liquid Environmentally Aware Fund◊	19,155
BlackRock Sustainable Advantage U.S. Equity Fund D Acc◊	7,847	Legal & General Active Sterling Corporate Bond Fund	16,152
iShares Core U.K. Gilts UCITS ETF	7,691	iShares Core U.K. Gilts UCITS ETF	9,243
BlackRock Sustainable Advantage U.S. Equity Fund X Acc◊	7,227	Oaktree Emerging Markets Equity Fund	8,720
iShares Corporate Bond Index Fund U.K.	7,095	BlackRock Sustainable Advantage U.S. Equity Fund D Acc◊	7,749
MAN Funds PLC - Man Systematic Emerging Markets Equity	5,818	iShares Japan Equity Index Fund U.K.	6,802
iShares Broad Global Government Bond UCITS ETF	5,377	Blackrock Sustainable Equity Factor Plus Fund◊	6,385
PGIM Funds PLC - PGIM Global Corporate Bond UCITS Fund	5,153	iShares Edge MSCI Europe Value Factor UCITS ETF	5,658
Life Cycle Global Equity Select Fund - UCITS	4,024	iShares Corporate Bond Index Fund U.K.	5,317
PGIM Jennison U.S. Growth Fund	3,250	iShares Core MSCI EM IMI UCITS ETF	4,499

Stocks shown as ETFs represent Exchange Traded Funds.
◊Asset managed by the Investment Adviser.

Comparative Table

as at 31st May 2026

	31/05/26 (p)	31/05/25 (p)	31/05/24 (p)
Share Class I - Accumulation			
Change in net assets per share			
Opening net asset value per share	72.69	70.67	64.89
Return before operating charges*	11.37	2.46	6.26
Operating charges	(0.38)	(0.44)	(0.48)
Return after operating charges*	10.99	2.02	5.78
Distributions	(1.98)	(1.06)	(1.36)
Retained distributions on accumulation shares	1.98	1.06	1.36
Closing net asset value per share	83.68	72.69	70.67
*after direct transaction cost of:~	0.01	0.01	0.00
Performance			
Return after charges	15.12%	2.86%	8.91%
Other information			
Closing net asset value (£000)	14,466	16,919	26,045
Closing number of shares	17,285,604	23,274,414	36,853,085
Operating chargesΔ#	0.49%	0.61%	0.71%
Direct transaction costs~	0.02%	0.01%	0.00%
Prices**			
Highest share price	83.71	74.66	72.25
Lowest share price	72.61	68.24	63.25

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the SORP.
#Operating charges are representative of the ongoing charges figure.
ΔPrior year figures have been restated, as the operating charges were understated.
**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Comparative Table (continued)

as at 31st May 2026

	31/05/26 (p)	31/05/25 (p)	31/05/24 (p)
Share Class Z - Accumulation			
Change in net assets per share			
Opening net asset value per share	72.22	70.26	64.56
Return before operating charges*	11.31	2.46	6.24
Operating charges	(0.42)	(0.50)	(0.54)
Return after operating charges*	10.89	1.96	5.70
Distributions	(1.94)	(1.00)	(1.30)
Retained distributions on accumulation shares	1.94	1.00	1.30
Closing net asset value per share	83.11	72.22	70.26
*after direct transaction cost of:~	0.01	0.01	0.00
Performance			
Return after charges^	15.08%	2.79%	8.83%
Other information			
Closing net asset value (£000)	64,324	72,986	96,356
Closing number of shares	77,398,963	101,061,066	137,145,293
Operating chargesΔ#	0.54%	0.70%	0.81%
Direct transaction costs~	0.02%	0.01%	0.00%
Prices**			
Highest share price	83.13	74.18	71.82
Lowest share price	72.14	67.79	62.91

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the SORP.
#Operating charges are representative of the ongoing charges figure.
ΔPrior year figures have been restated, as the operating charges were understated.
^The return after charges figure is calculated as the return after operating charges per share divided by the opening net asset value per share. The net asset value figures include any accounting adjustments and as such, the return after charges is different to the performance return stated in the Investment Market Review on page 34 which is sourced from Financial Express and based on daily published prices.
**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Comparative Table (continued)

as at 31st May 2026

	31/05/26 (p)	31/05/25 (p)	31/05/24 (p)
Share Class Z - Income			
Change in net assets per share			
Opening net asset value per share	64.37	63.50	59.47
Return before operating charges*	10.01	2.22	5.73
Operating charges	(0.37)	(0.45)	(0.50)
Return after operating charges*	9.64	1.77	5.23
Distributions	(1.72)	(0.90)	(1.20)
Closing net asset value per share	72.29	64.37	63.50
*after direct transaction cost of:~	0.01	0.01	0.00
Performance			
Return after charges	14.98%	2.79%	8.79%
Other information			
Closing net asset value (£000)	1,610	1,583	2,677
Closing number of shares	2,227,448	2,459,562	4,215,705
Operating chargesΔ#	0.54%	0.70%	0.81%
Direct transaction costs~	0.02%	0.01%	0.00%
Prices**			
Highest share price	72.88	66.61	65.75
Lowest share price	64.30	60.88	57.95

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the SORP.
#Operating charges are representative of the ongoing charges figure.
ΔPrior year figures have been restated, as the operating charges were understated.
**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Statement of Total Return

for the year ended 31st May 2026

	Notes	01/06/25 to 31/05/26 £000	£000	01/06/24 to 31/05/25 £000	£000
Income					
Net capital gains	**2**		9,833		1,827
Revenue	**3**	2,774		2,308	
Expenses	**4**	(262)		(427)	
Interest payable and similar charges		(6)		-	
Net revenue before taxation		2,506		1,881	
Taxation	**5**	(337)		(359)	
Net revenue after taxation			2,169		1,522
Total return before distributions			**12,002**		**3,349**
Distributions	**6**		(2,169)		(1,522)
Change in net assets attributable to shareholders from investment activities			**9,833**		**1,827**

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31st May 2026

	01/06/25 to 31/05/26 £000	£000	01/06/24 to 31/05/25 £000	£000
Opening net assets attributable to shareholders		**91,488**		**125,078**
Amounts receivable on creation of shares	1,023		1,858	
Less: Amounts payable on cancellation of shares	(23,957)		(38,640)	
		(22,934)		(36,782)
Dilution adjustment		-		1
Change in net assets attributable to shareholders from investment activities		9,833		1,827
Retained distributions on accumulation shares		2,013		1,364
Closing net assets attributable to shareholders		**80,400**		**91,488**

Notes to the Financial Statements are on pages 42 to 48.

Balance Sheet

as at 31st May 2026

	Notes	31/05/26 £000	31/05/25 £000
Assets			
Fixed assets			
Investments (excluding cash equivalents)‡		79,111	89,249
Current assets			
Debtors	**7**	2,508	10,530
Cash and bank balances		1,137	532
Cash equivalents‡		-	1,785
Total assets		**82,756**	**102,096**
Liabilities			
Creditors			
Distribution payable		(13)	(12)
Other creditors	**8**	(2,343)	(10,596)
Total liabilities		**(2,356)**	**(10,608)**
Net assets attributable to shareholders		**80,400**	**91,488**

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current and comparative year to comply with the Alternative Investment Fund Managers Directive (UK AIFMD) requirements.

Notes to the Financial Statements are on pages 42 to 48.

Notes to the Financial Statements

for the year ended 31st May 2026

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies, judgements and estimates set out on pages 12 to 14.

2. Net capital gains

The net capital gains during the year comprise:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Non-derivative securities	9,837	1,898
Forward currency contracts	(13)	-
ACD's periodic charge rebates taken to capital	(1)	1
Currency gains/(losses)	10	(72)
Net capital gains*	9,833	1,827

*Includes realised gains of £7,062,000 and unrealised gains of £2,771,000 (31/05/25: realised gains of £594,000 and unrealised gains of £1,233,000). Included in realised gains for the year were unrealised gains/(losses) recognised in the prior accounting year.

3. Revenue

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Distributions from Regulated Collective Investment Schemes:		
Investment income	76	27
Interest distributions	820	703
Offshore distributions	1,833	1,451
Bank interest	4	25
AMC rebates	41	102
Total revenue	2,774	2,308

4. Expenses

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	248	385
Other expenses:		
Audit fee	14	13
Registration fees	-	29
	14	42
Total expenses	262	427

Expenses include irrecoverable VAT.
The estimated Deloitte LLP audit fee for the year, inclusive of VAT is £14,112 (31/05/25: £14,112).

for the year ended 31st May 2026

5. Taxation

(a) Analysis of charge in year:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Corporation tax	337	359
Total taxation (note 5b)	337	359

(b) Factors affecting total tax charge for the year:

The tax assessed for the year is lower than (2025: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2025: 20%). The differences are explained below:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Net revenue before taxation	2,506	1,881
Corporation tax of 20% (2025: 20%)	501	376
Effects of:		
Non-taxable UK dividends*	(15)	(6)
Overseas non-taxable revenue*	(149)	(11)
Total tax charge for year (note 5a)	337	359

**As an authorised OEIC these items are not subject to corporation tax.*
OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Interim	1,420	713
Final	632	678
	2,052	1,391
Add: Revenue deducted on cancellation of shares	122	137
Deduct: Revenue received on creation of shares	(5)	(6)
Net distributions for the year	2,169	1,522

Details of the distribution per share are set out in the Distribution Tables on pages 49 to 50.

7. Debtors

	31/05/26 £000	31/05/25 £000
Sales awaiting settlement	2,395	10,427
AMC rebates receivable	113	103
Total debtors	2,508	10,530

8. Other creditors

	31/05/26 £000	31/05/25 £000
Purchases awaiting settlement	1,765	10,218
Amounts payable for cancellation of shares	370	129
Accrued expenses	79	82
Corporation tax payable	129	167
Total other creditors	2,343	10,596

9. Related party transactions

Scottish Widows Unit Trust Managers Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the sub-fund. Lloyds Banking Group plc, as the parent company of the ACD is the ultimate controlling party of the sub-fund. As such any member company of Lloyds Banking Group plc is also a related party.

Scottish Widows Unit Trust Managers Limited act as principal on all the transactions of shares in the sub-fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to/from Scottish Widows Unit Trust Managers Limited in respect of share transactions at the period end are included in the Balance Sheet.

Amounts paid to Scottish Widows Unit Trust Managers Limited in respect of ACD fees are disclosed in note 4, with £37,130 (31/05/25: £40,093) due at the year end.

Shares held by associates of the ACD

There were no shares held by the ACD and associates of the ACD in the sub-fund at the current and prior year.

10. Share classes

On 31st May the share classes in issue and the associated ACD's periodic charge on each share class, is as follows:

	31/05/26 %	31/05/25 %
Share Class I - Accumulation	0.56	0.56
Share Class Z - Accumulation	0.61	0.61
Share Class Z - Income	0.61	0.61

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables (unaudited) on pages 37 to 39.

All share classes have the same rights on winding up.

The distributions per share class are given in the Distribution Tables on pages 49 to 50.

Reconciliation of the shares movement in the year:

	01/06/25 Opening shares in issue	Creations	Cancellations	31/05/26 Closing shares in issue
Share Class I - Accumulation	23,274,414	495,345	(6,484,155)	17,285,604
Share Class Z - Accumulation	101,061,066	834,261	(24,496,364)	77,398,963
Share Class Z - Income	2,459,562	4,365	(236,479)	2,227,448

There are no conversions in the year to report.

11. Capital commitments and contingent liabilities

On 31st May 2026, the sub-fund had no capital commitments (31/05/25: £nil) and no contingent liabilities (31/05/25: £nil).

12. Risk management policies, derivatives and other financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 33. The risks inherent in the sub-fund's investment portfolio are as follows:

for the year ended 31st May 2026

12. Risk management policies, derivatives and other financial instruments (continued)

(a) Currency risk

A portion of the sub-fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the Sterling value of the portfolio, cash and investment purchases and sales.

As at 31st May 2026, if the value of Sterling increased or decreased by 1% against all currencies, the resulting change in the net assets attributable to shareholders of the sub-fund would have been an increase or decrease of approximately £235,283 (31/05/25: £186,898).

As at 31st May 2026 the sub-fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure 31/05/26 £000	Currency exposure 31/05/25 £000
Euro	1,805	25
US dollar	21,723	18,665
Total	23,528	18,690

(b) Interest rate risk profile of financial assets and liabilities

The sub-fund receives revenue from holdings in collective investment schemes. The cashflow from the sub-fund's underlying investments may fluctuate depending upon the particular decisions made by each sub-fund. The sub-fund is actively managed by the Investment Adviser with the objective to grow investment through a combination of income and capital growth over the medium to long term.

The interest rate risk profile of the company's financial assets and liabilities at 31st May was:

Currency	Net Floating rate financial assets £000	Net Fixed rate financial assets £000	Net Financial assets not carrying interest £000	Total £000
31/05/26				
Sterling	1,023	-	55,849	56,872
Euro	3	-	1,802	1,805
US dollar	111	-	21,612	21,723
Total	1,137	-	79,263	80,400

Currency	Net Floating rate financial assets £000	Net Fixed rate financial assets £000	Net Financial assets/ (liabilities) not carrying interest £000	Total £000
31/05/25				
Sterling	483	-	72,315	72,798
Euro	26	-	(1)	25
US dollar	23	-	18,642	18,665
Total	532	-	90,956	91,488

The sub-fund's net cash holding of £1,137,290 (31/05/25: holding £531,781) is held in a floating rate deposit account whose interest rates are based on SONIA or its international equivalent.

12. Risk management policies, derivatives and other financial instruments (continued)

(b) Interest rate risk profile of financial assets and liabilities (continued)

As at 31st May 2026 and 2025, the sub-fund had exposure to interest rate risk via underlying exposure in collective investment schemes. However, the sub-fund does not have any significant direct interest rate risk and as such no sensitivity analysis is presented.

The sub-fund did not have any long term financial liabilities.

(c) Liquidity risk

All of the sub-fund's financial assets are considered to be readily realisable, comprising predominantly of collective investment schemes. In general, the Investment Adviser manages the sub-fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the sub-fund may borrow up to 10% of its value to ensure settlement.

As set out in the Prospectus, the ACD may, with the prior agreement of the Depositary, temporarily suspend the issue, cancellation, sale and redemption of shares in the sub-fund or a class within the sub-fund where due to exceptional circumstances it is in the interests of all the shareholders. This may be used for circumstances affecting material uncertainty on asset valuations and protection of the sub-fund's liquidity.

All of the sub-fund's financial liabilities are payable on demand or in less than one year.

We do not consider these liquidity risks to be significant and therefore no numerical analysis is being presented.

(d) Market price risk and fair value of financial assets and liabilities

Market risk arises mainly from uncertainty about future values of financial instruments influenced by other price risk, currency risk and interest rate movements. It represents the potential loss the sub-fund may suffer through holding market positions in financial instruments in the face of market movements.

Other price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market.

Local, regional or global events, for example, war, acts of terrorism, the spread of infectious diseases, government policy or the health of the underlying economy could have a significant impact on the sub-fund and the market price of its investments.

The sub-fund invests principally in regulated collective investment schemes. The value of these collective investment schemes are not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of collective investment schemes in line with the sub-fund's objectives. In addition, the management of the sub-fund complies with the restricted investment limits under the Financial Conduct Authority Rules. The restricted investment limits are summarised in the investment and borrowing powers of the Company set out in the Prospectus.

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair values.

As at 31st May 2026, if the price of investments held by the sub-funds increased or decreased by 5%, the resulting change in net assets attributable to shareholders would have been an increase or decrease of approximately 5%; which for this sub-fund would equate to £3,955,534 (31/05/25: £4,551,712).

(e) Leverage

Leverage is any method by which the ACD increases the exposure of a sub-fund whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

The maximum level of leverage which the ACD is entitled to employ on behalf of the sub-fund is set out in the Prospectus.

12. Risk management policies, derivatives and other financial instruments (continued)

(e) Leverage (continued)

Where the investment policy of a sub-fund permits the use of derivatives and/or forward transactions for investment purposes, the sub-fund may be leveraged to the extent that this may potentially increase the volatility and risk of the sub-fund. In addition, when undertaking derivative and forward transactions, the low margin deposits normally required may lead to a higher degree of leverage, which may also lead to greater fluctuations in the price of a sub-fund.

There are two ways in which the ACD can introduce leverage to the sub-fund. These are by borrowing money using its overdraft facility, and by investing in derivative positions. Neither of these are important features in terms of how the ACD manages the sub-fund. There is no collateral, asset re-use or guarantee arrangements involved in the ACD's current approach to leverage. For the year ended 31st May 2026, the sub-fund did not hold any derivatives; therefore, there has been no leverage exposure for the year (31/05/25: £nil).

(f) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty and issuer risk.

The sub-fund enters into transactions in financial instruments which expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the sub-fund has fulfilled its obligations. The sub-fund only buys and sells financial instruments through parties that have been approved by the ACD as acceptable. These are reviewed on an ongoing basis.

The credit risk in this Fund is limited to the cash and bank balances and these are held with counterparties with high credit-ratings assigned by international credit-rating agencies.

13. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Collective Investment Schemes	111,503	63,573	134,969	99,644
Trades in the year before transaction costs	111,503	63,573	134,969	99,644
Commissions				
Collective Investment Schemes	7	7	(9)	(9)
Total net trades in the year after transaction costs	111,510	63,580	134,960	99,635

Total transaction cost expressed as a percentage of average net asset value

	01/06/25 to 31/05/26 %	01/06/24 to 31/05/25 %
Commissions	0.02	0.01

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of equities, futures and options contracts, broker commissions and transfer taxes and other expenses may be paid on each transaction. However, as futures contracts do not have relative purchases and sales amounts, the notional value of futures contracts, or the associated broker commissions and transfer taxes, is not shown in the analysis of total trade costs above. Other types of investments such as collective investment schemes, fixed income and swaps have no separately identifiable transaction costs and these costs form part of the dealing spread. Transaction costs disclosed on collective investment schemes relate to non-equity investment instruments.

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.08% (31/05/25: 0.05%).

14. Fair value

	31/05/26		31/05/25	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	**£000**	**£000**	**£000**	**£000**
Level 1	29,127	-	36,114	-
Level 2	49,984	-	54,920	-
Level 3	-	-	-	-
Total fair value	79,111	-	91,034	-

Level 1 - Quoted prices for identical instruments in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

Level 2 - Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investment schemes.

Level 3 - Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and delisted/suspended or unlisted securities.

Distribution Tables

for the year ended 31st May 2026

Distribution in pence per share

Group 1 Interim Shares purchased prior to 1st June 2025
Final Shares purchased prior to 1st December 2025

Group 2 Interim Shares purchased on or between 1st June 2025 and 30th November 2025
Final Shares purchased on or between 1st December 2025 and 31st May 2026

Share Class I - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 31/07/2026	Distributions paid to 31/07/2025
Group 1	(p)	(p)	(p)	(p)
Interim	1.3125	-	1.3125	0.5015
Final	0.6696	-	0.6696	0.5542
Group 2	(p)	(p)	(p)	(p)
Interim	0.7010	0.6115	1.3125	0.5015
Final	0.4907	0.1789	0.6696	0.5542

Share Class Z - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 31/07/2026	Distributions paid to 31/07/2025
Group 1	(p)	(p)	(p)	(p)
Interim	1.2890	-	1.2890	0.4697
Final	0.6502	-	0.6502	0.5315
Group 2	(p)	(p)	(p)	(p)
Interim	0.9381	0.3509	1.2890	0.4697
Final	0.5163	0.1339	0.6502	0.5315

Share Class Z - Income

	Net revenue	Equalisation	Distributions paid/payable to 31/07/2026	Distributions paid to 31/07/2025
Group 1	(p)	(p)	(p)	(p)
Interim	1.1508	-	1.1508	0.4246
Final	0.5680	-	0.5680	0.4737
Group 2	(p)	(p)	(p)	(p)
Interim	1.0991	0.0517	1.1508	0.4246
Final	0.5390	0.0290	0.5680	0.4737

Distribution Tables (continued)

for the year ended 31st May 2026

Corporate shareholder information (unaudited) for all share classes

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 45.18% of the dividend is received as non-taxable income.

Interim - 54.82% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

Final - 21.14% of the dividend is received as non-taxable income.

Final - 78.86% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

Investment Markets Overview

for the year ended 31st May 2026

Investment Objective

The Sub-fund aims to grow investment through a combination of income and capital growth over the medium to long term (5 or more years).

The Sub-fund will aim to achieve this objective, whilst remaining within Risk Profile 3, which is the middle risk profile in this range.

Risk Profile

The Sub-fund aims to deliver income and capital growth through assets that may demonstrate moderate to large price fluctuations (Risk Profile 3), with greater exposure placed on equity and lower exposure to fixed income securities. The full range of asset classes is set out in the Investment Policy and Strategy below.

Investment Policy and Strategy

The Sub-fund will be invested in collective investment schemes. Investments in collective investment schemes may also include those managed, operated or advised by the ACD's associates.

Through the investment in collective investment schemes, the Sub-fund will be indirectly invested in a range of different asset classes. The weighting of the asset classes to which the Fund is exposed may be varied depending on the Investment Manager's views in the context of achieving the investment objective. Under normal market circumstances, between 50% and 75% of the value of the Sub-fund will be invested in global equities, including emerging market equities. The Sub-fund will generally have a lower exposure to global fixed income securities (such as government, corporate, high yield and emerging market bonds) and there may be some indirect exposure (typically, no more than 15% in aggregate) to any one or more of: real estate and commodities. To the extent not fully invested in collective investment schemes, in normal market conditions, up to 10% may be invested directly in cash, near cash and money market instruments.

The Investment Manager may need to adjust the stated exposure level to global equities during periods of unusual instability in the markets.

The Sub-fund's risk level is managed by varying the weighting of the asset classes to which the Sub-fund is exposed.

The Sub-fund may use derivatives to reduce risk or cost or to generate additional capital or income at proportionate risk (known as "Efficient Portfolio Management").

Strategy

The Sub-fund is managed with reference to strategic asset allocations which are provided to the Investment Manager on at least a quarterly basis; these may change as a result of changing market conditions and assumptions in the Risk Profile Service Provider's asset allocation models which aim to achieve an optimal level of growth in income and capital for the expected risk level assuming a long term investment horizon (10 or more years).

The Sub-Fund is actively managed by the Investment Manager. The Investment Manager may take tactical decisions away from the strategic asset allocation to seek to meet the Sub-fund's investment objectives and improve returns. There is no guarantee that the Sub-fund's investment objective will be met.

The Investment Manager also has the potential to increase performance through its choice of collective investment schemes in which it invests: for example actively managed funds typically aim to increase performance through superior stock or sector selection skills (although there is no certainty of this and the opposite could occur).

Use of Benchmarks

The Sub-fund does not aim to match or exceed the performance of, and its portfolio is not constrained by, any index.

For performance comparison purposes the IA Mixed Investment 40-85% Shares sector peer group is considered appropriate. The Sub-fund's typical equity exposures and other features enable it to be included in this sector, although the asset allocation of the Sub-fund is not managed with the intention of ensuring it remains within this sector. Its performance can be compared with the performance of other funds in the sector, and against the sector average.

Investment Markets Overview (continued)

for the year ended 31st May 2026

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

The Fund is ranked at 4* because it has experienced medium levels of volatility over the past 5 years. *As disclosed in the key investor information document dated 30th January 2026.	Typically lower rewards, lower risks ←						Typically higher rewards, higher risks →
	1	2	3	**4**	5	6	7

Investment Review

Performance	**01/06/25 to 31/05/26 %**	**01/06/24 to 31/05/25 %**	**01/06/23 to 31/05/24 %**	**01/06/22 to 31/05/23 %**	**01/06/21 to 31/05/22 %**
Horizon Multi-Asset Fund 3 Z Accumulation	17.74	3.73	10.51	(2.18)	(4.15)

Source: Financial Express for Horizon Multi-Asset Fund 3. Basis: Net revenue reinvested and net of expenses.
Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

The Fund returned 17.74% over the year to 31st May 2026. Tactical asset allocation was the main contributor, while manager selection modestly detracted from the balanced profile.

Equity returns were driven by a narrow group of AI and semiconductor-related stocks, alongside sharp style rotation and periods of geopolitical volatility. Strong earnings and continued upgrades to corporate guidance supported markets and helped offset macroeconomic and geopolitical concerns. This environment was favourable for our top-down positioning, particularly the overweights to emerging market and US equities, and supported our systematic managers. However, it was more challenging for parts of the active satellite and fundamental manager line-up with value or quality-growth biases. Underperformance was concentrated in these areas and did not reflect any deterioration in our investment process.

We remain overweight equities, with a preference for the US and emerging markets, and underweight European equities relative to emerging markets. In fixed income, we remain underweight duration overall and overweight emerging market local currency debt, including Brazilian government bonds, where high FX carry and relative insulation from Middle East volatility offer attractive risk-adjusted return potential. We are also underweight US high yield, reflecting tight spreads and elevated issuance risk linked to AI capital expenditure.

The upcoming earnings season - with some major players in the AI space yet to report - will also offer relevant insights to assess the market environment and the outlook for company earnings.

BlackRock Investment Management (UK) Limited
June 2026

Portfolio Statement

as at 31st May 2026

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (98.41%, 31/05/25 98.91%)			
Collective Investment Schemes			
BlackRock Advantage Europe Equity Fund◊	16,478	3,207	1.92
BlackRock Funds I ICAV - Blackrock Global Unconstrained Equity Fund◊	45,202	8,247	4.95
BlackRock ICS Sterling Liquid Environmentally Aware Fund◊	6,409	763	0.46
BlackRock Sustainable Advantage U.S. Equity Fund X Acc◊	48,798	11,489	6.89
Dimensional Funds PLC - U.S. Core Equity Fund	139,438	3,931	2.36
Dodge & Cox Worldwide Funds PLC - Global Stock Fund	162,277	5,752	3.45
iShares Brazil LTN BRL Govt Bond UCITS ETF DE	13,797	1,146	0.69
iShares Broad Global Government Bond UCITS ETF~	20	0	0.00
iShares China CNY Bond UCITS ETF~	17	0	0.00
iShares Core EUR Corp. Bond UCITS ETF~	19	0	0.00
iShares Core MSCI EM IMI UCITS ETF	237,179	9,867	5.92
iShares Core S&P 500 UCITS ETF	16,155	9,780	5.87
iShares Core S&P 500 UCITS ETF GBP Hedged	197,917	2,515	1.51
iShares Core U.K. Gilts UCITS ETF	1,036,020	10,003	6.00
iShares Corporate Bond Index Fund U.K.	24,473,858	23,424	14.05
iShares Emerging Markets Local Government Bond Index Fund IE	282,581	2,379	1.43
iShares EUR High Yield Corp. Bond UCITS ETF	105,198	567	0.34
iShares Euro Government Bond Index Fund	169,045	1,560	0.94
iShares Europe ex-U.K. Index Fund	152,769	1,693	1.02
iShares GBP Index-Linked Gilts UCITS ETF	309,838	3,408	2.04
iShares Global Corp. Bond UCITS ETF~	21	0	0.00
iShares Japan Equity Index Fund U.K.	567,729	2,410	1.45
iShares Japan Govt Bond UCITS ETF~	20	0	0.00
iShares JP Morgan EM Local Government Bond UCITS ETF~	24	0	0.00
iShares U.K. Equity Index Fund U.K.	4,850,156	7,704	4.62
iShares USD Corp. Bond UCITS ETF~	23	0	0.00
iShares USD High Yield Corp. Bond UCITS ETF~	22	0	0.00
iShares USD Treasury Bond 1-3yr UCITS ETF~	18	0	0.00
iShares USD Treasury Bond 20+yr UCITS ETF~	20	0	0.00
iShares USD Treasury Bond 3-7yr UCITS ETF~	18	0	0.00
iShares USD Treasury Bond 7-10yr UCITS ETF~	18	0	0.00
Legal & General Active Sterling Corporate Bond Fund	5,903,133	9,870	5.92
Life Cycle Global Equity Fund - UCITS	3,687,456	4,171	2.50
Life Cycle Global Equity Select Fund - UCITS	8,641,818	9,921	5.95
MAN Funds PLC - Man Systematic Emerging Markets Equity	60,865	8,038	4.82
Natixis International Funds Lux I - Harris Associates U.S. Value Equity Fund	16,274	2,376	1.42
PGIM Funds PLC - PGIM Global Corporate Bond UCITS Fund	11,989	14,659	8.79

Portfolio Statement (continued)

as at 31st May 2026

	Holdings	Market Value £000	Total Net Assets %
PGIM Jennison U.S. Growth Fund	44,700	5,170	3.10
Wellington Global High Yield Bond Fund~	7	0	0.00
		164,050	98.41
TOTAL FINANCIALS		**164,050**	**98.41**
Portfolio of investments		**164,050**	**98.41**
Net other assets		**2,649**	**1.59**
Total net assets		**166,699**	**100.00**

All holdings are in Collective Investment Schemes or represent securities quoted on a Listed Securities Market, unless otherwise stated.
Stocks shown as ETFs represent Exchange Traded Funds.
◊Asset managed by the Investment Adviser.
~The market value of the holding is below £500 and is therefore rounded down to £0.

Material Portfolio Changes

for the year ended 31st May 2026

	Cost £000		Proceeds £000
Major purchases		**Major sales**	
iShares Corporate Bond Index Fund U.K.	36,948	iShares Core GBP Corp. Bond UCITS ETF	33,312
BlackRock ICS Sterling Liquid Environmentally Aware Fund◊	27,206	BlackRock ICS Sterling Liquid Environmentally Aware Fund◊	28,847
PGIM Funds PLC - PGIM Global Corporate Bond UCITS Fund	18,379	Legal & General Active Sterling Corporate Bond Fund	28,535
iShares Core U.K. Gilts UCITS ETF	15,055	iShares Japan Equity Index Fund U.K.	17,962
BlackRock Sustainable Advantage U.S. Equity Fund D Acc◊	14,778	Oaktree Emerging Markets Equity Fund	16,346
BlackRock Sustainable Advantage U.S. Equity Fund X Acc◊	14,231	Blackrock Sustainable Equity Factor Plus Fund◊	15,938
iShares Core S&P 500 UCITS ETF	12,058	iShares Edge MSCI Europe Value Factor UCITS ETF	14,597
Life Cycle Global Equity Select Fund - UCITS	11,225	BlackRock Sustainable Advantage U.S. Equity Fund D Acc◊	14,588
iShares Core MSCI EM IMI UCITS ETF	8,958	iShares Corporate Bond Index Fund U.K.	13,759
MAN Funds PLC - Man Systematic Emerging Markets Equity	8,411	iShares Core MSCI EM IMI UCITS ETF	12,730

Stocks shown as ETFs represent Exchange Traded Funds.
◊Asset managed by the Investment Adviser.

Comparative Table

as at 31st May 2026

	31/05/26 (p)	31/05/25 (p)	31/05/24 (p)
Share Class I - Accumulation			
Change in net assets per share			
Opening net asset value per share	83.58	80.51	72.78
Return before operating charges*	15.36	3.59	8.27
Operating charges	(0.49)	(0.52)	(0.54)
Return after operating charges*	14.87	3.07	7.73
Distributions	(2.01)	(1.04)	(1.34)
Retained distributions on accumulation shares	2.01	1.04	1.34
Closing net asset value per share	98.45	83.58	80.51
*after direct transaction cost of:~	0.02	0.02	0.00
Performance			
Return after charges	17.79%	3.81%	10.62%
Other information			
Closing net asset value (£000)	36,156	38,985	51,452
Closing number of shares	36,724,496	46,643,826	63,906,751
Operating chargesΔ#	0.54%	0.63%	0.71%
Direct transaction costs~	0.02%	0.02%	0.00%
Prices**			
Highest share price	98.42	86.03	82.27
Lowest share price	83.50	77.37	71.09

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the SORP.
#Operating charges are representative of the ongoing charges figure.
ΔPrior year figures have been restated, as the operating charges were understated.
**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Comparative Table (continued)

as at 31st May 2026

	31/05/26 (p)	31/05/25 (p)	31/05/24 (p)
Share Class Z - Accumulation			
Change in net assets per share			
Opening net asset value per share	82.99	80.00	72.37
Return before operating charges*	15.26	3.57	8.24
Operating charges	(0.53)	(0.58)	(0.61)
Return after operating charges*	14.73	2.99	7.63
Distributions	(1.96)	(0.98)	(1.27)
Retained distributions on accumulation shares	1.96	0.98	1.27
Closing net asset value per share	97.72	82.99	80.00
*after direct transaction cost of:~	0.02	0.02	0.00
Performance			
Return after charges^	17.75%	3.74%	10.54%
Other information			
Closing net asset value (£000)	127,962	145,450	180,017
Closing number of shares	130,943,653	175,252,294	225,021,768
Operating chargesΔ#	0.59%	0.71%	0.81%
Direct transaction costs~	0.02%	0.02%	0.00%
Prices**			
Highest share price	97.69	85.44	81.75
Lowest share price	82.91	76.84	70.67

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the SORP.
#Operating charges are representative of the ongoing charges figure.
ΔPrior year figures have been restated, as the operating charges were understated.
^The return after charges figure is calculated as the return after operating charges per share divided by the opening net asset value per share. The net asset value figures include any accounting adjustments and as such, the return after charges is different to the performance return stated in the Investment Market Review on page 52 which is sourced from Financial Express and based on daily published prices.
**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Comparative Table (continued)

as at 31st May 2026

	31/05/26 (p)	31/05/25 (p)	31/05/24 (p)
Share Class Z - Income			
Change in net assets per share			
Opening net asset value per share	73.38	71.57	65.82
Return before operating charges*	13.39	3.20	7.46
Operating charges	(0.46)	(0.52)	(0.56)
Return after operating charges*	12.93	2.68	6.90
Distributions	(1.72)	(0.87)	(1.15)
Closing net asset value per share	84.59	73.38	71.57
*after direct transaction cost of:~	0.02	0.01	0.00
Performance			
Return after charges	17.62%	3.74%	10.48%
Other information			
Closing net asset value (£000)	2,581	3,054	3,375
Closing number of shares	3,050,833	4,162,450	4,715,594
Operating chargesΔ#	0.59%	0.71%	0.81%
Direct transaction costs~	0.02%	0.02%	0.00%
Prices**			
Highest share price	85.03	76.03	73.96
Lowest share price	73.30	68.37	64.27

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the SORP.
#Operating charges are representative of the ongoing charges figure.
ΔPrior year figures have been restated, as the operating charges were understated.
**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Statement of Total Return

for the year ended 31st May 2026

	Notes	01/06/25 to 31/05/26 £000	£000	01/06/24 to 31/05/25 £000	£000
Income					
Net capital gains	**2**		24,670		5,553
Revenue	**3**	5,112		4,031	
Expenses	**4**	(609)		(851)	
Interest payable and similar charges		(6)		(3)	
Net revenue before taxation		4,497		3,177	
Taxation	**5**	(519)		(554)	
Net revenue after taxation			3,978		2,623
Total return before distributions			**28,648**		**8,176**
Distributions	**6**		(3,978)		(2,623)
Change in net assets attributable to shareholders from investment activities			**24,670**		**5,553**

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31st May 2026

	01/06/25 to 31/05/26 £000	£000	01/06/24 to 31/05/25 £000	£000
Opening net assets attributable to shareholders		**187,489**		**234,844**
Amounts receivable on creation of shares	3,048		8,471	
Less: Amounts payable on cancellation of shares	(52,136)		(63,728)	
		(49,088)		(55,257)
Dilution adjustment		-		3
Change in net assets attributable to shareholders from investment activities		24,670		5,553
Retained distributions on accumulation shares		3,628		2,346
Closing net assets attributable to shareholders		**166,699**		**187,489**

Notes to the Financial Statements are on pages 61 to 67.

Balance Sheet

as at 31st May 2026

	Notes	31/05/26 £000	31/05/25 £000
Assets			
Fixed assets			
Investments (excluding cash equivalents)‡		164,050	183,125
Current assets			
Debtors	**7**	4,795	17,138
Cash and bank balances		2,487	1,333
Cash equivalents‡		-	2,319
Total assets		**171,332**	**203,915**
Liabilities			
Creditors			
Distribution payable		(14)	(20)
Other creditors	**8**	(4,619)	(16,406)
Total liabilities		**(4,633)**	**(16,426)**
Net assets attributable to shareholders		**166,699**	**187,489**

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current and comparative year to comply with the Alternative Investment Fund Managers Directive (UK AIFMD) requirements.

Notes to the Financial Statements are on pages 61 to 67.

Notes to the Financial Statements

for the year ended 31st May 2026

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies, judgements and estimates set out on pages 12 to 14.

2. Net capital gains

The net capital gains during the year comprise:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Non-derivative securities	24,661	5,711
Forward currency contracts	(8)	-
ACD's periodic charge rebates taken to capital	-	3
Currency gains/(losses)	17	(161)
Net capital gains*	24,670	5,553

*Includes realised gains of £16,336,000 and unrealised gains of £8,334,000 (31/05/25: realised gains of £2,615,000 and unrealised gains of £2,938,000). Included in realised gains for the year were unrealised gains/(losses) recognised in the prior accounting year.

3. Revenue

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Distributions from Regulated Collective Investment Schemes:		
Investment income	169	647
Interest distributions	1,750	613
Offshore distributions	3,097	2,556
Bank interest	10	50
AMC rebates	86	165
Total revenue	5,112	4,031

4. Expenses

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	595	777
Other expenses:		
Audit fee	14	13
Registration fees	-	61
	14	74
Total expenses	609	851

Expenses include irrecoverable VAT.
The estimated Deloitte LLP audit fee for the year, inclusive of VAT is £14,112 (31/05/25: £14,112).

for the year ended 31st May 2026

5. Taxation

(a) Analysis of charge in year:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Corporation tax	519	554
Total taxation (note 5b)	519	554

(b) Factors affecting total tax charge for the year:

The tax assessed for the year is lower than (2025: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2025: 20%). The differences are explained below:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Net revenue before taxation	4,497	3,177
Corporation tax of 20% (2025: 20%)	899	635
Effects of:		
Non-taxable UK dividends*	(34)	(13)
Overseas non-taxable revenue*	(346)	(69)
Taxable income taken to capital	-	1
Total tax charge for year (note 5a)	519	554

**As an authorised OEIC these items are not subject to corporation tax.*
OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Interim	2,749	1,166
Final	935	1,217
	3,684	2,383
Add: Revenue deducted on cancellation of shares	311	273
Deduct: Revenue received on creation of shares	(17)	(33)
Net distributions for the year	3,978	2,623

Details of the distribution per share are set out in the Distribution Tables on pages 68 to 69.

7. Debtors

	31/05/26 £000	31/05/25 £000
Sales awaiting settlement	4,601	16,950
Amounts receivable for issue of shares	-	20
AMC rebates receivable	194	168
Total debtors	4,795	17,138

for the year ended 31st May 2026

8. Other creditors

	31/05/26 £000	31/05/25 £000
Purchases awaiting settlement	3,717	15,801
Amounts payable for cancellation of shares	567	167
Accrued expenses	154	163
Corporation tax payable	181	275
Total other creditors	4,619	16,406

9. Related party transactions

Scottish Widows Unit Trust Managers Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the sub-fund. Lloyds Banking Group plc, as the parent company of the ACD is the ultimate controlling party of the sub-fund. As such any member company of Lloyds Banking Group plc is also a related party.

Scottish Widows Unit Trust Managers Limited act as principal on all the transactions of shares in the sub-fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to/from Scottish Widows Unit Trust Managers Limited in respect of share transactions at the period end are included in the Balance Sheet.

Amounts paid to Scottish Widows Unit Trust Managers Limited in respect of ACD fees are disclosed in note 4, with £82,594 (31/05/25: £89,231) due at the year end.

Shares held by associates of the ACD

There were no shares held by the ACD and associates of the ACD in the sub-fund at the current and prior year.

10. Share classes

On 31st May the share classes in issue and the associated ACD's periodic charge on each share class, is as follows:

	31/05/26 %	31/05/25 %
Share Class I - Accumulation	0.61	0.61
Share Class Z - Accumulation	0.66	0.66
Share Class Z - Income	0.66	0.66

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables (unaudited) on pages 56 to 58.

All share classes have the same rights on winding up.

The distributions per share class are given in the Distribution Tables on pages 68 to 69.

Reconciliation of the shares movement in the year:

	01/06/25 Opening shares in issue	Creations	Cancellations	31/05/26 Closing shares in issue
Share Class I - Accumulation	46,643,826	2,778,617	(12,697,947)	36,724,496
Share Class Z - Accumulation	175,252,294	572,093	(44,880,734)	130,943,653
Share Class Z - Income	4,162,450	54,329	(1,165,946)	3,050,833

There are no conversions in the year to report.

11. Capital commitments and contingent liabilities

On 31st May 2026, the sub-fund had no capital commitments (31/05/25: £nil) and no contingent liabilities (31/05/25: £nil).

12. Risk management policies, derivatives and other financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 51. The risks inherent in the sub-fund's investment portfolio are as follows:

for the year ended 31st May 2026

12. Risk management policies, derivatives and other financial instruments (continued)

(a) Currency risk

A portion of the sub-fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the Sterling value of the portfolio, cash and investment purchases and sales.

As at 31st May 2026, if the value of Sterling increased or decreased by 1% against all currencies, the resulting change in the net assets attributable to shareholders of the sub-fund would have been an increase or decrease of approximately £450,849 (31/05/25: £432,497).

As at 31st May 2026 the sub-fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure 31/05/26 £000	Currency exposure 31/05/25 £000
Euro	4,909	125
US dollar	40,176	43,125
Total	45,085	43,250

(b) Interest rate risk profile of financial assets and liabilities

The sub-fund receives revenue from holdings in collective investment schemes. The cashflow from the sub-fund's underlying investments may fluctuate depending upon the particular decisions made by each sub-fund. The sub-fund is actively managed by the Investment Adviser with the objective to grow investment through a combination of income and capital growth over the medium to long term.

The interest rate risk profile of the company's financial assets and liabilities at 31st May was:

Currency 31/05/26	Net Floating rate financial assets £000	Net Fixed rate financial assets £000	Net Financial assets not carrying interest £000	Total £000
Sterling	1,737	-	119,877	121,614
Euro	9	-	4,900	4,909
US dollar	741	-	39,435	40,176
Total	2,487	-	164,212	166,699

Currency 31/05/25	Net Floating rate financial assets £000	Net Fixed rate financial assets £000	Net Financial assets/ (liabilities) not carrying interest £000	Total £000
Sterling	1,128	-	143,111	144,239
Euro	129	-	(4)	125
US dollar	76	-	43,049	43,125
Total	1,333	-	186,156	187,489

The sub-fund's net cash holding of £2,487,029 (31/05/25: holding £1,332,578) is held in a floating rate deposit account whose interest rates are based on SONIA or its international equivalent.

12. Risk management policies, derivatives and other financial instruments (continued)

(b) Interest rate risk profile of financial assets and liabilities (continued)

As at 31st May 2026 and 2025, the sub-fund had exposure to interest rate risk via underlying exposure in collective investment schemes. However, the sub-fund does not have any significant direct interest rate risk and as such no sensitivity analysis is presented.

The sub-fund did not have any long term financial liabilities.

(c) Liquidity risk

All of the sub-fund's financial assets are considered to be readily realisable, comprising predominantly of collective investment schemes. In general, the Investment Adviser manages the sub-fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the sub-fund may borrow up to 10% of its value to ensure settlement.

As set out in the Prospectus, the ACD may, with the prior agreement of the Depositary, temporarily suspend the issue, cancellation, sale and redemption of shares in the sub-fund or a class within the sub-fund where due to exceptional circumstances it is in the interests of all the shareholders. This may be used for circumstances affecting material uncertainty on asset valuations and protection of the sub-fund's liquidity.

All of the sub-fund's financial liabilities are payable on demand or in less than one year.

We do not consider these liquidity risks to be significant and therefore no numerical analysis is being presented.

(d) Market price risk and fair value of financial assets and liabilities

Market risk arises mainly from uncertainty about future values of financial instruments influenced by other price risk, currency risk and interest rate movements. It represents the potential loss the sub-fund may suffer through holding market positions in financial instruments in the face of market movements.

Other price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market.

Local, regional or global events, for example, war, acts of terrorism, the spread of infectious diseases, government policy or the health of the underlying economy could have a significant impact on the sub-fund and the market price of its investments.

The sub-fund invests principally in regulated collective investment schemes. The value of these collective investment schemes are not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of collective investment schemes in line with the sub-fund's objectives. In addition, the management of the sub-fund complies with the restricted investment limits under the Financial Conduct Authority Rules. The restricted investment limits are summarised in the investment and borrowing powers of the Company set out in the Prospectus.

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair values.

As at 31st May 2026, if the price of investments held by the sub-funds increased or decreased by 5%, the resulting change in net assets attributable to shareholders would have been an increase or decrease of approximately 5%; which for this sub-fund would equate to £8,202,496 (31/05/25: £9,272,212).

(e) Leverage

Leverage is any method by which the ACD increases the exposure of a sub-fund whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

The maximum level of leverage which the ACD is entitled to employ on behalf of the sub-fund is set out in the Prospectus.

for the year ended 31st May 2026

12. Risk management policies, derivatives and other financial instruments (continued)

(e) Leverage (continued)

Where the investment policy of a sub-fund permits the use of derivatives and/or forward transactions for investment purposes, the sub-fund may be leveraged to the extent that this may potentially increase the volatility and risk of the sub-fund. In addition, when undertaking derivative and forward transactions, the low margin deposits normally required may lead to a higher degree of leverage, which may also lead to greater fluctuations in the price of a sub-fund.

There are two ways in which the ACD can introduce leverage to the sub-fund. These are by borrowing money using its overdraft facility, and by investing in derivative positions. Neither of these are important features in terms of how the ACD manages the sub-fund. There is no collateral, asset re-use or guarantee arrangements involved in the ACD's current approach to leverage. For the year ended 31st May 2026, the sub-fund did not hold any derivatives; therefore, there has been no leverage exposure for the year (31/05/25: £nil).

(f) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty and issuer risk.

The sub-fund enters into transactions in financial instruments which expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the sub-fund has fulfilled its obligations. The sub-fund only buys and sells financial instruments through parties that have been approved by the ACD as acceptable. These are reviewed on an ongoing basis.

The credit risk in this Fund is limited to the cash and bank balances and these are held with counterparties with high credit-ratings assigned by international credit-rating agencies.

13. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Collective Investment Schemes	254,012	128,538	303,844	183,089
Trades in the year before transaction costs	254,012	128,538	303,844	183,089
Commissions				
Collective Investment Schemes	15	19	(20)	(20)
Total net trades in the year after transaction costs	254,027	128,557	303,824	183,069

Total transaction cost expressed as a percentage of average net asset value

	01/06/25 to 31/05/26 %	01/06/24 to 31/05/25 %
Commissions	0.02	0.02

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of equities, futures and options contracts, broker commissions and transfer taxes and other expenses may be paid on each transaction. However, as futures contracts do not have relative purchases and sales amounts, the notional value of futures contracts, or the associated broker commissions and transfer taxes, is not shown in the analysis of total trade costs above. Other types of investments such as collective investment schemes, fixed income and swaps have no separately identifiable transaction costs and these costs form part of the dealing spread. Transaction costs disclosed on collective investment schemes relate to non-equity investment instruments.

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.02% (31/05/25: 0.06%).

14. Fair value

	31/05/26		31/05/25	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	**£000**	**£000**	**£000**	**£000**
Level 1	37,286	-	71,669	-
Level 2	126,764	-	113,775	-
Level 3	-	-	-	-
Total fair value	164,050	-	185,444	-

Level 1 - Quoted prices for identical instruments in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

Level 2 - Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investment schemes.

Level 3 - Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and delisted/suspended or unlisted securities.

Distribution Tables

for the year ended 31st May 2026

Distribution in pence per share

Group 1 Interim Shares purchased prior to 1st June 2025
Final Shares purchased prior to 1st December 2025

Group 2 Interim Shares purchased on or between 1st June 2025 and 30th November 2025
Final Shares purchased on or between 1st December 2025 and 31st May 2026

Share Class I - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 31/07/2026	Distributions paid to 31/07/2025
Group 1	(p)	(p)	(p)	(p)
Interim	1.4414	-	1.4414	0.4764
Final	0.5673	-	0.5673	0.5592
Group 2	(p)	(p)	(p)	(p)
Interim	0.9533	0.4881	1.4414	0.4764
Final	0.2715	0.2958	0.5673	0.5592

Share Class Z - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 31/07/2026	Distributions paid to 31/07/2025
Group 1	(p)	(p)	(p)	(p)
Interim	1.4132	-	1.4132	0.4407
Final	0.5439	-	0.5439	0.5345
Group 2	(p)	(p)	(p)	(p)
Interim	0.8391	0.5741	1.4132	0.4407
Final	0.3541	0.1898	0.5439	0.5345

Share Class Z - Income

	Net revenue	Equalisation	Distributions paid/payable to 31/07/2026	Distributions paid to 31/07/2025
Group 1	(p)	(p)	(p)	(p)
Interim	1.2484	-	1.2484	0.3943
Final	0.4725	-	0.4725	0.4751
Group 2	(p)	(p)	(p)	(p)
Interim	0.9147	0.3337	1.2484	0.3943
Final	0.3016	0.1709	0.4725	0.4751

Distribution Tables (continued)

for the year ended 31st May 2026

Corporate shareholder information (unaudited) for all share classes

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 54.84% of the dividend is received as non-taxable income.

Interim - 45.16% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

Final - 26.55% of the dividend is received as non-taxable income.

Final - 73.45% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

Investment Markets Overview

for the year ended 31st May 2026

Investment Objective

The Sub-fund aims to grow investment through a combination of income and capital growth over the medium to long term (5 or more years).

The Sub-fund will aim to achieve this objective, whilst remaining within Risk Profile 4, which is the second highest risk profile in this range.

Risk Profile

The Sub-fund aims to deliver income and capital growth through assets that may demonstrate moderate to large price fluctuations (Risk Profile 4), with greater exposure to equity and some fixed income securities. The full range of asset classes is set out in the Investment Policy and Strategy below.

Investment Policy and Strategy

The Sub-fund will be invested in collective investment schemes. Investments in collective investment schemes may also include those managed, operated or advised by the ACD's associates.

Through the investment in collective investment schemes, the Sub-fund will be indirectly invested in a range of different asset classes. The weighting of the asset classes to which the Fund is exposed may be varied depending on the Investment Manager's views in the context of achieving the investment objective. Under normal market circumstances, between 50% and 95% of the value of the Sub-fund will be invested in global equities, including emerging market equities. The Sub-fund will have some exposure to global fixed income securities (such as government, corporate, high yield and emerging market bonds) and there may be some indirect exposure (typically, no more than 15% in aggregate) to any one or more of: real estate and commodities. To the extent not fully invested in collective investment schemes, in normal market conditions, up to 10% may be invested directly in cash, near cash and money market instruments.

The Investment Manager may need to adjust the stated exposure level to global equities during periods of unusual instability in the markets.

The Sub-fund's risk level is managed by varying the weighting of the asset classes to which the Sub-fund is exposed.

The Sub-fund may use derivatives to reduce risk or cost or to generate additional capital or income at proportionate risk (known as "Efficient Portfolio Management").

Strategy

The Sub-fund is managed with reference to strategic asset allocations which are provided to the Investment Manager on at least a quarterly basis; these may change as a result of changing market conditions and assumptions in the Risk Profile Service Provider's asset allocation models which aim to achieve an optimal level of growth in income and capital for the expected risk level assuming a long term investment horizon (10 or more years).

The Sub-Fund is actively managed by the Investment Manager. The Investment Manager may take tactical decisions away from the strategic asset allocation to seek to meet the Sub-fund's investment objectives and improve returns. There is no guarantee that the Sub-fund's investment objective will be met.

The Investment Manager also has the potential to increase performance through its choice of collective investment schemes in which it invests: for example actively managed funds typically aim to increase performance through superior stock or sector selection skills (although there is no certainty of this and the opposite could occur).

Use of Benchmarks

The Sub-fund does not aim to match or exceed the performance of, and its portfolio is not constrained by, any index.

For performance comparison purposes the IA Mixed Investment 40-85% Shares sector peer group is considered appropriate. The Sub-fund's typical equity exposures and other features enable it to be included in this sector, although the asset allocation of the Sub-fund is not managed with the intention of ensuring it remains within this sector. Its performance can be compared with the performance of other funds in the sector, and against the sector average.

Investment Markets Overview (continued)

for the year ended 31st May 2026

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

The Fund is ranked at 4* because it has experienced medium levels of volatility over the past 5 years. *As disclosed in the key investor information document dated 30th January 2026.	Typically lower rewards, lower risks ←						Typically higher rewards, higher risks →
	1	2	3	**4**	5	6	7

The Fund was ranked at 5 in the prior year as the Fund had experienced medium to high levels of volatility over the preceding 5 years.

Investment Review

Performance	**01/06/25 to 31/05/26 %**	**01/06/24 to 31/05/25 %**	**01/06/23 to 31/05/24 %**	**01/06/22 to 31/05/23 %**	**01/06/21 to 31/05/22 %**
Horizon Multi-Asset Fund 4 Z Accumulation	22.24	3.94	12.11	(0.74)	(4.75)

Source: Financial Express for Horizon Multi-Asset Fund 4. Basis: Net revenue reinvested and net of expenses.
Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

The Fund returned 22.24% over the year to 31st May 2026. Tactical asset allocation was the main contributor, while manager selection modestly detracted from the balanced profile.

Equity returns were driven by a narrow group of AI and semiconductor-related stocks, alongside sharp style rotation and periods of geopolitical volatility. Strong earnings and continued upgrades to corporate guidance supported markets and helped offset macroeconomic and geopolitical concerns. This environment was favourable for our top-down positioning, particularly the overweights to emerging market and US equities, and supported our systematic managers. However, it was more challenging for parts of the active satellite and fundamental manager line-up with value or quality-growth biases. Underperformance was concentrated in these areas and did not reflect any deterioration in our investment process.

We remain overweight equities, with a preference for the US and emerging markets, and underweight European equities relative to emerging markets. In fixed income, we remain underweight duration overall and overweight emerging market local currency debt, including Brazilian government bonds, where high FX carry and relative insulation from Middle East volatility offer attractive risk-adjusted return potential. We are also underweight US high yield, reflecting tight spreads and elevated issuance risk linked to AI capital expenditure.

The upcoming earnings season - with some major players in the AI space yet to report - will also offer relevant insights to assess the market environment and the outlook for company earnings.

BlackRock Investment Management (UK) Limited
June 2026

Horizon Multi-Asset Fund 4

Portfolio Statement

as at 31st May 2026

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (99.01%, 31/05/25 98.44%)			
Collective Investment Schemes			
BlackRock Advantage Europe Equity Fund◊	12,564	2,445	3.01
BlackRock Funds I ICAV - Blackrock Global Unconstrained Equity Fund◊	25,446	4,642	5.72
BlackRock ICS Sterling Liquid Environmentally Aware Fund◊	7,137	849	1.05
BlackRock Sustainable Advantage U.S. Equity Fund X Acc◊	24,455	5,758	7.09
Dimensional Funds PLC - U.S. Core Equity Fund	73,879	2,083	2.56
Dodge & Cox Worldwide Funds PLC - Global Stock Fund	85,638	3,036	3.74
iShares Brazil LTN BRL Govt Bond UCITS ETF DE	4,800	399	0.49
iShares Core MSCI EM IMI UCITS ETF	178,178	7,412	9.13
iShares Core S&P 500 UCITS ETF	12,873	7,793	9.60
iShares Core S&P 500 UCITS ETF GBP Hedged	115,678	1,470	1.81
iShares Corporate Bond Index Fund U.K.	9,809,381	9,389	11.56
iShares Emerging Markets Local Government Bond Index Fund IE	123,716	1,040	1.28
iShares EUR High Yield Corp. Bond UCITS ETF	49,924	269	0.33
iShares Euro Government Bond Index Fund	108,784	1,004	1.24
iShares Europe ex-U.K. Index Fund	20,887	231	0.28
iShares GBP Index-Linked Gilts UCITS ETF	150,061	1,651	2.03
iShares Japan Equity Index Fund U.K.	332,352	1,411	1.74
iShares U.K. Equity Index Fund U.K.	2,874,807	4,566	5.62
iShares World Equity Enhanced Active UCITS ETF	305,401	1,619	1.99
Legal & General Active Sterling Corporate Bond Fund	951,573	1,591	1.96
Life Cycle Global Equity Fund - UCITS	2,235,415	2,528	3.11
Life Cycle Global Equity Select Fund - UCITS	4,481,053	5,144	6.33
MAN Funds PLC - Man Systematic Emerging Markets Equity	35,940	4,747	5.84
Natixis International Funds Lux I - Harris Associates U.S. Value Equity Fund	7,702	1,125	1.39
PGIM Funds PLC - PGIM Global Corporate Bond UCITS Fund	4,637	5,670	6.98
PGIM Jennison U.S. Growth Fund	21,974	2,542	3.13
		80,414	99.01
TOTAL FINANCIALS		**80,414**	**99.01**
Portfolio of investments		**80,414**	**99.01**
Net other assets		**808**	**0.99**
Total net assets		**81,222**	**100.00**

All holdings are in Collective Investment Schemes or represent securities quoted on a Listed Securities Market, unless otherwise stated.

Stocks shown as ETFs represent Exchange Traded Funds.

◊Asset managed by the Investment Adviser.

Material Portfolio Changes

for the year ended 31st May 2026

	Cost £000		Proceeds £000
Major purchases		**Major sales**	
iShares Corporate Bond Index Fund U.K.	13,225	BlackRock Funds I ICAV - BlackRock Global Unconstrained Equity Fund◊	12,447
BlackRock ICS Sterling Liquid Environmentally Aware Fund◊	9,419	Legal & General Active Sterling Corporate Bond Fund	12,247
iShares Core S&P 500 UCITS ETF	8,794	BlackRock ICS Sterling Liquid Environmentally Aware Fund◊	9,517
PGIM Funds PLC - PGIM Global Corporate Bond UCITS Fund	6,868	Oaktree Emerging Markets Equity Fund	7,935
BlackRock Sustainable Advantage U.S. Equity Fund D Acc◊	6,798	iShares Core EURO STOXX 50 UCITS ETF	7,521
BlackRock Sustainable Advantage U.S. Equity Fund X Acc◊	6,364	iShares Japan Equity Index Fund U.K.	7,441
iShares Europe ex-U.K. Index Fund	5,777	iShares Core MSCI EM IMI UCITS ETF	6,822
Life Cycle Global Equity Select Fund - UCITS	5,638	BlackRock Sustainable Advantage U.S. Equity Fund D Acc◊	6,712
iShares U.K. Equity Index Fund U.K.	4,726	iShares Edge MSCI Europe Value Factor UCITS ETF	6,567
MAN Funds PLC - Man Systematic Emerging Markets Equity	4,634	iShares Europe ex-U.K. Index Fund	5,981

Stocks shown as ETFs represent Exchange Traded Funds.
◊Asset managed by the Investment Adviser.

Comparative Table

as at 31st May 2026

	31/05/26 (p)	31/05/25 (p)	31/05/24 (p)
Share Class I - Accumulation			
Change in net assets per share			
Opening net asset value per share	92.91	89.44	79.64
Return before operating charges*	21.30	4.06	10.39
Operating charges	(0.57)	(0.59)	(0.59)
Return after operating charges*	20.73	3.47	9.80
Distributions	(1.88)	(0.80)	(1.39)
Retained distributions on accumulation shares	1.88	0.80	1.39
Closing net asset value per share	113.64	92.91	89.44
*after direct transaction cost of:~	0.02	0.02	0.00
Performance			
Return after charges	22.31%	3.88%	12.31%
Other information			
Closing net asset value (£000)	17,778	15,389	19,812
Closing number of shares	15,644,315	16,562,539	22,152,211
Operating chargesΔ#	0.56%	0.65%	0.71%
Direct transaction costs~	0.02%	0.02%	0.00%
Prices**			
Highest share price	113.70	96.47	91.53
Lowest share price	92.78	84.53	77.24

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the SORP.
#Operating charges are representative of the ongoing charges figure.
ΔPrior year figures have been restated, as the operating charges were understated.
**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Comparative Table (continued)

as at 31st May 2026

	31/05/26 (p)	31/05/25 (p)	31/05/24 (p)
Share Class Z - Accumulation			
Change in net assets per share			
Opening net asset value per share	92.25	88.83	79.18
Return before operating charges*	21.14	4.09	10.32
Operating charges	(0.61)	(0.67)	(0.67)
Return after operating charges*	20.53	3.42	9.65
Distributions	(1.82)	(0.76)	(1.30)
Retained distributions on accumulation shares	1.82	0.76	1.30
Closing net asset value per share	112.78	92.25	88.83
*after direct transaction cost of:~	0.02	0.02	0.00
Performance			
Return after charges^	22.25%	3.85%	12.19%
Other information			
Closing net asset value (£000)	61,651	63,481	84,434
Closing number of shares	54,664,067	68,812,504	95,046,374
Operating chargesΔ#	0.61%	0.74%	0.81%
Direct transaction costs~	0.02%	0.02%	0.00%
Prices**			
Highest share price	112.80	95.79	90.92
Lowest share price	92.12	83.94	76.76

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the SORP.
#Operating charges are representative of the ongoing charges figure.
ΔPrior year figures have been restated, as the operating charges were understated.
^The return after charges figure is calculated as the return after operating charges per share divided by the opening net asset value per share. The net asset value figures include any accounting adjustments and as such, the return after charges is different to the performance return stated in the Investment Market Review on page 71 which is sourced from Financial Express and based on daily published prices.
**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Comparative Table (continued)

as at 31st May 2026

	31/05/26 (p)	31/05/25 (p)	31/05/24 (p)
Share Class Z - Income			
Change in net assets per share			
Opening net asset value per share	82.36	79.97	72.36
Return before operating charges*	18.74	3.65	9.42
Operating charges	(0.54)	(0.59)	(0.62)
Return after operating charges*	18.20	3.06	8.80
Distributions	(1.62)	(0.67)	(1.19)
Closing net asset value per share	98.94	82.36	79.97
*after direct transaction cost of:~	0.02	0.02	0.00
Performance			
Return after charges	22.10%	3.83%	12.16%
Other information			
Closing net asset value (£000)	1,793	2,142	2,336
Closing number of shares	1,812,070	2,600,206	2,921,472
Operating chargesΔ#	0.60%	0.73%	0.81%
Direct transaction costs~	0.02%	0.02%	0.00%
Prices**			
Highest share price	99.32	85.91	82.81
Lowest share price	82.24	75.28	70.15

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the SORP.
#Operating charges are representative of the ongoing charges figure.
ΔPrior year figures have been restated, as the operating charges were understated.
**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Statement of Total Return

for the year ended 31st May 2026

	Notes	01/06/25 to 31/05/26 £000	£000	01/06/24 to 31/05/25 £000	£000
Income					
Net capital gains	**2**		14,759		2,948
Revenue	**3**	1,889		1,259	
Expenses	**4**	(287)		(378)	
Interest payable and similar charges		(2)		-	
Net revenue before taxation		1,600		881	
Taxation	**5**	(111)		(116)	
Net revenue after taxation			1,489		765
Total return before distributions			**16,248**		**3,713**
Distributions	**6**		(1,489)		(801)
Change in net assets attributable to shareholders from investment activities			**14,759**		**2,912**

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31st May 2026

	01/06/25 to 31/05/26 £000	£000	01/06/24 to 31/05/25 £000	£000
Opening net assets attributable to shareholders		**81,012**		**106,582**
Amounts receivable on creation of shares	3,058		6,036	
Less: Amounts payable on cancellation of shares	(18,982)		(35,216)	
		(15,924)		(29,180)
Dilution adjustment		(1)		1
Change in net assets attributable to shareholders from investment activities		14,759		2,912
Retained distributions on accumulation shares		1,376		697
Closing net assets attributable to shareholders		**81,222**		**81,012**

Notes to the Financial Statements are on pages 79 to 85.

Horizon Multi-Asset Fund 4

Balance Sheet

as at 31st May 2026

	Notes	31/05/26 £000	31/05/25 £000
Assets			
Fixed assets			
Investments (excluding cash equivalents)‡		80,414	78,841
Current assets			
Debtors	**8**	2,495	8,232
Cash and bank balances		789	764
Cash equivalents‡		-	909
Total assets		**83,698**	**88,746**
Liabilities			
Creditors			
Distribution payable		(7)	(10)
Other creditors	**9**	(2,469)	(7,724)
Total liabilities		**(2,476)**	**(7,734)**
Net assets attributable to shareholders		**81,222**	**81,012**

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current and comparative year to comply with the Alternative Investment Fund Managers Directive (UK AIFMD) requirements.

Notes to the Financial Statements are on pages 79 to 85.

Notes to the Financial Statements

for the year ended 31st May 2026

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies, judgements and estimates set out on pages 12 to 14.

2. Net capital gains

The net capital gains during the year comprise:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Non-derivative securities	14,769	3,030
Forward currency contracts	(27)	-
ACD's periodic charge rebates taken to capital	-	1
Currency gains/(losses)	17	(83)
Net capital gains*	14,759	2,948

*Includes realised gains of £9,076,000 and unrealised gains of £5,683,000 (31/05/25: realised gains of £1,226,000 and unrealised gains of £1,722,000). Included in realised gains for the year were unrealised gains/(losses) recognised in the prior accounting year.

3. Revenue

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Distributions from Regulated Collective Investment Schemes:		
Investment income	90	223
Interest distributions	604	212
Offshore distributions	1,159	681
Bank interest	3	27
AMC rebates	33	114
Capped OCF rebates	-	2
Total revenue	1,889	1,259

4. Expenses

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	273	344
Other expenses:		
Audit fee	14	13
Registration fees	-	21
	14	34
Total expenses	287	378

Expenses include irrecoverable VAT.
The estimated Deloitte LLP audit fee for the year, inclusive of VAT is £14,112 (31/05/25: £14,112).

for the year ended 31st May 2026

5. Taxation

(a) Analysis of charge in year:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Corporation tax	111	80
Total deferred tax (note 5c)	-	36
Total taxation (note 5b)	111	116

(b) Factors affecting total tax charge for the year:

The tax assessed for the year is lower than (2025: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2025: 20%). The differences are explained below:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Net revenue before taxation	1,600	881
Corporation tax of 20% (2025: 20%)	320	176
Effects of:		
Non-taxable UK dividends*	(18)	(5)
Overseas non-taxable revenue*	(191)	(55)
Deferred tax charge in capital	-	36
Movement in excess management expenses	-	(36)
Total tax charge for year (note 5a)	111	116

**As an authorised OEIC these items are not subject to corporation tax.*

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Provision at the start of the year	-	(36)
Deferred tax charge in profit and loss account for the year (note 5a)	-	36
Provision at the end of the year	-	-

Provision consists of:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Interim	1,105	331
Final	303	380
	1,408	711
Add: Revenue deducted on cancellation of shares	94	106
Deduct: Revenue received on creation of shares	(13)	(16)
Net distributions for the year	1,489	801

Details of the distribution per share are set out in the Distribution Tables on pages 86 to 87.

for the year ended 31st May 2026

7. Movement between net revenue and net distributions

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Net revenue after taxation	1,489	765
Deferred tax taken to capital	-	36
Net distributions for the year	1,489	801

8. Debtors

	31/05/26 £000	31/05/25 £000
Sales awaiting settlement	2,366	8,099
Amounts receivable for issue of shares	1	17
AMC rebates receivable	128	116
Total debtors	2,495	8,232

9. Other creditors

	31/05/26 £000	31/05/25 £000
Purchases awaiting settlement	2,072	7,352
Amounts payable for cancellation of shares	218	221
Accrued expenses	69	71
Corporation tax payable	110	80
Total other creditors	2,469	7,724

10. Related party transactions

Scottish Widows Unit Trust Managers Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the sub-fund. Lloyds Banking Group plc, as the parent company of the ACD is the ultimate controlling party of the sub-fund. As such any member company of Lloyds Banking Group plc is also a related party.

Scottish Widows Unit Trust Managers Limited act as principal on all the transactions of shares in the sub-fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to/from Scottish Widows Unit Trust Managers Limited in respect of share transactions at the period end are included in the Balance Sheet.

Amounts paid to Scottish Widows Unit Trust Managers Limited in respect of ACD fees are disclosed in note 4, with £38,432 (31/05/25: £38,915) due at the year end.

Shares held by associates of the ACD

There were no shares held by the ACD and associates of the ACD in the sub-fund at the current and prior year.

11. Share classes

On 31st May the share classes in issue and the associated ACD's periodic charge on each share class, is as follows:

	31/05/26 %	31/05/25 %
Share Class I - Accumulation	0.61	0.61
Share Class Z - Accumulation	0.66	0.66
Share Class Z - Income	0.66	0.66

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables (unaudited) on pages 74 to 76.

All share classes have the same rights on winding up.

The distributions per share class are given in the Distribution Tables on pages 86 to 87.

for the year ended 31st May 2026

11. Share classes (continued)

Reconciliation of the shares movement in the year:

	01/06/25 Opening shares in issue	Creations	Cancellations	31/05/26 Closing shares in issue
Share Class I - Accumulation	16,562,539	1,848,556	(2,766,780)	15,644,315
Share Class Z - Accumulation	68,812,504	1,183,134	(15,331,571)	54,664,067
Share Class Z - Income	2,600,206	38,917	(827,053)	1,812,070

There are no conversions in the year to report.

12. Capital commitments and contingent liabilities

On 31st May 2026, the sub-fund had no capital commitments (31/05/25: £nil) and no contingent liabilities (31/05/25: £nil).

13. Risk management policies, derivatives and other financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 70. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

A portion of the sub-fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the Sterling value of the portfolio, cash and investment purchases and sales.

As at 31st May 2026, if the value of Sterling increased or decreased by 1% against all currencies, the resulting change in the net assets attributable to shareholders of the sub-fund would have been an increase or decrease of approximately £249,325 (31/05/25: £175,966).

As at 31st May 2026 the sub-fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure 31/05/26 £000	Currency exposure 31/05/25 £000
Euro	2,678	64
US dollar	22,255	17,533
Total	24,933	17,597

(b) Interest rate risk profile of financial assets and liabilities

The sub-fund receives revenue from holdings in collective investment schemes. The cashflow from the sub-fund's underlying investments may fluctuate depending upon the particular decisions made by each sub-fund. The sub-fund is actively managed by the Investment Adviser with the objective to grow investment through a combination of income and capital growth over the medium to long term.

The interest rate risk profile of the company's financial assets and liabilities at 31st May was:

Currency	Net Floating rate financial assets £000	Net Fixed rate financial assets £000	Net Financial assets not carrying interest £000	Total £000
31/05/26				
Sterling	700	-	55,589	56,289
Euro	1	-	2,677	2,678
US dollar	88	-	22,167	22,255
Total	789	-	80,433	81,222

13. Risk management policies, derivatives and other financial instruments (continued)

(b) Interest rate risk profile of financial assets and liabilities (continued)

Currency	Net Floating rate financial assets £000	Net Fixed rate financial assets £000	Net Financial assets/ (liabilities) not carrying interest £000	Total £000
31/05/25				
Sterling	669	-	62,781	63,450
Euro	65	-	(1)	64
US dollar	29	-	17,504	17,533
Total	763	-	80,284	81,047

The sub-fund's net cash holding of £789,130 (31/05/25: holding £763,925) is held in a floating rate deposit account whose interest rates are based on SONIA or its international equivalent.

As at 31st May 2026 and 2025, the sub-fund had exposure to interest rate risk via underlying exposure in collective investment schemes. However, the sub-fund does not have any significant direct interest rate risk and as such no sensitivity analysis is presented.

The sub-fund did not have any long term financial liabilities.

(c) Liquidity risk

All of the sub-fund's financial assets are considered to be readily realisable, comprising predominantly of collective investment schemes. In general, the Investment Adviser manages the sub-fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the sub-fund may borrow up to 10% of its value to ensure settlement.

As set out in the Prospectus, the ACD may, with the prior agreement of the Depositary, temporarily suspend the issue, cancellation, sale and redemption of shares in the sub-fund or a class within the sub-fund where due to exceptional circumstances it is in the interests of all the shareholders. This may be used for circumstances affecting material uncertainty on asset valuations and protection of the sub-fund's liquidity.

All of the sub-fund's financial liabilities are payable on demand or in less than one year.

We do not consider these liquidity risks to be significant and therefore no numerical analysis is being presented.

(d) Market price risk and fair value of financial assets and liabilities

Market risk arises mainly from uncertainty about future values of financial instruments influenced by other price risk, currency risk and interest rate movements. It represents the potential loss the sub-fund may suffer through holding market positions in financial instruments in the face of market movements.

Other price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market.

Local, regional or global events, for example, war, acts of terrorism, the spread of infectious diseases, government policy or the health of the underlying economy could have a significant impact on the sub-fund and the market price of its investments.

13. Risk management policies, derivatives and other financial instruments (continued)

(d) Market price risk and fair value of financial assets and liabilities (continued)

The sub-fund invests principally in regulated collective investment schemes. The value of these collective investment schemes are not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of collective investment schemes in line with the sub-fund's objectives. In addition, the management of the sub-fund complies with the restricted investment limits under the Financial Conduct Authority Rules. The restricted investment limits are summarised in the investment and borrowing powers of the Company set out in the Prospectus.

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair values.

As at 31st May 2026, if the price of investments held by the sub-funds increased or decreased by 5%, the resulting change in net assets attributable to shareholders would have been an increase or decrease of approximately 5%; which for this sub-fund would equate to £4,020,703 (31/05/25: £3,987,485).

(e) Leverage

Leverage is any method by which the ACD increases the exposure of a sub-fund whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

The maximum level of leverage which the ACD is entitled to employ on behalf of the sub-fund is set out in the Prospectus.

Where the investment policy of a sub-fund permits the use of derivatives and/or forward transactions for investment purposes, the sub-fund may be leveraged to the extent that this may potentially increase the volatility and risk of the sub-fund. In addition, when undertaking derivative and forward transactions, the low margin deposits normally required may lead to a higher degree of leverage, which may also lead to greater fluctuations in the price of a sub-fund.

There are two ways in which the ACD can introduce leverage to the sub-fund. These are by borrowing money using its overdraft facility, and by investing in derivative positions. Neither of these are important features in terms of how the ACD manages the sub-fund. There is no collateral, asset re-use or guarantee arrangements involved in the ACD's current approach to leverage. For the year ended 31st May 2026, the sub-fund did not hold any derivatives; therefore, there has been no leverage exposure for the year (31/05/25: £nil).

(f) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty and issuer risk.

The sub-fund enters into transactions in financial instruments which expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the sub-fund has fulfilled its obligations. The sub-fund only buys and sells financial instruments through parties that have been approved by the ACD as acceptable. These are reviewed on an ongoing basis.

The credit risk in this Fund is limited to the cash and bank balances and these are held with counterparties with high credit-ratings assigned by international credit-rating agencies.

for the year ended 31st May 2026

14. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Collective Investment Schemes	110,360	68,605	126,173	98,057
Trades in the year before transaction costs	110,360	68,605	126,173	98,057
Commissions				
Collective Investment Schemes	6	9	(10)	(11)
Total net trades in the year after transaction costs	110,366	68,614	126,163	98,046

Total transaction cost expressed as a percentage of average net asset value

	01/06/25 to 31/05/26 %	01/06/24 to 31/05/25 %
Commissions	0.02	0.02

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of equities, futures and options contracts, broker commissions and transfer taxes and other expenses may be paid on each transaction. However, as futures contracts do not have relative purchases and sales amounts, the notional value of futures contracts, or the associated broker commissions and transfer taxes, is not shown in the analysis of total trade costs above. Other types of investments such as collective investment schemes, fixed income and swaps have no separately identifiable transaction costs and these costs form part of the dealing spread. Transaction costs disclosed on collective investment schemes relate to non-equity investment instruments.

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.03% (31/05/25: 0.05%).

15. Fair value

	31/05/26		31/05/25	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£000	£000	£000	£000
Level 1	20,613	-	29,873	-
Level 2	59,801	-	49,877	-
Level 3	-	-	-	-
Total fair value	80,414	-	79,750	-

Level 1 - Quoted prices for identical instruments in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

Level 2 - Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investment schemes.

Level 3 - Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and delisted/suspended or unlisted securities.

Distribution Tables

for the year ended 31st May 2026

Distribution in pence per share

Group 1 Interim Shares purchased prior to 1st June 2025
Final Shares purchased prior to 1st December 2025

Group 2 Interim Shares purchased on or between 1st June 2025 and 30th November 2025
Final Shares purchased on or between 1st December 2025 and 31st May 2026

Share Class I - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 31/07/2026	Distributions paid to 31/07/2025
Group 1	(p)	(p)	(p)	(p)
Interim	1.4400	-	1.4400	0.3674
Final	0.4436	-	0.4436	0.4292
Group 2	(p)	(p)	(p)	(p)
Interim	1.1913	0.2487	1.4400	0.3674
Final	0.1506	0.2930	0.4436	0.4292

Share Class Z - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 31/07/2026	Distributions paid to 31/07/2025
Group 1	(p)	(p)	(p)	(p)
Interim	1.4078	-	1.4078	0.3223
Final	0.4151	-	0.4151	0.4345
Group 2	(p)	(p)	(p)	(p)
Interim	0.9686	0.4392	1.4078	0.3223
Final	0.2383	0.1768	0.4151	0.4345

Share Class Z - Income

	Net revenue	Equalisation	Distributions paid/payable to 31/07/2026	Distributions paid to 31/07/2025
Group 1	(p)	(p)	(p)	(p)
Interim	1.2555	-	1.2555	0.2904
Final	0.3673	-	0.3673	0.3781
Group 2	(p)	(p)	(p)	(p)
Interim	1.1902	0.0653	1.2555	0.2904
Final	0.1970	0.1703	0.3673	0.3781

Distribution Tables (continued)

for the year ended 31st May 2026

Corporate shareholder information (unaudited) for all share classes

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 76.82% of the dividend is received as non-taxable income.

Interim - 23.18% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

Final - 46.07% of the dividend is received as non-taxable income.

Final - 53.93% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

Investment Markets Overview

for the year ended 31st May 2026

Investment Objective

The Sub-fund aims to grow investment through a combination of income and capital growth over the medium to long term (5 or more years).

The Sub-fund will aim to achieve this objective, whilst remaining within Risk Profile 5, which is the highest risk profile in this range.

Risk Profile

The Sub-fund aims to deliver income and capital growth through assets that may demonstrate large price fluctuations (Risk Profile 5), with greatest exposure to equity. The full range of asset classes is set out in the Investment Policy and Strategy below.

Investment Policy and Strategy

The Sub-fund will be invested in collective investment schemes. Investments in collective investment schemes may also include those managed, operated or advised by the ACD's associates.

Through the investment in collective investment schemes, the Sub-fund will be indirectly invested in a range of different asset classes. The weighting of the asset classes to which the Fund is exposed may be varied depending on the Investment Manager's views in the context of achieving the investment objective. Under normal market circumstances, between 60% and 100% of the value of the Sub-fund will be invested in global equities, including emerging market equities. The Sub-fund may have some indirect exposure (typically, no more than 15% in aggregate) to any one or more of: real estate and commodities. To the extent not fully invested in collective investment schemes, in normal market conditions, up to 10% may be invested directly in cash, near cash and money market instruments.

The Investment Manager may need to adjust the stated exposure level to global equities during periods of unusual instability in the markets.

The Sub-fund's risk level is managed by varying the weighting of the asset classes to which the Sub-fund is exposed.

The Sub-fund may use derivatives to reduce risk or cost or to generate additional capital or income at proportionate risk (known as "Efficient Portfolio Management").

Strategy

The Sub-fund is managed with reference to strategic asset allocations which are provided to the Investment Manager on at least a quarterly basis; these may change as a result of changing market conditions and assumptions in the Risk Profile Service Provider's asset allocation models which aim to achieve an optimal level of growth in income and capital for the expected risk level assuming a long term investment horizon (10 or more years).

The Sub-Fund is actively managed by the Investment Manager. The Investment Manager may take tactical decisions away from the strategic asset allocation to seek to meet the Sub-fund's investment objectives and improve returns. There is no guarantee that the Sub-fund's investment objective will be met.

The Investment Manager also has the potential to increase performance through its choice of collective investment schemes in which it invests: for example actively managed funds typically aim to increase performance through superior stock or sector selection skills (although there is no certainty of this and the opposite could occur).

Use of Benchmarks

The Sub-fund does not aim to match or exceed the performance of, and its portfolio is not constrained by, any index.

For performance comparison purposes the IA Flexible Investment sector peer group is considered appropriate. The Sub-fund's exposure to different investments which may include UK and overseas developed and emerging markets equities and UK real estate, with the potential to gain an exposure of up to 100% in equities enables it to be included in this sector, although the asset allocation of the Sub-fund is not managed with the intention of ensuring it remains within this sector. Its performance can be compared with the performance of other funds in the sector, and against the sector average.

Investment Markets Overview (continued)

for the year ended 31st May 2026

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

The Fund is ranked at 5* because it has experienced medium to high levels of volatility over the past 5 years. *As disclosed in the key investor information document dated 30th January 2026.	Typically lower rewards, lower risks ←					Typically higher rewards, higher risks →	
	1	2	3	4	**5**	6	7

Investment Review

Performance	**01/06/25 to 31/05/26 %**	**01/06/24 to 31/05/25 %**	**01/06/23 to 31/05/24 %**	**01/06/22 to 31/05/23 %**	**01/06/21 to 31/05/22 %**
Horizon Multi-Asset Fund 5 Z Accumulation	26.92	3.83	13.83	1.19	(3.73)

Source: Financial Express for Horizon Multi-Asset Fund 5. Basis: Net revenue reinvested and net of expenses.
Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

The Fund returned 26.92% over the year to 31st May 2026. Tactical asset allocation was the main contributor, while manager selection modestly detracted from the balanced profile.

Equity returns were driven by a narrow group of AI and semiconductor-related stocks, alongside sharp style rotation and periods of geopolitical volatility. Strong earnings and continued upgrades to corporate guidance supported markets and helped offset macroeconomic and geopolitical concerns. This environment was favourable for our top-down positioning, particularly the overweights to emerging market and US equities, and supported our systematic managers. However, it was more challenging for parts of the active satellite and fundamental manager line-up with value or quality-growth biases. Underperformance was concentrated in these areas and did not reflect any deterioration in our investment process.

We remain overweight equities, with a preference for the US and emerging markets, and underweight European equities relative to emerging markets. In fixed income, we remain underweight duration overall and overweight emerging market local currency debt, including Brazilian government bonds, where high FX carry and relative insulation from Middle East volatility offer attractive risk-adjusted return potential. We are also underweight US high yield, reflecting tight spreads and elevated issuance risk linked to AI capital expenditure.

The upcoming earnings season - with some major players in the AI space yet to report - will also offer relevant insights to assess the market environment and the outlook for company earnings.

BlackRock Investment Management (UK) Limited
June 2026

Horizon Multi-Asset Fund 5

Portfolio Statement

as at 31st May 2026

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (98.36%, 31/05/25 99.20%)			
Collective Investment Schemes			
BlackRock Advantage Europe Equity Fund◊	13,175	2,564	3.94
BlackRock Funds I ICAV - Blackrock Global Unconstrained Equity Fund◊	21,204	3,869	5.95
BlackRock ICS Sterling Liquid Environmentally Aware Fund◊	7,564	900	1.38
BlackRock Sustainable Advantage U.S. Equity Fund X Acc◊	27,914	6,572	10.10
Dimensional Funds PLC - U.S. Core Equity Fund	81,285	2,291	3.52
Dodge & Cox Worldwide Funds PLC - Global Stock Fund	73,778	2,615	4.02
iShares Brazil LTN BRL Govt Bond UCITS ETF DE	5,725	476	0.73
iShares Core MSCI EM IMI UCITS ETF	256,880	10,686	16.42
iShares Core S&P 500 UCITS ETF	14,402	8,719	13.40
iShares Core S&P 500 UCITS ETF GBP Hedged	114,973	1,461	2.24
iShares Emerging Markets Local Government Bond Index Fund IE	113,305	953	1.46
iShares EUR High Yield Corp. Bond UCITS ETF	38,361	207	0.32
iShares Europe ex-U.K. Index Fund	27,161	301	0.46
iShares Japan Equity Index Fund U.K.	411,434	1,747	2.68
iShares U.K. Equity Index Fund U.K.	2,941,502	4,672	7.18
iShares World Equity Enhanced Active UCITS ETF	276,620	1,466	2.25
Legal & General Active Sterling Corporate Bond Fund	391	1	0.00
Life Cycle Global Equity Fund - UCITS	2,013,604	2,277	3.50
Life Cycle Global Equity Select Fund - UCITS	3,803,588	4,367	6.71
MAN Funds PLC - Man Systematic Emerging Markets Equity	14,131	1,866	2.87
Natixis International Funds Lux I - Harris Associates U.S. Value Equity Fund	8,530	1,245	1.91
PGIM Funds PLC - PGIM Global Corporate Bond UCITS Fund	1,440	1,761	2.71
PGIM Jennison U.S. Growth Fund	25,919	2,998	4.61
		64,014	98.36
TOTAL FINANCIALS		**64,014**	**98.36**
Portfolio of investments		**64,014**	**98.36**
Net other assets		**1,067**	**1.64**
Total net assets		**65,081**	**100.00**

All holdings are in Collective Investment Schemes or represent securities quoted on a Listed Securities Market, unless otherwise stated.

Stocks shown as ETFs represent Exchange Traded Funds.

◊Asset managed by the Investment Adviser.

Material Portfolio Changes

for the year ended 31st May 2026

	Cost £000		Proceeds £000
Major purchases		**Major sales**	
iShares Core MSCI EM IMI UCITS ETF	13,947	iShares Core MSCI EM IMI UCITS ETF	16,361
iShares Core S&P 500 UCITS ETF	9,399	BlackRock Funds I ICAV - BlackRock Global Unconstrained Equity Fund◊	13,359
BlackRock ICS Sterling Liquid Environmentally Aware Fund◊	8,528	BlackRock Continental European Fund◊	11,023
BlackRock Sustainable Advantage U.S. Equity Fund D Acc◊	8,342	Oaktree Emerging Markets Equity Fund	8,918
BlackRock Sustainable Advantage U.S. Equity Fund X Acc◊	8,066	BlackRock ICS Sterling Liquid Environmentally Aware Fund◊	8,615
SPDR MSCI Emerging Markets UCITS ETF	6,241	iShares Edge MSCI Europe Value Factor UCITS ETF	8,534
Oaktree Emerging Markets Equity Fund	5,775	BlackRock Sustainable Advantage U.S. Equity Fund D Acc◊	8,234
iShares U.K. Equity Index Fund U.K.	4,745	SPDR MSCI Emerging Markets UCITS ETF	7,084
Life Cycle Global Equity Select Fund - UCITS	4,536	iShares Japan Equity Index Fund U.K.	5,902
BlackRock Advantage Europe Equity Fund◊	3,708	BlackRock Advantage Europe Equity Fund◊	3,801

Stocks shown as ETFs represent Exchange Traded Funds.
◊Asset managed by the Investment Adviser.

Comparative Table

as at 31st May 2026

	31/05/26 (p)	31/05/25 (p)	31/05/24 (p)
Share Class I - Accumulation			
Change in net assets per share			
Opening net asset value per share	109.91	105.92	92.93
Return before operating charges*	30.40	4.72	13.69
Operating charges	(0.72)	(0.73)	(0.70)
Return after operating charges*	29.68	3.99	12.99
Distributions	(1.86)	(0.52)	(1.24)
Retained distributions on accumulation shares	1.86	0.52	1.24
Closing net asset value per share	139.59	109.91	105.92
*after direct transaction cost of:~	0.05	0.03	0.00
Performance			
Return after charges	27.00%	3.77%	13.98%
Other information			
Closing net asset value (£000)	20,719	18,326	20,120
Closing number of shares	14,842,896	16,673,187	18,995,189
Operating chargesΔ#	0.59%	0.67%	0.71%
Direct transaction costs~	0.04%	0.03%	0.00%
Prices**			
Highest share price	139.70	115.80	108.60
Lowest share price	109.70	97.99	89.45

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the SORP.
#Operating charges are representative of the ongoing charges figure.
ΔPrior year figures have been restated, as the operating charges were understated.
**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Comparative Table (continued)

as at 31st May 2026

	31/05/26 (p)	31/05/25 (p)	31/05/24 (p)
Share Class Z - Accumulation			
Change in net assets per share			
Opening net asset value per share	109.06	105.19	92.38
Return before operating charges*	30.15	4.68	13.60
Operating charges	(0.77)	(0.81)	(0.79)
Return after operating charges*	29.38	3.87	12.81
Distributions	(1.78)	(0.42)	(1.12)
Retained distributions on accumulation shares	1.78	0.42	1.12
Closing net asset value per share	138.44	109.06	105.19
*after direct transaction cost of:~	0.05	0.03	0.00
Performance			
Return after charges^	26.94%	3.68%	13.87%
Other information			
Closing net asset value (£000)	43,522	38,606	42,100
Closing number of shares	31,437,238	35,397,982	40,022,054
Operating chargesΔ#	0.64%	0.75%	0.81%
Direct transaction costs~	0.04%	0.03%	0.00%
Prices**			
Highest share price	138.60	114.90	107.86
Lowest share price	108.90	97.24	88.89

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the SORP.
#Operating charges are representative of the ongoing charges figure.
ΔPrior year figures have been restated, as the operating charges were understated.
^The return after charges figure is calculated as the return after operating charges per share divided by the opening net asset value per share. The net asset value figures include any accounting adjustments and as such, the return after charges is different to the performance return stated in the Investment Market Review on page 89 which is sourced from Financial Express and based on daily published prices.
**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Comparative Table (continued)

as at 31st May 2026

	31/05/26 (p)	31/05/25 (p)	31/05/24 (p)
Share Class Z - Income			
Change in net assets per share			
Opening net asset value per share	100.77	97.57	86.62
Return before operating charges*	27.67	4.34	12.75
Operating charges	(0.70)	(0.75)	(0.74)
Return after operating charges*	26.97	3.59	12.01
Distributions	(1.64)	(0.39)	(1.06)
Closing net asset value per share	126.10	100.77	97.57
*after direct transaction cost of:~	0.04	0.03	0.00
Performance			
Return after charges	26.76%	3.68%	13.87%
Other information			
Closing net asset value (£000)	840	895	677
Closing number of shares	665,978	887,945	693,665
Operating chargesΔ#	0.63%	0.75%	0.81%
Direct transaction costs~	0.04%	0.03%	0.00%
Prices**			
Highest share price	126.40	106.40	101.09
Lowest share price	100.60	90.04	83.35

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the SORP.
#Operating charges are representative of the ongoing charges figure.
ΔPrior year figures have been restated, as the operating charges were understated.
**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Statement of Total Return

for the year ended 31st May 2026

	Notes	01/06/25 to 31/05/26 £000	£000	01/06/24 to 31/05/25 £000	£000
Income					
Net capital gains	**2**		13,675		2,009
Revenue	**3**	1,137		500	
Expenses	**4**	(229)		(245)	
Interest payable and similar charges		-		-	
Net revenue before taxation		908		255	
Taxation	**5**	-		-	
Net revenue after taxation			908		255
Total return before distributions			**14,583**		**2,264**
Distributions	**6**		(908)		(255)
Change in net assets attributable to shareholders from investment activities			**13,675**		**2,009**

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31st May 2026

	01/06/25 to 31/05/26 £000	£000	01/06/24 to 31/05/25 £000	£000
Opening net assets attributable to shareholders		**57,827**		**62,897**
Amounts receivable on creation of shares	5,136		7,113	
Less: Amounts payable on cancellation of shares	(12,433)		(14,436)	
		(7,297)		(7,323)
Dilution adjustment		-		1
Change in net assets attributable to shareholders from investment activities		13,675		2,009
Retained distributions on accumulation shares		876		243
Closing net assets attributable to shareholders		**65,081**		**57,827**

Notes to the Financial Statements are on pages 97 to 103.

Balance Sheet

as at 31st May 2026

	Notes	31/05/26 £000	31/05/25 £000
Assets			
Fixed assets			
Investments (excluding cash equivalents)‡		64,014	56,406
Current assets			
Debtors	**7**	2,346	8,136
Cash and bank balances		452	499
Cash equivalents‡		-	958
Total assets		**66,812**	**65,999**
Liabilities			
Creditors			
Distribution payable		(1)	(2)
Other creditors	**8**	(1,730)	(8,170)
Total liabilities		**(1,731)**	**(8,172)**
Net assets attributable to shareholders		**65,081**	**57,827**

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current and comparative year to comply with the Alternative Investment Fund Managers Directive (UK AIFMD) requirements.

Notes to the Financial Statements are on pages 97 to 103.

Notes to the Financial Statements

for the year ended 31st May 2026

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies, judgements and estimates set out on pages 12 to 14.

2. Net capital gains

The net capital gains during the year comprise:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Non-derivative securities	13,683	2,059
Forward currency contracts	(93)	-
ACD's periodic charge rebates taken to capital	-	2
Currency gains/(losses)	85	(52)
Net capital gains*	13,675	2,009

*Includes realised gains of £7,785,000 and unrealised gains of £5,890,000 (31/05/25: realised gains of £1,525,000 and unrealised gains of £484,000). Included in realised gains for the year were unrealised gains/(losses) recognised in the prior accounting year.

3. Revenue

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Distributions from Regulated Collective Investment Schemes:		
Investment income	75	25
Interest distributions	31	29
Offshore distributions	993	327
Bank interest	3	20
AMC rebates	35	94
Capped OCF rebates	-	5
Total revenue	1,137	500

4. Expenses

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	215	219
Other expenses:		
Audit fee	14	13
Registration fees	-	13
	14	26
Total expenses	229	245

Expenses include irrecoverable VAT.
The estimated Deloitte LLP audit fee for the year, inclusive of VAT is £14,112 (31/05/25: £14,112).

for the year ended 31st May 2026

5. Taxation

(a) Analysis of charge in year:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Total taxation (note 5b)	-	-

(b) Factors affecting total tax charge for the year:

The tax assessed for the year is lower than (2025: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2025: 20%). The differences are explained below:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Net revenue before taxation	908	255
Corporation tax of 20% (2025: 20%)	182	51
Effects of:		
Non-taxable UK dividends*	(15)	(4)
Overseas non-taxable revenue*	(188)	(52)
Movement in excess management expenses	21	5
Total tax charge for year (note 5a)	-	-

**As an authorised OEIC these items are not subject to corporation tax.*
OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £281,234 (31/05/25: £260,117) relating to surplus management expenses. No deferred tax asset has been recognised in either year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Interim	778	114
Final	109	132
	887	246
Add: Revenue deducted on cancellation of shares	37	18
Deduct: Revenue received on creation of shares	(16)	(9)
Net distributions for the year	908	255

Details of the distribution per share are set out in the Distribution Tables on pages 104 to 105.

7. Debtors

	31/05/26 £000	31/05/25 £000
Sales awaiting settlement	1,930	8,018
Amounts receivable for issue of shares	292	22
AMC rebates receivable	124	96
Total debtors	2,346	8,136

8. Other creditors

	31/05/26 £000	31/05/25 £000
Purchases awaiting settlement	1,682	8,009
Amounts payable for cancellation of shares	-	113
Accrued expenses	48	48
Total other creditors	1,730	8,170

9. Related party transactions

Scottish Widows Unit Trust Managers Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the sub-fund. Lloyds Banking Group plc, as the parent company of the ACD is the ultimate controlling party of the sub-fund. As such any member company of Lloyds Banking Group plc is also a related party.

Scottish Widows Unit Trust Managers Limited act as principal on all the transactions of shares in the sub-fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to/from Scottish Widows Unit Trust Managers Limited in respect of share transactions at the period end are included in the Balance Sheet.

Amounts paid to Scottish Widows Unit Trust Managers Limited in respect of ACD fees are disclosed in note 4, with £29,087 (31/05/25: £27,421) due at the year end.

Shares held by associates of the ACD

There were no shares held by the ACD and associates of the ACD in the sub-fund at the current and prior year.

10. Share classes

On 31st May the share classes in issue and the associated ACD's periodic charge on each share class, is as follows:

	31/05/26 %	31/05/25 %
Share Class I - Accumulation	0.63	0.63
Share Class Z - Accumulation	0.68	0.68
Share Class Z - Income	0.68	0.68

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables (unaudited) on pages 92 to 94.

All share classes have the same rights on winding up.

The distributions per share class are given in the Distribution Tables on pages 104 to 105.

Reconciliation of the shares movement in the year:

	01/06/25 Opening shares in issue	Creations	Cancellations	31/05/26 Closing shares in issue
Share Class I - Accumulation	16,673,187	1,304,096	(3,134,387)	14,842,896
Share Class Z - Accumulation	35,397,982	2,881,003	(6,841,747)	31,437,238
Share Class Z - Income	887,945	37,206	(259,173)	665,978

There are no conversions in the year to report.

for the year ended 31st May 2026

11. Capital commitments and contingent liabilities

On 31st May 2026, the sub-fund had no capital commitments (31/05/25: £nil) and no contingent liabilities (31/05/25: £nil).

12. Risk management policies, derivatives and other financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 88. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

A portion of the sub-fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the Sterling value of the portfolio, cash and investment purchases and sales.

As at 31st May 2026, if the value of Sterling increased or decreased by 1% against all currencies, the resulting change in the net assets attributable to shareholders of the sub-fund would have been an increase or decrease of approximately £215,290 (31/05/25: £114,835).

As at 31st May 2026 the sub-fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure 31/05/26 £000	Currency exposure 31/05/25 £000
Euro	2,869	52
US dollar	18,660	11,431
Total	21,529	11,483

(b) Interest rate risk profile of financial assets and liabilities

The sub-fund receives revenue from holdings in collective investment schemes. The cashflow from the sub-fund's underlying investments may fluctuate depending upon the particular decisions made by each sub-fund. The sub-fund is actively managed by the Investment Adviser with the objective to grow investment through a combination of income and capital growth over the medium to long term.

The interest rate risk profile of the company's financial assets and liabilities at 31st May was:

Currency	Net Floating rate financial assets £000	Net Fixed rate financial assets £000	Net Financial assets not carrying interest £000	Total £000
31/05/26				
Sterling	365	-	43,187	43,552
Euro	4	-	2,865	2,869
US dollar	84	-	18,576	18,660
Total	453	-	64,628	65,081

12. Risk management policies, derivatives and other financial instruments (continued)

(b) Interest rate risk profile of financial assets and liabilities (continued)

Currency	Net Floating rate financial assets £000	Net Fixed rate financial assets £000	Net Financial assets/ (liabilities) not carrying interest £000	Total £000
31/05/25				
Sterling	404	-	45,940	46,344
Euro	54	-	(2)	52
US dollar	40	-	11,391	11,431
Total	498	-	57,329	57,827

The sub-fund's net cash holding of £452,503 (31/05/25: holding £498,683) is held in a floating rate deposit account whose interest rates are based on SONIA or its international equivalent.

As at 31st May 2026 and 2025, the sub-fund had exposure to interest rate risk via underlying exposure in collective investment schemes. However, the sub-fund does not have any significant direct interest rate risk and as such no sensitivity analysis is presented.

The sub-fund did not have any long term financial liabilities.

(c) Liquidity risk

All of the sub-fund's financial assets are considered to be readily realisable, comprising predominantly of collective investment schemes. In general, the Investment Adviser manages the sub-fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the sub-fund may borrow up to 10% of its value to ensure settlement.

As set out in the Prospectus, the ACD may, with the prior agreement of the Depositary, temporarily suspend the issue, cancellation, sale and redemption of shares in the sub-fund or a class within the sub-fund where due to exceptional circumstances it is in the interests of all the shareholders. This may be used for circumstances affecting material uncertainty on asset valuations and protection of the sub-fund's liquidity.

All of the sub-fund's financial liabilities are payable on demand or in less than one year.

We do not consider these liquidity risks to be significant and therefore no numerical analysis is being presented.

(d) Market price risk and fair value of financial assets and liabilities

Market risk arises mainly from uncertainty about future values of financial instruments influenced by other price risk, currency risk and interest rate movements. It represents the potential loss the sub-fund may suffer through holding market positions in financial instruments in the face of market movements.

Other price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market.

Local, regional or global events, for example, war, acts of terrorism, the spread of infectious diseases, government policy or the health of the underlying economy could have a significant impact on the sub-fund and the market price of its investments.

12. Risk management policies, derivatives and other financial instruments (continued)

(d) Market price risk and fair value of financial assets and liabilities (continued)

The sub-fund invests principally in regulated collective investment schemes. The value of these collective investment schemes are not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of collective investment schemes in line with the sub-fund's objectives. In addition, the management of the sub-fund complies with the restricted investment limits under the Financial Conduct Authority Rules. The restricted investment limits are summarised in the investment and borrowing powers of the Company set out in the Prospectus.

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair values.

As at 31st May 2026, if the price of investments held by the sub-funds increased or decreased by 5%, the resulting change in net assets attributable to shareholders would have been an increase or decrease of approximately 5%; which for this sub-fund would equate to £3,200,705 (31/05/25: £2,868,201).

(e) Leverage

Leverage is any method by which the ACD increases the exposure of a sub-fund whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

The maximum level of leverage which the ACD is entitled to employ on behalf of the sub-fund is set out in the Prospectus.

Where the investment policy of a sub-fund permits the use of derivatives and/or forward transactions for investment purposes, the sub-fund may be leveraged to the extent that this may potentially increase the volatility and risk of the sub-fund. In addition, when undertaking derivative and forward transactions, the low margin deposits normally required may lead to a higher degree of leverage, which may also lead to greater fluctuations in the price of a sub-fund.

There are two ways in which the ACD can introduce leverage to the sub-fund. These are by borrowing money using its overdraft facility, and by investing in derivative positions. Neither of these are important features in terms of how the ACD manages the sub-fund. There is no collateral, asset re-use or guarantee arrangements involved in the ACD’s current approach to leverage. For the year ended 31st May 2026, the sub-fund did not hold any derivatives; therefore, there has been no leverage exposure for the year (31/05/25: £nil).

(f) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty and issuer risk.

The sub-fund enters into transactions in financial instruments which expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the sub-fund has fulfilled its obligations. The sub-fund only buys and sells financial instruments through parties that have been approved by the ACD as acceptable. These are reviewed on an ongoing basis.

The credit risk in this Fund is limited to the cash and bank balances and these are held with counterparties with high credit-ratings assigned by international credit-rating agencies.

13. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000	01/06/25 to 31/05/26 £000	01/06/24 to 31/05/25 £000
Collective Investment Schemes	117,457	58,268	125,598	64,356
Trades in the year before transaction costs	117,457	58,268	125,598	64,356
Commissions				
Collective Investment Schemes	11	8	(12)	(9)
Total net trades in the year after transaction costs	117,468	58,276	125,586	64,347

Total transaction cost expressed as a percentage of average net asset value

	01/06/25 to 31/05/26 %	01/06/24 to 31/05/25 %
Commissions	0.04	0.03

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of equities, futures and options contracts, broker commissions and transfer taxes and other expenses may be paid on each transaction. However, as futures contracts do not have relative purchases and sales amounts, the notional value of futures contracts, or the associated broker commissions and transfer taxes, is not shown in the analysis of total trade costs above. Other types of investments such as collective investment schemes, fixed income and swaps have no separately identifiable transaction costs and these costs form part of the dealing spread. Transaction costs disclosed on collective investment schemes relate to non-equity investment instruments.

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.04% (31/05/25: 0.08%).

14. Fair value

	31/05/26		31/05/25	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£000	£000	£000	£000
Level 1	23,015	-	21,344	-
Level 2	40,999	-	36,020	-
Level 3	-	-	-	-
Total fair value	64,014	-	57,364	-

Level 1 - Quoted prices for identical instruments in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

Level 2 - Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investment schemes.

Level 3 - Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and delisted/suspended or unlisted securities.

Distribution Tables

for the year ended 31st May 2026

Distribution in pence per share

Group 1 Interim Shares purchased prior to 1st June 2025
Final Shares purchased prior to 1st December 2025

Group 2 Interim Shares purchased on or between 1st June 2025 and 30th November 2025
Final Shares purchased on or between 1st December 2025 and 31st May 2026

Share Class I - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 31/07/2026	Distributions paid to 31/07/2025
Group 1	(p)	(p)	(p)	(p)
Interim	1.6007	-	1.6007	0.2428
Final	0.2557	-	0.2557	0.2756
Group 2	(p)	(p)	(p)	(p)
Interim	0.9234	0.6773	1.6007	0.2428
Final	0.1607	0.0950	0.2557	0.2756

Share Class Z - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 31/07/2026	Distributions paid to 31/07/2025
Group 1	(p)	(p)	(p)	(p)
Interim	1.5587	-	1.5587	0.1875
Final	0.2228	-	0.2228	0.2369
Group 2	(p)	(p)	(p)	(p)
Interim	1.2493	0.3094	1.5587	0.1875
Final	0.1022	0.1206	0.2228	0.2369

Share Class Z - Income

	Net revenue	Equalisation	Distributions paid/payable to 31/07/2026	Distributions paid to 31/07/2025
Group 1	(p)	(p)	(p)	(p)
Interim	1.4398	-	1.4398	0.1742
Final	0.2011	-	0.2011	0.2193
Group 2	(p)	(p)	(p)	(p)
Interim	1.2923	0.1475	1.4398	0.1742
Final	0.1860	0.0151	0.2011	0.2193

Distribution Tables (continued)

for the year ended 31st May 2026

Corporate shareholder information (unaudited) for all share classes

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend is received as non-taxable income.

Interim - 0.00% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

Final - 100.00% of the dividend is received as non-taxable income.

Final - 0.00% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

General Information

About OEICs

The Scottish Widows Horizon Investment Funds ICVC (the "Company") is an umbrella Open Ended Investment Company ("OEIC"). An OEIC is a collective investment vehicle with variable capital in which your sub-funds are pooled with a portfolio of investments in accordance with its Prospectus and the Collective Investment Schemes Sourcebook (COLL Sourcebook).

Scottish Widows is committed to being a responsible investor on behalf of our customers, with particular focus on Stewardship, Ethical investment and Environmental, Social and Governance (ESG) issues. Our commitment to responsible investment is explained in more detail through this link: www.scottishwidows.co.uk/about_us/responsibleinvestment

It should be remembered that the value of your shares will be affected by fluctuations in the relevant markets and foreign currency exchange rates (where applicable) and may, therefore, go down as well as up. You should view your investment over the medium to long term.

Please contact us on 0345 300 2244 for more information. We may record and monitor calls to help us improve our service.

All sub-funds are classified as non-UCITS retail schemes which comply with the COLL Sourcebook.

The base currency of the Company is Sterling, but a class of shares in respect of any sub-fund may be designated in any currency other than Sterling.

Shares

The Company currently offers two share classes; Class I and Class Z. Each share class has a different ACD fee.

Prices and Dealing Times

The price used for either the purchase or sale of shares is normally the next price calculated after your instructions are received and accepted at our Edinburgh Office. Advisers have no authority to guarantee applications or prices.

Shares may be bought or sold between 9:00am and 5:00pm on Mondays to Fridays inclusive.

Liability

Shareholders are not liable for the debts of the Company.

Prospectus

The Prospectus, which is available from the ACD free of charge, outlines how the Company is managed and gives details of the types of assets in which each sub-fund may invest. The Prospectus and (where applicable) the Instrument of Incorporation have been amended during the year ended 31st May 2026 (as noted on page 2). Full terms and conditions are available from the ACD.

Personal Taxation

Unless your shares are held within an ISA, if you sell your shares or switch your shares to a different sub-fund, this is treated as a disposal for Capital Gains Tax purposes. Tax rules can change. The value to an investor of the tax advantages of an ISA will depend on personal circumstances, which may change.

Shareholders are recommended to consult with their professional tax advisers if they are in any doubt about their position.

Queries

If you have any queries about the operation of your sub-fund you should in the first instance contact the ACD. Please supply details of your holding (including surname, initials and account number).



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