

Schroder Sustainable Global Core PIE Fund

April 2025

Investment Report

April 2025

Schroders

Schroder Sustainable Global Core PIE Fund

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Fund Valuation

Value at 30 Apr 2025

NZD

481,868,349

Performance - Unhedged

Total returns (NZD, %)	1 Month %	3 Months %	6 Months %	CYTD %	1 Year %	SI p.a.* %
Portfolio (Net)	-3.31	-8.93	1.87	-6.37	12.60	20.10
Benchmark^	-3.75	-8.99	1.06	-6.64	11.56	19.11
Excess (Net)	+0.44	+0.06	+0.81	+0.27	+1.04	+0.99

Performance – Hedged

Total returns (NZD, %)	1 Month %	3 Months %	6 Months %	CYTD %	1 Year %	SI p.a.* %
Portfolio (Net)	-0.35	-6.67	0.07	-3.26	10.43	15.61
Benchmark^	-0.43	-6.44	-0.41	-3.22	9.92	15.28
Excess (Net)	+0.08	-0.23	+0.48	-0.04	+0.51	+0.33

Source: Schroders, FundRock as of April 2025. Returns shown net of fees and are calculated by FundRock. Performance shown reflects past performance, which is no guarantee of future results. Current performance may be higher or lower than the performance shown. Principal value and investment returns will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Performance for all periods is shown cumulative. NAV performance may differ from performance calculated at closing market prices. The difference between the portfolio and benchmark returns may not equal stated excess returns due to rounding. Since inception from 30 November 2023. ^Benchmark is the MSCI World ex Tobacco NR NZD for the unhedged and MSCI World ex Tobacco NR NZD Hedged for the hedged. Indices are net dividend reinvested (NDR).

Market review

Global equity markets continued to be volatile in April 2025 as investors scrambled to digest the implications from US trade policy. Market volatility surged following President Trump's "Liberation Day" statement on April 2nd, where he announced higher-than-expected trade tariffs, causing investors to sell equities on fears of inflation, reduced global growth, and a weaker US dollar. This escalated as China responded with reciprocal tariffs, which the US then matched and raised. A subsequent sharp rise in the US 10-year bond yield acted as a circuit-breaker, prompting President Trump to declare a 90-day "cooling off" period for negotiations. This pause led to a positive market response, with significant gains and an easing of extreme volatility, allowing markets to gradually recover previous losses in the following weeks though the backdrop remains defined by uncertainty.

Market reactions varied regionally, causing significant performance dispersion over the month. Further, the US Dollar Index weakened significantly, hitting 20-year lows, providing a tailwind for international markets. US equities lagged behind, despite a late-month recovery, whilst in contrast, developed markets outside the US (considering the MSCI EAFE index), gained more than 4% in USD terms supported by strong showings in Germany and Japan. Emerging markets were also relatively resilient, with the MSCI EM index up more than 1%; countries like Mexico and Brazil benefited from perceived lighter US tariff impacts, while China rebounded later in the month on negotiation hopes and strong Q1 GDP numbers.

Sector performance also saw deviation as investors sought safe havens. Defensive areas generally held up well over the month (e.g. consumer staples and utilities) while gold surged to record highs. Whilst technology stocks rebounded strongly late in the month, economically sensitive areas lagged in this period, with energy falling sharply. Meanwhile, financials saw dispersion with US names seeing a broad sell-off on rising recession probability whilst ex-US financials were resilient.

Fund commentary

The portfolio outperformed its benchmark during a volatile month which saw strong dispersion across sectors and regions. At a high-level, contributions to outperformance were broad based across sectors with few detractors. Our increased focus on defensive positioning over the first quarter contributed during the early month market drawdown, whilst our diversified positioning to higher beta pockets also supported returns as markets staged a recovery in late April.

Defensive exposure was a key tailwind in April. Specifically, overweights to higher quality utilities across North America and Europe, communications (integrated telcos) and health care (equipment & pharma) all supported performance as markets fell. Elsewhere strong stock selection in quality cyclicals was additive, namely within industrials (construction, business services, freight). Partially offsetting this were select names in the banking industry which provided a drag.

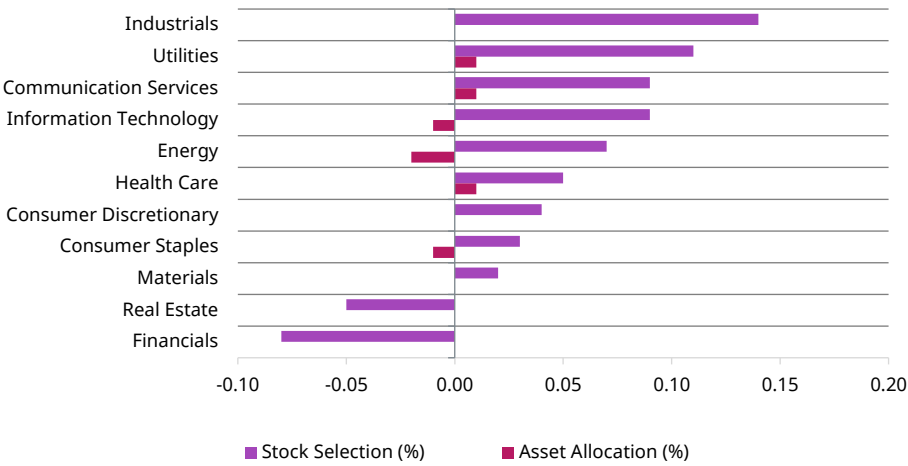
At a high level, the portfolio remains well diversified across stock, geography and sector with a continued focus on companies with solid fundamentals that are not overpriced in line with our underlying investment philosophy. Given the multiple inputs employed within our process, the strategy continues to be exposed to a range of themes and with a broad allocation across our distinct measures of Value & Quality.

At the end of the month, some of the largest overweights in the portfolio were within communications and utilities. We continue to favour securities exhibiting high quality characteristics and at favourable valuations while maintaining diversification across the portfolio. From a regional perspective, the portfolio is overweight Continental Europe, the US and Emerging Markets led by EM Asia allocations. Elsewhere, we are underweight Japan and the UK.

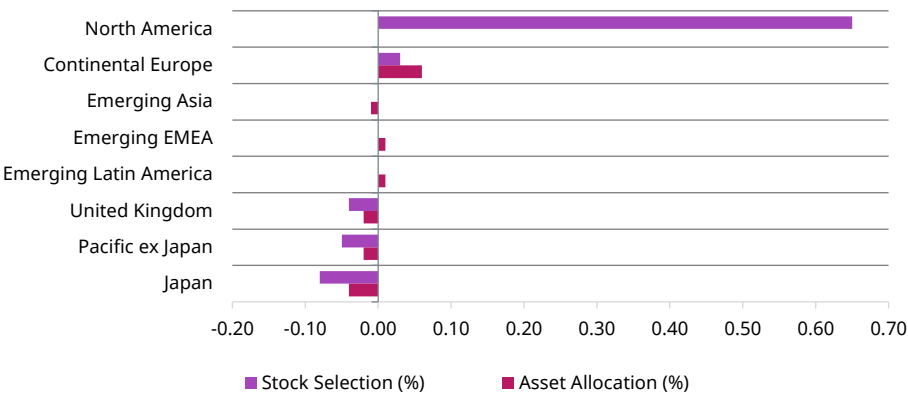
Attribution

Relative Fund Performance vs MSCI World ex Tobacco

Sector
1 month to 30 Apr 2025



Region
1 month to 30 Apr 2025



Source: Schroders & QEP Classifications. Attribution disclaimer: Please note that this data was sourced from Aladdin. Note the data used by Aladdin is un-audited, whereas the data used for actual performance is audited, therefore any subsequent cleaning of data will not be reflected in Aladdin & performance here will not match actual published performance. Data above is indicative only and should not be viewed as a recommendation to buy/sell. Past performance is no guarantee of future results.

Schroder Sustainable Global Core PIE Fund

Top 5

contributors

1 month to 30 Apr 2025

Stock	Contribution %
Loblaw	0.04
Palantir Technologies	0.04
Dollarama	0.04
Mercadolibre	0.03
KPN	0.03

Top 5

detractors

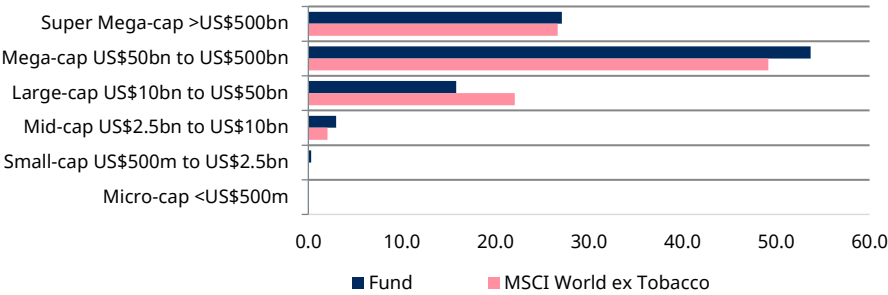
1 month to 30 Apr 2025

Stock	Contribution %
Chevron	-0.04
Shell	-0.03
Commonwealth Bank	-0.03
CBRE	-0.02
Rheinmetall	-0.02

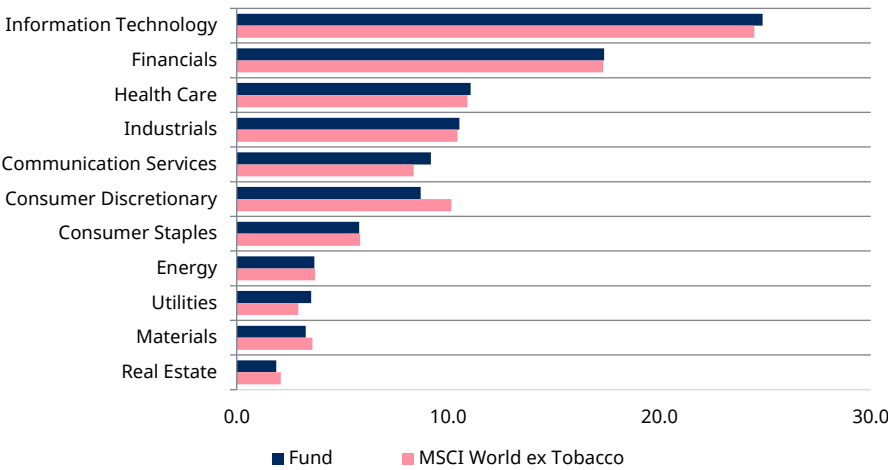
The attribution analysis shown above is intended to provide an indicative summary of the contributions to relative performance. The information is generated using Aladdin, a multi-currency performance analytical system.

Portfolio Analysis

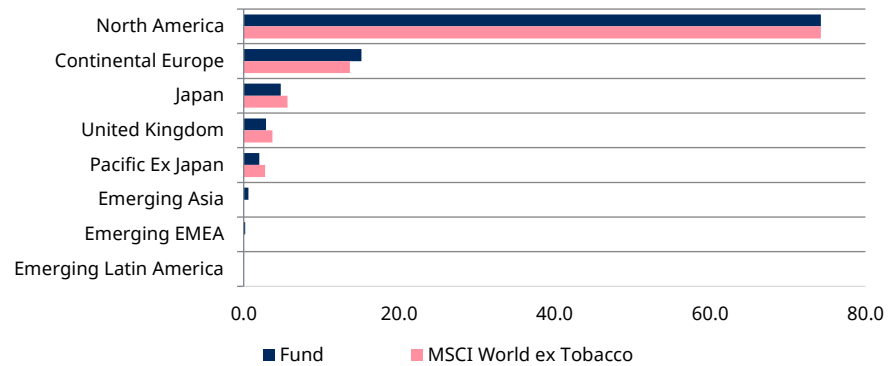
Portfolio Weightings Market Capitalisation (%) at 30 Apr 2025



Sector (%) at 30 Apr 2025



Region (%) at 30 Apr 2025



Source: Schroders & Investment Team Classifications.

Schroder Sustainable Global Core PIE Fund

Portfolio Characteristics at 30 Apr 2025

Characteristics	Fund	Index
Ex-ante Tracking error*	1.0%	-
Active share	28.9%	-
Number of stocks	463	1,347
Dividend Yield	1.8%	1.8%
Price to book	3.7	3.4
Price to earnings	20.5	20.0
Price to free cash flow	26.6	28.6
Return on capital employed	23.1	21.9
Return on equity	25.7	24.5
Operating margin	24.3	23.6
Company market cap (weighted average US\$ mn)	660,001	649,928
Carbon intensity (CO2 t/M\$ sales)	84.3	96.2

Top 5

Overweight positions

30 Apr 2025

Stock	Fund Weight %	Index Weight %	Active Weight %
Boston Scientific	0.63%	0.22%	0.41%
Howmet Aerospace	0.48%	0.08%	0.40%
Iberdrola	0.49%	0.15%	0.34%
Ahold Delhaize	0.37%	0.06%	0.31%
Loblaw	0.34%	0.04%	0.30%

Top 5

Underweight positions

30 Apr 2025

Stock	Fund Weight %	Index Weight %	Active Weight %
GE Aerospace	-	0.32%	-0.32%
Commonwealth Bank	-	0.26%	-0.26%
RTX	-	0.25%	-0.25%
Boeing	-	0.20%	-0.20%
Honeywell	-	0.20%	-0.20%

Source: Schroders & MSCI. *Tracking Error is sourced from Aladdin.

Index: MSCI World ex Tobacco

Notes

Responsible Investment: Schroders Socially Responsible Investment and Corporate Governance policies can be found on our website <http://www.schroders.com/global/about-schroders/corporate-responsibility/responsible-investment/>. We also publish regular articles on Socially Responsible Investing, which can be found on Schroders Talking Point www.schroders.com/talkingpoint.

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