

# Schroder Sustainable Global Core PIE Fund

August 2025

Investment Report

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Schroders

**Schroder Sustainable Global Core PIE Fund**

## **In this report**

Fund Valuation and Performance

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Market and Fund Commentary

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Performance Attribution

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Portfolio Analysis

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## Fund Valuation

Value at 31 August 2025

NZD

669,281,286

## Performance - Unhedged

Total returns (NZD, %)	1 Month %	3 Months %	6 Months %	CYTD %	1 Year %	SI p.a.* %
<b>Portfolio (Net)</b>	<b>+2.49</b>	<b>+10.57</b>	<b>+6.19</b>	<b>+9.16</b>	<b>+24.54</b>	<b>+26.59</b>
Benchmark^	+2.64	+9.73	+5.06	+7.88	+22.50	+25.12
<b>Excess (Net)</b>	<b>-0.15</b>	<b>+0.84</b>	<b>+1.13</b>	<b>+1.28</b>	<b>+2.04</b>	<b>+1.47</b>

## Performance – Hedged

Total returns (NZD, %)	1 Month %	3 Months %	6 Months %	CYTD %	1 Year %	SI p.a.* %
<b>Portfolio (Net)</b>	<b>+1.91</b>	<b>+8.71</b>	<b>+8.70</b>	<b>+11.49</b>	<b>+15.74</b>	<b>+21.94</b>
Benchmark^	+2.00	+7.94	+8.03	+10.60	+14.45	+21.09
<b>Excess (Net)</b>	<b>-0.09</b>	<b>+0.77</b>	<b>+0.67</b>	<b>+0.89</b>	<b>+1.29</b>	<b>+0.85</b>

Source: Schroders, FundRock as of August 2025. Returns shown net of fees, net of tax PIR 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 equities continued to advance in August as investor sentiment remains constructive on a largely favourable corporate earnings season and expectations of a Fed rate cut in September. On the last trading day of the month a US federal appeals court ruled that President Trump overstepped his power in imposing tariffs, creating fresh uncertainty on the topic; the case will likely end up with the US Supreme Court.

Treasury yields moved slightly lower and remain in a fairly tight range while the U.S. dollar gave back some of its recent gains and remains nearly 10% weaker on the year. President Trump's recent attempt to dismiss Fed governor Lisa Cook has placed the sanctity of Fed independence back in the spotlight and could weigh on the longer-term outlook for the greenback. Safe havens such as gold remained firm in August while other base metals also edged higher, in part from enthusiasm over China's anti-involution campaign which is focused on reducing excess supply in certain industries with destructive price competition.

The US continued to move higher in August with mixed performance from the very largest mega cap stocks, underpinning a broader market environment. AI bellwether Nvidia declined modestly on profit taking. Pockets of defensive areas such as health care and telecoms outperformed during the period. Europe and the UK both outperformed the US, advancing over 3% respectively. Defensive sectors in the UK led the way, with health care, staples and telecoms outpacing the market. Elsewhere, Japanese stocks broke out of a period of malaise, rising nearly 7%. Autos and financials rallied as the Yen strengthened modestly but largely remained rangebound.

Emerging market equities also moved higher in August, with wide dispersion across countries. The index rose 1.3% in USD terms, supported by gains in China (+5%) and Brazil (+10%). The remaining big EM Asian markets all declined during the month, with Taiwan, Korea and India all moving lower. South Africa was another bright spot, buoyed by strong performance from the gold miners. The AI theme took a pause and digested a strong period of outperformance; TSMC fell slightly during the period.

## Fund commentary

The portfolio slightly lagged the index in August as the market continued to edge higher on expectations of a Fed rate cut in September. The strategy remains well ahead on a year-to-date basis. While the US market advanced on the month, it lagged relative to the broader developed markets.

At the portfolio level, positioning in developed Asia added value on the margin while the US modestly detracted. Stock selection in health care and industrials (US defence & aerospace) was a slight headwind during the period.

Positioning in materials and communication services added value led by positive stock selection in Japanese metal refining, construction materials and online services (US, China).

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.

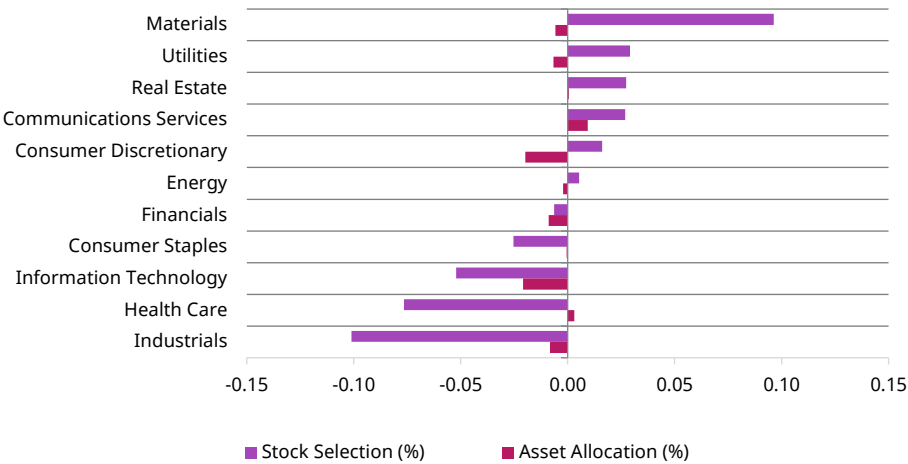
At the end of the month, some of the largest overweights in the portfolio were within technology and communications, driven by higher than index exposure to application software and telecoms respectively. We continue to favour securities exhibiting high quality characteristics and at favourable valuations while maintaining diversification across the portfolio.

From a regional perspective, the portfolio is overweight the US and Emerging Markets led by EM Asia allocations. Elsewhere, we are underweight Continental Europe, Japan and the UK.

# Attribution

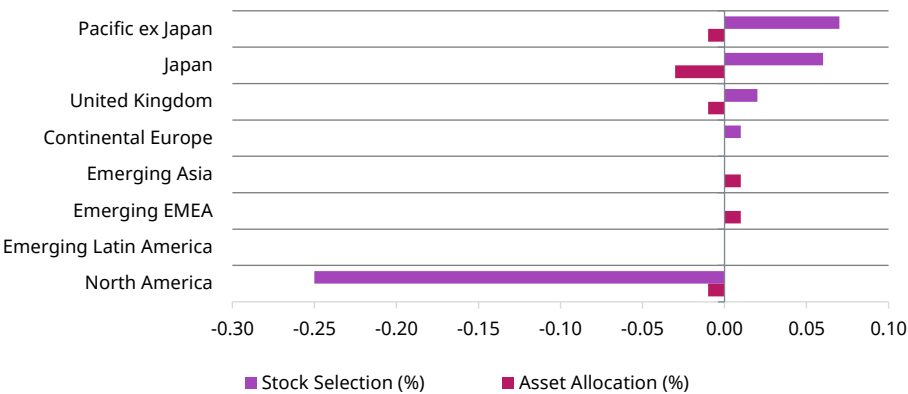
Relative Fund Performance vs  
MSCI World ex Tobacco  
Sector

1 month to 31 Aug 2025



## Region

1 month to 31 Aug 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 31 Aug 2025

Stock	Contribution %
Mitsui Mining	0.04
Fujikura	0.03
CRH	0.02
Hochtief	0.02
Gold Fields	0.02

## Top 5

### detractors

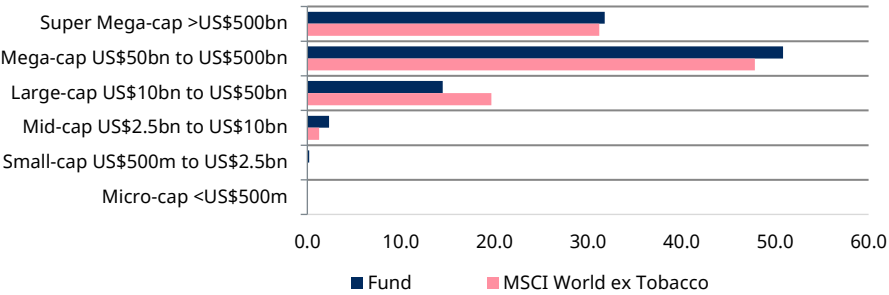
1 month to 31 Aug 2025

Stock	Contribution %
The Trade Desk	-0.04
Transdigm	-0.04
Softbank Group	-0.04
Hitachi	-0.02
Hims & Hers Health	-0.02

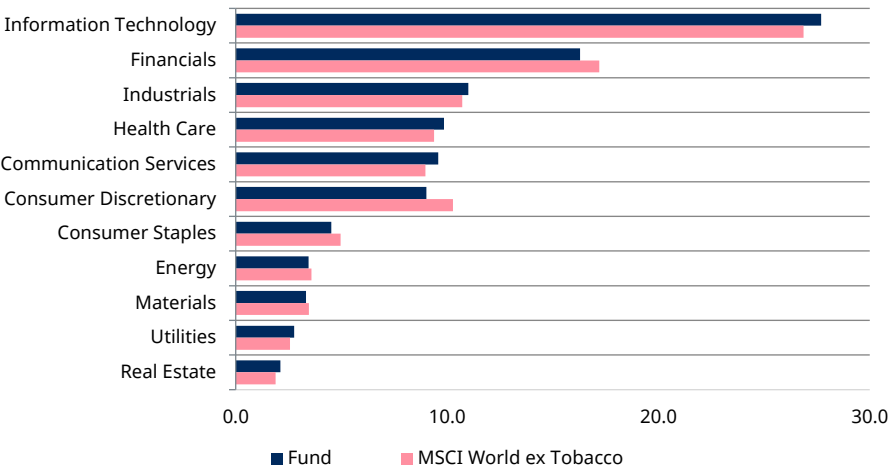
The attribution analysis shown above is intended to provide an indicative summary of the contributions to relative performance. The information is generated using Aladdin, a multi-currency performance analytical system.

# Portfolio Analysis

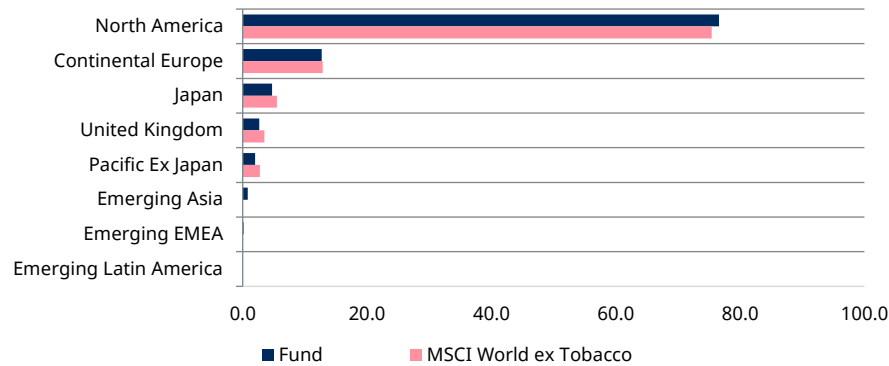
## Portfolio Weightings Market Capitalisation (%) at 31 Aug 2025



## Sector (%) at 31 Aug 2025



## Region (%) at 31 Aug 2025



Source: Schroders & Investment Team Classifications.



# Schroder Sustainable Global Core PIE Fund

## Portfolio Characteristics at 31 Aug 2025

Characteristics	Fund	Index
Ex-ante Tracking error*	0.9%	-
Active share	25.0%	-
Number of stocks	500	1,315
Dividend Yield	1.5%	1.6%
Price to book	4.3	3.8
Price to earnings	23.1	22.5
Price to free cash flow	32.6	33.2
Return on capital employed	23.6	22.3
Return on equity	26.4	25.1
Operating margin	25.6	25.0
Company market cap (weighted average US\$ mn)	919,324	909,228
Carbon intensity (CO2 t/M\$ sales)	82.1	94.0

## Top 5

### Overweight positions

31 Aug 2025

Stock	Fund Weight %	Index Weight %	Active Weight %
Boston Scientific	0.59%	0.20%	0.39%
Howmet Aerospace	0.37%	0.09%	0.29%
Welltower	0.40%	0.14%	0.26%
CBRE	0.32%	0.06%	0.26%
KPN	0.28%	0.02%	0.25%

## Top 5

### Underweight positions

31 Aug 2025

Stock	Fund Weight %	Index Weight %	Active Weight %
Commonwealth Bank	-	0.24%	-0.24%
Boeing	-	0.23%	-0.23%
Honeywell	-	0.18%	-0.18%
Airbus	-	0.16%	-0.16%
Softbank Group	-	0.14%	-0.14%

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](http://www.schroders.com/talkingpoint).

## Important Information

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