

Schroder Sustainable Global Core PIE Fund

October 2025

Investment Report

October/2025

Schroders

Schroder Sustainable Global Core PIE Fund

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Performance - Unhedged

Total returns (NZD, %)	1 Month %	3 Months %	6 Months %	CYTD %	1 Year %	SI p.a.* %
Portfolio (Net)	3.90	12.00	27.41	19.29	29.78	29.90
Benchmark^	3.50	11.47	25.48	17.15	26.81	28.10
Excess (Net)	+0.40	+0.53	+1.93	+2.14	+2.97	+1.80

Performance – Hedged

Total returns (NZD, %)	1 Month %	3 Months %	6 Months %	CYTD %	1 Year %	SI p.a.* %
Portfolio (Net)	2.91	8.45	22.64	18.65	22.72	23.80
Benchmark^	2.58	8.05	21.06	17.16	20.56	22.73
Excess (Net)	+0.33	+0.40	+1.58	+1.49	+2.16	+1.07

Source: Schroders, FundRock as of October 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 equity markets continued their upward march in October, supported by a combination of easing trade tensions, strong earnings, and continued AI-driven leadership. Volatility moderated after a brief spike mid-month, with risk appetite holding steady despite lingering concerns around valuations and policy direction. The market narrative continued to favour cyclical recovery, underpinned by stable macro data and supportive policy signals.

The Federal Reserve delivered a widely expected 25 basis-point rate cut in the final week of October although Chair Jerome Powell's relatively hawkish comments in the post-FOMC press conference quickly reduced expectations for a further easing in December. However, a de-escalation in trade tensions between the US and China also helped restore market confidence.

Rising equity markets were led once again by large-cap U.S. Technology names, particularly those exposed to AI and data infrastructure. Several mega-cap stocks reached new all-time highs, helping the broader indices grind higher. Consequently, October showed little sign of rotation, with cyclical and value-oriented sectors such as Materials, Energy, and Financials underperforming the wider market. Small cap equities represented by the Russell 2000 —also participated more meaningfully in the rally, though still maintaining the performance gap with their large-cap peers.

Developed markets outside the U.S. posted positive returns in USD terms. European equities saw modest gains, supported by resilient earnings and improving sentiment around global trade. The UK performed relatively well, driven by strength in commodity-linked sectors and a tailwind from a weaker pound. Japanese equities also delivered strong returns, with yen depreciation providing a boost to exporters. Policy support and continued improvements in shareholder engagement remained key drivers of Japanese equity flows.

Emerging markets delivered mixed performance. The MSCI Emerging Markets Index rose modestly in USD terms, supported by strength in select Asian markets tied to Technology and commodity exports. Chinese equities stabilised after a challenging run, aided by incremental stimulus measures and stronger external demand. Indian equities maintained their positive trend, bolstered by solid macro data and robust earnings. However, returns across Latin America and EMEA were more uneven, with political and currency-related volatility weighing on performance in several markets.

Fund commentary

The Global Core strategy outperformed in October, adding to the solid gains posted earlier in the year. Contributions were seen across a range of sectors and regions but were particularly strong in quality cyclical and attractively valued structural growth stocks.

Stock selection in Industrials was a key contributor with positioning across Manufacturing and Defence and Aerospace providing a tailwind. Holdings within Technology across a range of industries (Semis, Application Software, Hardware) also contributed whilst a lower exposure to the Consumer Staples sector provided further contributions to relative performance as the sector continued its malaise through October. Consumer Staple stocks have been the weakest performers over the year so far. Detractors were limited but mostly focused within our holdings in Communications from the more defensive names within Telcos.

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.

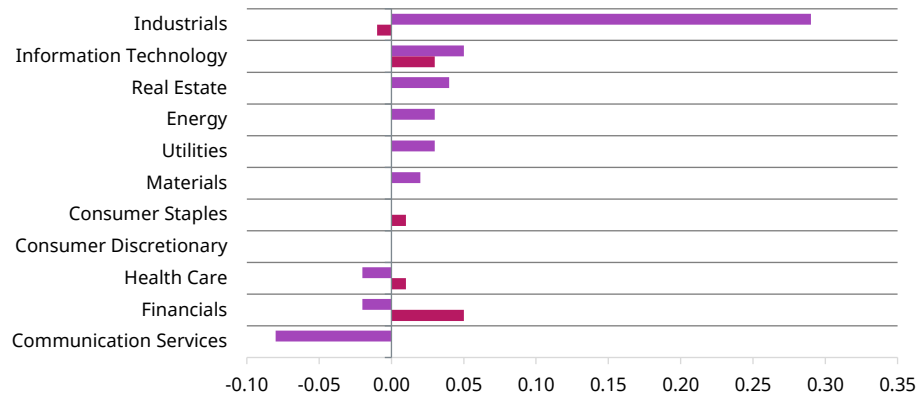
At the end of the month, some of the largest overweights in the portfolio were within Industrials and Health Care, driven by higher than index exposure to Manufacturing and Health Providers respectively. Conversely, the key underweights in the strategy remain within Consumer Discretionary and Financials, with a more modest underweight within Staples where we are highly selective in our exposure.

From a regional perspective, the portfolio is overweight North America and Emerging Markets. Elsewhere, we are underweight Continental Europe, Japan and the UK.

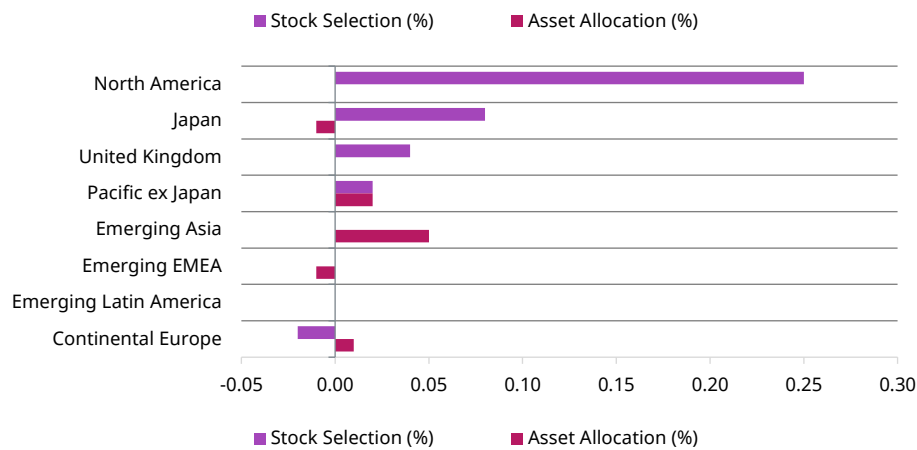
Attribution

Relative Fund Performance vs
MSCI World ex Tobacco

Sector
1 month to 31 Oct 2025



Region
1 month to 31 Oct 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 Oct 2025

Stock	Contribution %
HD Hyundai Electric	0.06
Fujikura	0.05
Cardinal Health	0.03
Hitachi	0.03
ATI	0.03

Top 5

detractors

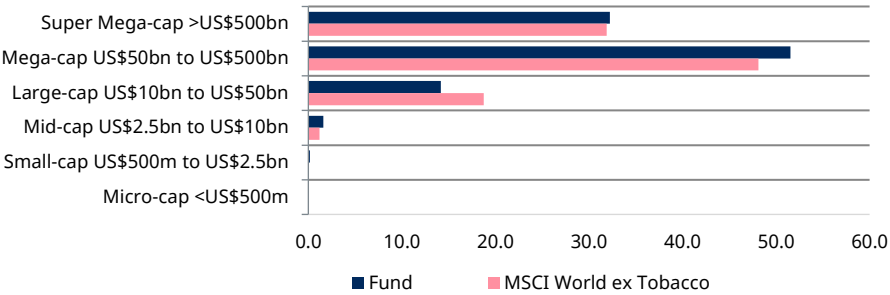
1 month to 31 Oct 2025

Stock	Contribution %
SoftBank	-0.04
Xiaomi	-0.03
Deutsche Telekom	-0.02
Cintas	-0.02
AutoZone	-0.01

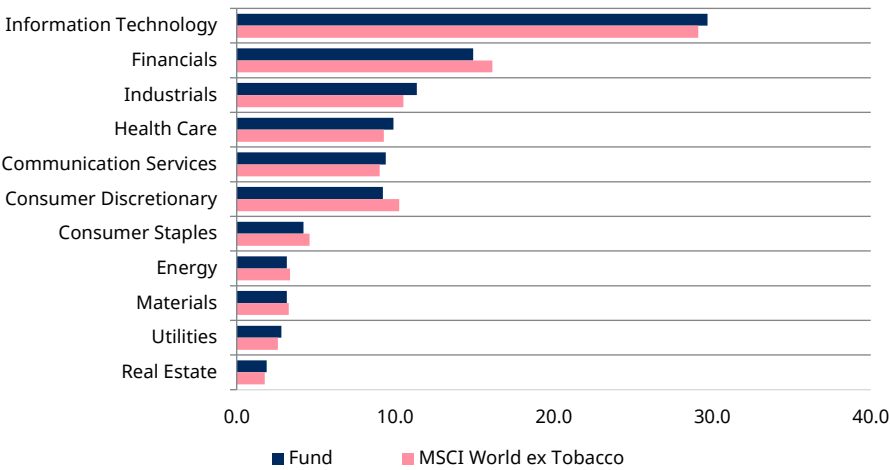
The attribution analysis shown above is intended to provide an indicative summary of the contributions to relative performance. The information is generated using Aladdin, a multi-currency performance analytical system.

Portfolio Analysis

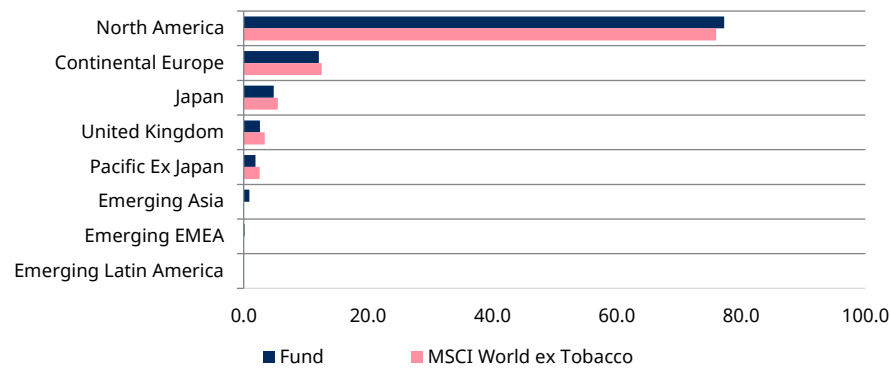
Portfolio Weightings Market Capitalisation (%) at 31 Oct 2025



Sector (%) at 31 Oct 2025



Region (%) at 31 Oct 2025



Source: Schroders & Investment Team Classifications.

Schroder Sustainable Global Core PIE Fund

Portfolio Characteristics at 31 Oct 2025

Characteristics	Fund	Index
Ex-ante Tracking error*	0.9%	-
Active share	22.9%	-
Number of stocks	498	1,316
Dividend Yield	1.4%	1.5%
Price to book	4.6	4.0
Price to earnings	24.5	23.6
Price to free cash flow	34.7	34.3
Return on capital employed	24.0	22.8
Return on equity	26.8	25.7
Operating margin	25.7	25.3
Company market cap (weighted average US\$ mn)	1,079,584	1,087,949
Carbon intensity (CO2 t/M\$ sales)	78.3	90.5

Top 5

Overweight positions

31 Oct 2025

Stock	Fund Weight %	Index Weight %	Active Weight %
Boston Scientific	0.57%	0.18%	0.39%
Howmet Aerospace	0.39%	0.10%	0.29%
Italgas	0.26%	-	0.26%
Welltower	0.38%	0.15%	0.23%
CBRE	0.29%	0.06%	0.23%

Top 5

Underweight positions

31 Oct 2025

Stock	Fund Weight %	Index Weight %	Active Weight %
CommBank	-	0.23%	-0.23%
Boeing	-	0.19%	-0.19%
SoftBank	0.04%	0.21%	-0.16%
Honeywell	-	0.16%	-0.16%
Richemont	-	0.13%	-0.13%

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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